

Exclusive content on audio and media streaming services: an empirical study in the Italian market.

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EXECUTIVE SUMMARY

The following treatise aims to make an illustration of exclusive content and how it could be included in the offerings of music streaming platforms (DSPs). After providing a general overview of the music industry, secondary research will be used to examine the effects that DSPs have had on the market and consumers. Some music streaming companies have a business model that is not financially successful despite having a lot of room for future expansion. Also, consumers interact with music in a different way than in the past. They sense a gradual decline in the fan-artist relationship and feel less ownership over the product. The purpose of the following dissertation is to provide a potential remedy for the issues raised: exclusive contents. A focus will be made on the Italian market, where consumers would like DSPs to provide premium content created by their favorite artists, access to which is restricted to the additional payment of a monthly fee. A solution found by drawing inspiration from the business models of OnlyFans and Tencent Music. The dissertation is supported by a literature review that will examine the situation and define the problem from a managerial point of view. In a second step, qualitative, and quantitative methods, including univariate, bivariate, factor, cluster and conjoint analyses, will be employed to examine the respondents' sample. They will identify the drivers that would push the Italian consumer to take advantage of exclusive content on DSPs. Finally, an attempt will be made to identify the targeted consumer involved in the new offer. As a result, a DSP in Italy should offer exclusive contents, such as fan tickets, unreleased music, live streaming, exclusive interviews and direct chat. A content portfolio that will result in being attractive for the consumer who generally shows interest in the music streaming platforms' catalog and new features.

INTRODUCTION

“Streaming grows up and puts music back on path to growth after decades of disruption” (Yang, 2016). According to the Goldman Sachs report, the music industry is expected to grow over \$100 billion by 2030 (Lisa Yang, 2022), due to the impact generated by music streaming platforms (or DSPs).

DSPs provide access to large audio catalogs in several markets, developed and emerging, bringing advantages to different actors present in the music distribution chain. However, there are drawbacks to every innovation.

Some DSPs suffer from a “scissor effect”, meaning that the more revenues grow, the more expensive it is to sustain the business.

Furthermore, consumers do not perceive possession on music anymore: they subscribe to music streaming platforms just to access catalogs, and there is no obligation for DSPs to keep running the service. As a result, they are terrified of losing everything since their music is directly owned by the provider.

Finally, the customer segment called “fans” – those artists’ supporters who make financial and promotion efforts to help their idol gain popularity – are those most disadvantaged. Surprisingly, DSPs are contributing to making music more popular and the relationship between fan and artist less enduring.

For these reasons, an empirical study on exclusive contents in the Italian market will be conducted. Taking inspiration from OnlyFans’ and Tencent’s business models, music streaming platforms might start offering exclusive contents to subscribers: such a business model evolution would, therefore, exclude non-subscribers from the new benefits. Only fans would be able to access new contents from their idols, such as unreleased music or exclusive interviews.

The tested concept might be a solution to the DSPs’ negative financial situation in the long run, by adding a new revenue source. Moreover, exclusive contents might reinforce the

concept of psychological ownership and the fan-artist relationship in the digital environment when talking about music streaming platforms (Danckwerts & Kenning, 2019).

Keeping in mind the study concept, a literature review will explore the music streaming platforms' current business model and analyze the concept of exclusive contents. Music reports signed by Goldman Sachs (Yang et al., 2022), and DSPs psychological studies made by Sinclair and Tinson (2016) and Danckwerts and Kenning (2019) will be taken in consideration to structure the first and second chapters.

The following research questions will be attempted to be answered using quantitative and qualitative methods, including focus groups and semi-structured interviews, in the third:

- Which factors would induce the Italian consumer to subscribe to access exclusive contents on DSPs?
- Which is the targeted persona that would be involved in the new offer?

The quantitative approach will make use of univariate and bivariate analyses to provide a complete examination of the respondents' sample.

Advanced statistical approaches, such as factor, cluster, and conjoint analysis, will be conducted in the fourth chapter to pinpoint more precisely which kinds of exclusive contents respondents are interested in, as well as to learn more about the types of consumers drawn to the final offer.

Finally, the last chapter will design the main conclusions regarding managerial implications, study limitations, and further research suggestions that might be taken into account about this topic.

1. MUSIC STREAMING SECTOR: GLOBAL AND ITALIAN MARKET ANALYSIS

1.1 MUSIC STREAMING SECTOR: GLOBAL OVERVIEW

Music streaming platforms allow users to directly listen and play audio content, without requiring them to download files from the internet (Aguiar, 2015). They are a web-based service that delivers audio files in small data amounts and enables the uninterrupted playing of specific content (Harris, 2021), such as music, podcasts, and voice-overs.

The rise of streaming completely changed the music sector, which had been suffering from consistent earnings decrease for almost two decades, until 2015. Therefore, streaming platforms such as Spotify, Apple Music, and Tidal, were able to fight against illegal consumption, offering users the possibility to access music instead of owning it (Yang, 2016). Hence, clients are currently able to enjoy a comprehensive music catalog and find albums and songs more suitable for their tastes. And all the streaming benefits come with small disadvantages for the user: being subject to advertising or paying a small monthly fee (Lin, 2019).

Therefore, now music is accessible by everyone, becoming more and more a mass product: on one hand, streaming breakthrough innovation has been able to change the declining business model of digital music sales into a new revenue generator flux, bringing the music industry to an expected growth over \$100 billion by 2030 (Lisa Yang, 2022). On the other hand, the concept of premium and exclusivity in music is now disappearing (Danckwerts & Kenning, 2019).

1.1.1 GLOBAL PRESENCE

Among the factors that contributed to the widespread use of streaming platforms, the arrival of ICTs and the Internet must be mentioned (Simon, 2019). As stated in the CITI report (2018), firstly, Internet destroyed the music industry due to an increase in piracy consumption, but smartphones and new tech devices impacted the entire sector positively.

Therefore, streaming platform diffusion is increasing with the increase of smartphones possession.

Besides this, even the COVID-19 pandemic accelerated the trend of music digitalization, bringing benefits mostly for music streaming platforms (Denk et al., 2022). As a result, digital service providers (DSPs¹) are spread globally, being available in different markets, both developed and emerging.

According to Simon (2019), streaming platforms differ not only in catalog breadth and user access price, but also in their business models, which attempt to reflect the cultural and social habits of the location.

1.1.1.1 DSP IN EMERGING MARKETS

Before DSPs, record industry was targeting only the most economically healthy markets. Nowadays, the current music business model aims to monetize on bigger audiences thanks to streaming, independently of their pre-capita GDP (Mulligan, 2021). However, music actors had to change the way they operated in emerging markets (EMs), to be coherent with the cultural and social practices of these areas.

As stated in the report published by Goldman Sachs (Lisa Yang et al., 2022), emerging markets are still below the investment S-curve; more time is needed before this geographical segment becomes profitable. However, the potential is remarkable: just considering China, still defined as an EM, it jumped from the 12th to the 6th largest music market in 2021 (IFPI, 2021).

In particular, the report focuses on the penetration of payers music users, which might reach 14% in 2030. And considering the volume of people inhabiting these areas, the amount of revenue generated is extremely attractive.

The most complex obstacle to deal with is the willingness to pay: IFPI stated that the monthly expenditure on recorded music products is \$1 in EMs, compared to \$15 in DMs

¹ Digital service Providers are platforms that enable users to stream music and video contents, whenever and wherever the user is (Poow, 2020).

(IFPI, 2016). In addition, music piracy is extremely common and spread in these areas: only in India, the index lies at 68% of illegal consumption (IMI, 2022).

The goal of DSPs is to attract a consumer with a free subscription and then convert them to a premium subscription while keeping in mind their low willingness to pay.

In a nutshell, streaming companies should propose a high quality service, guaranteeing a free entry tier. Secondly, induce them into becoming subscribers by setting the prices to reflect the country's GDP (Yang, 2016).

1.1.1.2 DSP IN DEVELOPED MARKETS

Growth opportunities are identified even in developed countries (DMs). As stated in the report published by Goldman Sachs (Lisa Yang et al., 2022), developed markets are almost going to top the investment S-curve positively.

Globally, paid subscribers totaled 616.2 millions, representing nearly 10% penetration of all smartphone users (Lisa Yang et al., 2022) (Stassen, 2022). Whereas the market should reach 53% penetration in DMs, indicating a possible maturation by the end of 2030 (Lisa Yang, 2022). The great adoption was not to be expected before: COVID-19 positively contributed to achieving these results (Janis Denk et al., 2021).

In terms of market composition, DMs users spend more money on music on a monthly basis, at 15\$ per month, than EMs users. This means that DSP may be able to monetize them better. In order to induce new customers to get into DSP, companies usually propose free or reduced price discounts for a limited time and then charge different subscription price tiers according to the users' preferences, once the trial period is expired (Yang, 2016).

Finally, music piracy has been greatly reduced in DMs countries as shown in *image 1* in the appendix A section (Stassen, 2022).

1.1.2 MAIN PLAYERS AND BUSINESS MODELS

DSPs differ according to subscription types; audio quality; catalog breath; and exclusive functions (Simon, 2019). What is common between them is the age target: as stated in the report published by Goldman Sachs (Lisa Yang et al., 2022), Generation Z and Millennials are the ideal clusters for streaming platforms.

In particular, people aged between 16 and 24 are more likely to stream twice as often as the average population (IFPI, 2021). Only in the United Kingdom do 16-24-year-olds account for 65% of in-age paying users, while 35-44-year-olds account for 45%. The older generation lies at less than 35% on average, which means that streaming platforms might have a huge potential with this age cluster, which sometimes coincides with the higher-spending class (Lisa Yang et al., 2022).

The reason why DSP attracted the younger generation lies in their habits: younger people actually enjoy listening to music in their spare time or during their daily activities such as working or studying (Yang, 2016). Furthermore, they are digital natives (Purnell, 2020): they are more willing to embrace digital innovations, particularly when they are easily accessible on any device (Yang, 2016), as DSP are.

For these reasons, this section will delve into the main players present in the market, selected according to their market share and differences.

1.1.2.1 SPOTIFY

Spotify is currently the main player in the music streaming sector, operating in more than 180 countries (Spotify, 2022). Starting from its market share, which lies at 31%, it boasts 456 million users, of whom 195 million are payers (SXMBusiness, 2021). Its audience consists of 55% of people under 35 years old.

Spotify generates revenues thanks to two major cash streams:

- **Advertisements:** when this subscription form is chosen, users enjoy the full music catalog. However, not all the platform features are available, and, during the listening

session, users are interrupted by audio and visual ads that compensate their usage (Pereira, 2022).

- Premium subscription: users might choose to subscribe to Spotify, paying a monthly fee to unlock all the features. In this scenario, listeners contribute with a periodic payment, ranging from \$4.99 to \$15.99 (Spotify, 2022), which depends on the subscription plan chosen, to fully enjoy the entire music catalog without ads. Along with this, a premium subscription offers the possibility to stream in high quality and listen to tracks offline (Pereira, 2022).

Spotify is challenging its competitors by offering more than 82 million tracks and podcasts to stream, making it one of the DSPs with the largest catalog present in the market. Speaking of audio quality, for the moment, Spotify is not offering hi-fi lossless reproduction: the audio experience is not excellent, especially for audiophiles. However, the presence of lyrics and one of the most reliable algorithms in terms of listening discovery currently make Spotify the largest DSP (Marin Milkovic, 2020).

The objective of Spotify, as it might be for all its competitors, is to gain scalability and accessibility: the service is usable by any tech device, such as smartphones, tablets, personal computers, cars, TVs, and games consoles (Spotify, 2022). Indeed, the major DSP is suffering from a continuous condition of non profitability (Marin Milkovic, 2020): most streaming platforms suffer from a “scissor effect”, meaning that the more revenues are growing, the more expensive it is to sustain the business (Simon, 2019). In other words, one of the largest costs that DSPs have to deal with are royalties: for each stream that meets specific conditions, Spotify and its competitors must recognize a payment to different music actors as the main artist and label. However, since the user is allowed to unlimitedly stream music, some of them might economically cost more than the monthly fee they are paying (Marin Milkovic, 2020).

Furthermore, along with royalties fees, Spotify has to take care of other costs such as physical structure and facilities, copyright, employee salaries, business division research costs, and service maintenance (Pereira, 2022).

As a result, Spotify has suffered from a relevant net loss in the past few years, as shown in *image 2* in the appendix A section (MacroTrends, 2022).

1.1.2.2 APPLE MUSIC

Apple Music, one of Spotify's fiercest competitors, is the popular music streaming platform signed by Apple. Operating in 167 countries (Apple, 2022), it has a 15% market share (SXMBusiness, 2021): it is the first music streaming player in the US, and it accounts for 88 million of paying users worldwide (Curry, 2023). Its main target audience is mainly composed of 25-34-year-olds listeners, accounting for 23% of the entire user basin (Wise, 2022).

Unfortunately, Apple Music is a service offered by a tech giant that is not revealing all the detailed financial results related to its products: hence, it is tough to design a detailed accounting overview on it. Moreover, experts claimed that Apple Music is not the main revenue generator for Apple, which is basically a hardware company and makes money selling devices (Simon, 2019). Thus, Apple's content services are currently generating low revenues.

Apple Music revenues are mainly coming from a premium subscription that ranges from \$4.99 to \$16.99 per month (Apple, 2022); the payments are issued after a 30-day free trial. Therefore, unlike Spotify, the app is currently ad-free.

When it comes to costs, Apple Music business expenses are cushioned among the entire company's divisions (Curry, 2023): music royalties related to streams are the most relevant charge to deal with. However, unlike independent music streaming platforms such as Spotify, Apple Music has greater bargaining power and obtain better contractual terms for royalties (Simon, 2019).

Finally, Apple Music has a 90 million-tracks and podcasts catalog that can be streamed in high-quality resolution: users listen to music in lossless mode for the same price as Spotify (Apple, 2022). Users can consult lyrics, official videos, interviews, radios, and do karaoke. What is missing is a reliable algorithm: unfortunately, it is not so precise in understanding the consumers' tastes and listening mood (Curry, 2023).

1.1.2.3 AMAZON MUSIC

Amazon Music is the DSP available in more than 50 countries, offered by the main e-commerce platform: Amazon. Its market share lies at 13%, and 68 million users are estimated to rely on this service (Verge, 2022). Most of the user base is composed of listeners younger than 39 years old (SXMBusiness, 2021).

As for Apple Music, Amazon Music is not the main revenue source for the parent company; however, it offers a great amount of user data, such as listening habits, tastes, analytics, that are useful to build more advanced tech products (Prey, 2021).

Amazon Music is accessible, relying on two different subscription models:

- Amazon Music Prime: it is included in the overall Amazon service package called Prime, which has a US cost of \$139 per year. Users choosing Amazon Prime enjoy free and daily shipping, a video streaming service, cloud storage and even access to Amazon Music. In the latter, listeners can stream more than 100 million tracks and podcasts on shuffle reproduction. No ad is shown to users, even though they are not able to always replay music offline (Susic, 2022). Talking about quality, high definition and ultra-definition streaming are not available for the current subscription tier.
- Amazon Music Unlimited: by opting for this subscription model, users are charged \$8.99 per month more if they are Prime clients. Otherwise, the service is accessible by paying a range from \$4.99 to \$16.99 per month, issued after a 30-day free trial (Amazon, 2022). The differences from the first subscription tier are better audio quality and no streaming limits.

1.1.2.4 TENCENT MUSIC

Tencent Music (TME) is dominating the Chinese music streaming market by offering three different platforms: Kuwo, KuGou and QQ Music. By doing so, it gained a local penetration of 88% (Peckham, 2018), 85 million payers (Stassen, 2022), and a market penetration of 13% worldwide (SXMBusiness, 2021). Finally, users can stream more than 60 million songs in high quality.

Differently from its competitors, TME achieved sane growth and profitability, despite the same royalty conditions that all the DSPs have to deal with (Simon, 2019).

The business model is slightly different from Spotify since it tries to offer a unique and complete music experience: an ecosystem where people can enjoy, share and engage (Simon, 2019). In fact, TME is not only a pure streaming platform: it is offering a variety of apps allowing users to watch live performances, play karaoke, buy virtual gifts for artists and interact directly with musicians (Simon, 2019). The idea is to tap into the emotional sides of fans and monetize the appreciation they prove towards their idols (Simon, 2019); as a result, 70.4% of TME revenues comes from virtual gifts sent by users to their favorite artists (Simon, 2019).

To gain such a profitability, scalability is needed to reduce costs: all the different platforms, each born with a specific functionality, are perfectly integrated and they guarantee a seamless customer journey.

Another factor to keep under consideration is the Chinese music market structure, which is extremely fragmented in terms of actors. Moreover, users are heavily listening to local music catalogs coming from independent artists, which allows TME to not strongly depend on the major labels, which propose more expensive royalties conditions (Simon, 2019).

Hence, adding other revenue sources along with subscription services is one of the few ways possible to make a DSP profitable. As a result, TME gained \$1.19 billion in revenues and \$91 million in net profit in 2021 (TME, 2022).

1.1.2.5 OTHER ACTORS

Other DSPs are present in the market: YouTube Music is a considerable example since it gained 8% of global market share, proposing a similar Spotify's business model. The 20% market share left after the analysis is composed of several minor actors, such as Deezer or Tidal. Due to their small dimensions, they will not be counted in this analysis.

1.1.3 IMPACT ON THE MUSIC INDUSTRY AND FUTURE PROSPECTS

DSPs have led to advantages and disadvantages for stakeholders operating in the music industry.

The first actor to take into account is the artist, who might enjoy relative benefits according to their popularity level.

An emerging artist might benefit from the DSP audience and algorithm (Mark Bender et al., 2020): when users are in shuffle mode, streaming platforms list a set of songs in queue that reflect the consumers' tastes and not the artist's popularity. The objective for a DSP, in this case, is to keep the user listening to gain more taste data to improve their suggestion algorithm (Hesmondhalgh, 2021). As a result, an independent or emerging artist might reach a greater number of potential listeners than digital stores did before (Mark Bender, 2020).

On the other hand, an established artist might numerically reinforce the fan base and enjoy better contractual conditions with DSP due to their greater bargaining power (Lisa Yang, 2022).

Specifically, the greatest disadvantage for an artist is the royalties recognized by the DSP: Spotify pays \$0.04 per 10 streams (Mark Bender, 2020), an amount that will be further shared by all the actors engaged in the music creation and distribution process as songwriters or labels (Patrik Åker et al., 2018). As a consequence, live music might become the main revenue source for artists, compensating for the low earnings coming from streaming royalties (IFPI, Global Music Report, 2021).

Furthermore, music production has increased due to the possibility of being exposed to a large potential audience: more and more new artists are trying to be noticed in the market

(Lisa Yang, 2022). On one hand, reaching popularity has become less complex. Maintaining the same level of fame, however, is more difficult due to greater competition.

Record labels are the second main actor involved in the rise of music streaming, which benefits from a growing market expansion until 2030 (Lisa Yang, 2022). Additionally, since manufacturing, distribution and inventory are removed in the digital process, labels gain higher margins (Lisa Yang, 2022). Finally, considering major labels (UMI, Sony, and WMG), they increased their market share in 2021 (Lisa Yang, 2022). However, independent labels seem to be a threat for majors due to increased music activity by emerging artists (Lisa Yang, 2022): the former might acquire a bigger market share in the future, but it is unlikely they would become a dominant player. In order to contain such a hazard, major labels are now focusing more on promoting local artists, which is the main product for independent labels. As a result, this strategy seems to be more efficient since they now focus more on the targeted area and allow different new genres to emerge (IFPI, Global Music Report, 2021).

Secondly, DSPs are a potential threat: streaming companies could replace labels and be more vertically integrated (Simon, 2019).

The list of intermediaries that are involved in the music distribution industry is quite large: each of them benefits from streaming platforms to a greater or lesser extent (Yang, 2016). For instance, songwriters, publishers, and distributors are enjoying higher earnings than before (Yang, 2016).

A different case should be made for terrestrial radios and digital sales, which are currently suffering (IFPI, Global Music Report, 2021): users create a music catalog based on their preferences and listen to it anywhere, including cars. As a consequence, radios are losing popularity, and maybe a business model change is required for them. Finally, consumers find it more advantageous to pay a small monthly fee to access a full catalog instead of buying digitally (Minhyung Lee et al., 2020).

1.2 MUSIC STREAMING SECTOR: OVERVIEW IN THE ITALIAN MARKET

The Italian market has been a critical area for the music industry, before the advent of streaming (Massa, 2021). Specifically, Italy is currently the tenth biggest market worldwide, an event that has not happened since 2016 (IFPI, Global Music Report, 2021): currently, the market is profitable and enjoys good financial health.

Streaming positively impacted the Italian performance: the digital market expenditures on media have been growing steadily since 2018 (Osservatorio Digital Content, 2021) and currently lie at €241 million for audio, music, and podcast contents. As a result, the market showed a 27.8% growth rate in 2021 and generated revenues of €332 million (IFPI, Global Music Report, 2021).

The sources of revenues are mainly towed by streaming (62.8%) and physical sales (16.6%), which grow by 24.6% and 37.9%, respectively (IFPI, Global Music Report, 2021). A state subsidy to encourage young people to buy music products such as CDs, vinyl, and music tapes explains the relevant increase in physical sales (FIMI, 2021).

Focusing on streaming, the Italian target audience streams more than 1 billion times per week and on average spends 19 weekly hours listening to music (IFPI, Engaging with Music, 2021). Streaming sales are towed by 45% of premium subscriptions, which increases to 57% among teenagers (16-24 years old) (IFPI, Engaging with Music, 2021). As a result of a research study promoted by Il Sole 24 Ore (2020), the majority of youngsters are listening to music, relying on streaming platforms such as Spotify and Youtube. Music helps them in studying, working, training and other social activities.

The main streaming platforms chosen by Italians are Amazon Music (57% user share), Spotify (55% user share), Youtube Music (34% user share), and Apple Music (22% user share). These platforms are currently operating in the Italian market with the same value proposition and subscription tiers explained above, which results to be successful for this target because they fulfill the Italians' need to pay a small price for accessing a considerable

music catalog (Statista, 2022). Furthermore, the resolution of illegal downloading, which was resulting in poor audio quality, is another element that pushed users to opt for a DSP (Statista, 2022).

2. DSPs IMPACT ON PSYCHOLOGICAL OWNERSHIP: EXCLUSIVE CONTENTS AS A POSSIBLE SOLUTION

2.1 MUSIC STREAMING PLATFORMS AND PSYCHOLOGICAL OWNERSHIP

The increased digital consumption has had an impact on the concept of psychological ownership: this terminology refers to a situation in which any individual perceives ownership of a material or immaterial product, regardless of legality of possession (Danckwerts & Kenning, 2019). In marketing, this concept assumes a stronger relevance since it influences the perception and behavioral intentions of consumers through satisfaction, loyalty and willingness to pay (Danckwerts & Kenning, 2019).

In the digital environment, users are less motivated to invest a consistent amount of money on virtual products, since they perceive a lower feeling of control over them (Danckwerts & Kenning, 2019). Consequently, it is necessary to understand how DSP dealt with such a problem. Indeed, they are just providing access to music without any legal possession between the product and the users (Danckwerts & Kenning, 2019), which is different from what happened with iTunes (Sinclair & Tinson, 2016).

Sinclair and Tinson (2016) conducted a research on psychological ownership applied to DSPs, which was later best deepened by Danckwerts and Kenning (2019).

The first findings revealed that users prefer DSPs due to their large music selection, portability, and trustworthiness (Sinclair & Tinson, 2016). Despite the fact that it is an intangible service, its accessibility is dependent on tangible supports such as smartphones and digital devices. Users construct a material ownership that is implicitly transferred even on the service on which they rely (Sinclair & Tinson, 2016): there is a close proximity between the client and the service (Danckwerts & Kenning, 2019).

Moreover, psychological ownership depends even on the effort put in by users in the production of music content as playlists (Sinclair & Tinson, 2016). Subscribers invest time and energy in gathering and organizing their music libraries and listening to new music to list their collections (Danckwerts & Kenning, 2019).

However, DSPs are unable to guarantee security: listeners are aware that what is streamed is not actually theirs. Intimately, clients do not feel ownership of the service: because streaming platforms provide access to music through licenseseeing agreements with artists (Danckwerts & Kenning, 2019). There is no obligation for DSPs to provide continuous access to a full catalog. As a result, clients are terrified of losing everything since their music is directly possessed by the provider (Danckwerts & Kenning, 2019).

Furthermore, the lack of social rewards has a negative impact on the concept of psychological ownership (Sinclair & Tinson, 2016): building a music identity to be socially recognized becomes more difficult on streaming platform.

In particular, a person is communicating its social status and identity even through possession (Brown, 2006). As a result, in the context of music, a "fan" is someone who actively supports an artist financially by purchasing albums or concert tickets (Chinedu et al., 2019). Furthermore, a fan advocates for the artist and promotes him/her for free using the most appropriate means of communication, solely to attract new supporters (Chinedu et al., 2019).

Since such a music identity is expressed through financial and communication efforts as stated above, fans feel socially rewarded when other individuals recognize their efforts to be part of a group; hence, being supporters of an artist or a band (Sinclair & Tinson, 2016). Before DSPs, it was harder and more expensive to collect an artist's discography, even though it was more rewarding: the legal possession of music is a symbol to build an image for potential social rewards (Sinclair & Tinson, 2016).

Nowadays, to demonstrate fandom belonging to others is more complicated (Sinclair & Tinson, 2016). Potentially, everybody can gather an entire artist discography with a few clicks and still pay an irrelevant amount of money if they are subscribed to a music

streaming platform. Moreover, becoming a fan is easier due to an algorithm presence that abolishes each research cost that a music lover has to cope with.

DSPs have further made music a mass product, to the disadvantage of those who wanted to be part of an elite, as fans might be.

2.2 MARKETING STRATEGIES TO AVOID NEGATIVE DSPs USER PERCEPTIONS

Psychological ownership in relation to music streaming platforms is negatively influenced by a lack of product possession security and limited social rewards (Danckwerts & Kenning, 2019). To mitigate the consequences of negative user perceptions, DSPs are approaching the problem by adopting illusory marketing strategies such as premium subscription tiers and customized consumer experiences (Sawitri & Hasin, 2022). Furthermore, offering exclusive contents to users might be another solution to take into consideration.

2.2.1 PREMIUM SUBSCRIPTION

To provide access to a full music catalog by paying a fixed monthly fee allows DSPs to financially survive (Simon, 2019). Furthermore, premium subscription aid in reducing the feeling of insecure product possession, which has a negative impact on the concept of psychological ownership (Danckwerts & Kenning, 2019). Paying users revealed that they feel a higher degree of possession over the music streamed when subject to monthly fees compared to free users. As a result, users that are afraid to use a service that does not provide them with security tend to switch from a free solution to a premium one (Danckwerts & Kenning, 2019).

Furthermore, a premium version is chosen even for other reasons, as detailed by Barata and Coelho's research (2021): according to the Unified Theory of Acceptance and Use of Technology (UTAUT2) variables (Venkatesh et al., 2012), payers fulfill the following expectations when opting for a premium tier (Barata & Coelho, 2021):

- performance, to obtain entertainment with no limit to their listening experience;

- limited effort, in relation to the difficulty of understanding how a platform works;
- hedonic, when users strongly believe that they will be able to access an enjoyable content catalog that will fill their leisure time: each feature is useless if the music catalog and the overall experience do not provide pleasure (Sawitri & Hasin, 2022);
- competitive price, that justifies the abandonment of a free version, with the promise of getting higher benefits.

2.2.2 CUSTOMIZED CUSTOMER EXPERIENCE

What DSPs need to do to retain consumers is build a familiar user space that is easy to use and where consumers can build their music consumption and take possession of it: the goal is to push users to project their music identity and define their tastes (Sinclair & Tinson, 2016). A customized customer experience through personalization helps in designing a familiar user space where the client feels recognized and comfortable (Webster, 2021). DSP accomplishes the personalization requirement through editorial and customized playlists and advanced algorithmic recommendations (Webster, 2021). As a result, users are attracted and engaged: they spend time on the platform and effortlessly discover new music, consistent with their tastes. And, as time passes, more data and information are gathered to carry on providing a linked service (Webster, 2021). As a result, clients implicitly trust the service since they feel recognized and accepted, as in a familiar space, reducing the level of uncertainty over music ownership (Danckwerts & Kenning, 2019).

2.2.3 EXCLUSIVE CONTENT AS A NEW POSSIBLE SOLUTION

Exclusive products allow social hierarchies to be traced: such a situation is defined when a social difference arises between a consumer who can afford the purchase of a product and another one, who is automatically excluded (Eleonora Pantano et al., 2022). The exclusion from the product purchase does not only depend on a financial threshold that prevents less affluent people from affording it. Indeed, even brand associations that do not respect the personality and the social group affiliation of the consumer might exclude (Troilo, 2014). Moreover, geographic availability and limited selling time might turn a product into an exclusive good.

Exclusive concepts exist even in music: a substantial example might be international artists' concerts. For instance, Taylor Swift announced her new worldwide tour, "The Eras", at the end of 2022, made up of 52 concerts that took place between the U.S. and Europe. Tickets had a variable selling price that ranged between \$49 and \$449, with VIP packages reaching \$900 (Savage & Armesto, 2023). The case describes a situation when a product is potentially excluding major social categories by intervening on financial, geographical availability, limited selling time, and brand product aspects. In fact, only 2 million people out of a larger audience might attend the show: the demand was extremely high in comparison to the offer. As a result, only on the pre-sale date, 14 million people were online, trying to purchase tickets: the tour was immediately sold out (Savage & Armesto, 2023). Those who failed to proceed with the purchase have experienced anger and frustration at being excluded. Among them, fans were the ones who reacted worse by also intervening in legal appeals against TicketMaster, which was in charge of the selling process (Savage & Armesto, 2023).

A further illustration, coming from digital innovation, is NFTs (Folgieri et al., 2022).

Contemporary digitalization helps composers expand and reinforce their fanbases through new media in order to differentiate their revenue streams. In this situation, NFTs – also defined as non-fungible tokens – are a new solution to build loyalty and forge a stronger relationship with fans. They are digital contracts, blockchain-based, used to define an ownership transfer of the composition to the purchaser, who obtains the same royalties on the composition as the author (Folgieri et al., 2022). Specifically, NFTs are a limited music collection that is sold to fans to obtain financial support for the artist's career (Folgieri et al., 2022). On the other side, buyers are gaining royalties, which strengthen their social identity as an artist's fan since they participate in the career development of their idol (Folgieri et al., 2022).

NFTs are typically an exclusive product because they are a limited and expensive good: only a few buyers may purchase it (Folgieri et al., 2022).

Nevertheless, NFTs are a digital and non-tangible asset that still raises great perplexity among consumers. Not only from a practical angle, since it is a product that does not

generate full psychological ownership, but also from a legal point of view: possession is still not fully regulated (Folgieri et al., 2022). Finally, NFTs raise questions about their authenticity and value of longevity over time (Folgieri et al., 2022).

NFTs are an illustration of what bringing back exclusivity means in the digital era. Although exclusivity in music is a concept that might not refer to a wide audience, it might satisfy the needs of a specific niche: fans. As explained above, fans are those artists' supporters who make financial and promotion efforts to help their idol gain popularity. And currently, no other DSP besides Tencent Music is offering a value proposition that meets fans' expectations. Surprisingly, DSPs are contributing to making music more popular and the relationship between fan and artist less enduring.

Consequently, it would be interesting to understand whether exclusive contents on DSP could be a solution to reinforce the concept of psychological ownership when talking about music streaming platforms (Danckwerts & Kenning, 2019). In addition, it could be stimulating to comprehend whether exclusive contents on DSP might reinforce the fan-artist relationship in the digital environment.

The following dissertation is an empirical study on exclusive contents offered on a DSP, applied to the Italian market. The area has been chosen according to the following criteria:

- Streaming has positively impacted the Italian market, making it one of the most relevant markets. However, due to the limited population dimension and turnover generated, it seems to be an optimal test market.
- Among the exclusive contents tested, the dissertation will take into consideration streaming live concerts. Since Italy suffers from a lack of physical structure suitable for hosting local concerts or international events, a virtual experience on a streaming platform might sort out such a problem (FIMI, 2021).
- One of the reasons why Italian users choose a premium subscription for a streaming platform is access to original content (34%) (Statista, 2022). However, currently none of the DSPs operating in this territory is providing an exclusive offer, with a particular focus on local artists (76% of streaming comes from Italian tracks) (FIMI, 2021).

- One of the countries in Europe that has digitalized the most the process of selling exclusive goods is Italy (Santandrea, 2022).

In a nutshell, a quantitative research will be applied in the Italian market. The aim is to understand whether an artist's fan is willing to pay an additional monthly fee to their subscription to access a range of exclusive content created by their favorite artist. Such a business model evolution would, therefore, exclude non-subscribers from the benefits promised with the new subscription.

Should the research question be successful, offering exclusive content could lift DSPs negative financial situation in the long run, by adding a new revenue source.

2.3 EXCLUSIVE CONTENT ON OTHER PLATFORMS

Offering exclusive contents by paying an additional fee is not a new solution in the digital environment: some social platforms are considering or have already adopted this model to generate more revenues. The idea is to leverage those who are more willing to pay a higher price (fans) in order to have greater closeness with certain public figures, such as influencers or content creators.

2.3.1 ONLYFANS

OnlyFans is a social media platform born in 2016 that allows creators to offer exclusive content to their followers (Pereira, 2022). Despite being a platform that hosts a great variety of content, it is mainly associated with adult content and even attracts people who were not active in the pornographic industry before (Hamilton et al., 2022).

It has generated a net revenue of \$2.5 billion in 2022 (Statista, 2023) and counts 170 million registered users that can enjoy exclusive contents made by more than 1.5 million creators (Pereira, 2022).

OnlyFans improves engagement between content creators and viewers (Hamilton et al., 2022): it is a subscription-based platform that allows creators to set their subscription fee, which can range between \$4.99 and \$49.99 per month (Pereira, 2022). Generally,

subscribers pay for each content creator they subscribe to. On the other side, the platform keeps 20% of the subscription fee and pays out 80% to its creators (Pereira, 2022). Along with it, platforms and creators earn money through additional systems such as tips and paid private messages (Hamilton et al., 2022).

OnlyFans has a robust and solid platform that ensures privacy respect: contents and activities are kept secret from those who are not subscribers (Van Der Nagel, 2021).

OnlyFans is extremely successful because it meets the following requirements:

- for creators, to be encouraged to develop high quality content by being paid in proportion to the effort put in. Differently from other social media such as YouTube and TikTok, content creators are not paid by views but by monthly subscriptions (Pereira, 2022). Moreover, it guarantees privacy and copyright.
- For fans, to enjoy non-public contents, reinforcing the relationship with creators. Furthermore, genuine interactions are guaranteed by two-way private chat (Pereira, 2022). As a result, it has been shown that OnlyFans, despite offering intangible online contents, generates a positive impact on the concept of psychological ownership (Van Der Nagel, 2021).

2.3.2 INSTAGRAM SUBSCRIPTIONS

Instagram has been influenced by the subscription-based system, involving creators in producing higher-quality content that can be monetize.

Launched as a test in the US in 2022, Instagram Subscriptions introduces exclusive contents for its audience that can be enjoyed by paying a fee ranging from \$0.99 to \$99 per month (EmbedSocial, 2022). Creators would be able to assure a monthly income and develop deeper connections with their fans, knowing better their target audience and what they are asking for (EmbedSocial, 2022).

On the other side, subscribers would benefit from a private and direct chat with their idol; private contents as posts, reels and stories; badges that would make them stand out among all the comments; and live streaming, where a private Q&A or exclusive courses take place (EmbedSocial, 2022).

2.3.3 OTHER EXAMPLES

The market features several online platforms offering exclusive content. Other examples, complementing those already given, are online newspapers. Generally, users consulting news online have the possibility of enjoying articles that are subject to advertisements (Weinstein, 2021). However, there is currently a trend toward limiting free news content in favor of exclusive content: it appears that online newspapers that rely solely on advertisements are not sustainable in the long run (Weinstein, 2021). Hence, they restrict some articles from being read, making them exclusive content to entice users to subscribe.

However, this *modus operandi* has strong limitations since it involves users ditching a webpage and consulting one from a competitor (Weinstein, 2021). Moreover, such a limitation might have strong social repercussions since it prevents correct and free information.

To conclude, when choosing to offer exclusive contents, it is important not to exclude anyone from using the platform, so as to generate a loss of customers. In addition, the exclusive content offered must be carefully studied: it is a product type that is aimed at a particular niche that, for example, has a certain financial inclination to invest in a non-mass product.

3. RESEARCH METHODOLOGY AND ANALYSIS

In the following section, a market analysis will be illustrated to respond to the research questions posed.

- Which factors would induce the Italian consumer to subscribe to access exclusive contents on DSPs?
- Which is the targeted persona that would be involved by the new offer?

The study has been conducted using a qualitative approach supported by a quantitative study. The targeted audience is made up of the population living in Italy that currently uses a DSP to reproduce music.

3.1 QUALITATIVE APPROACH AND METHODOLOGY

The objective of the qualitative research was to gather as many insights as possible to correctly structure the subsequent survey for the quantitative approach. More specifically, it was carried out to uncover consumers' music consumption habits, with a particular focus on DSP: perceptions, awareness, motivations, opinions, behaviors, and the main impacts that streaming music platforms brought were studied. Furthermore, the research aimed to give a general picture of their valuations regarding social media platforms and exclusive contents.

In order to pursue the predetermined objective, two partially-structured interviews and a focus group have been conducted.

3.1.1 PARTIALLY-STRUCTURED INTERVIEWS

Partially-structured interviews are a qualitative approach where the interviewer leads the process, following a predetermined list of topics and changing questions and research strategy according to the respondents' answers (Graw-Hill, 2016).

Both interviews took place in December 2022, with a duration ranging between 40 and 57 minutes, on a sample that was chosen according to the following criteria, to respect the research objectives:

- Demographic criteria: to be an Italian resident.
- Professional requirements include working for a music label or a DSP company. The objective of this prerequisite is to gather insights either from a consumer's perspective or from a music employee's point of view.
- Consumer criteria: to be using a music streaming platform.

3.1.2 FOCUS GROUP

A focus group is a qualitative approach aiming to bring a small group of people together to interact in relation to a pre-defined topic (Graw-Hill, 2016). The set of questions was structured. Seven people were gathered to conduct the research: they were chosen based on homogeneity criteria – to be DSP users and Italian residents. The research lasted 93 minutes and took place in December 2022 in a relaxed physical location.

The sample was composed of 7 people: 3 males and 4 females, students and workers, with ages ranging from 23 to 35. This constraint was important to promote interaction and respect the real users' target of DSP, which is primarily made up of Generation Z and Millennials, even though it did not entirely respect all age ranges present in the examined geographic area.

3.1.3 MAIN OUTCOMES

After having screened all the transcripts and non-verbal communication messages, analyzed the results through a triangulation approach (Graw-Hill, 2016) composed of a vertical and a horizontal reading; possible questions to be added to the quantitative questionnaire have emerged:

- DSP features that influenced the respondents to choose the streaming platforms they mainly use were: audio quality; breadth of the music catalog; popularity of the

service; interface and ease of use of the application; presence of editorial playlists; presence of virtual radio stations; presence of podcasts; and monthly service price.

- DSP features that influenced the respondents to switch for a premium subscription, abolishing all the limitations imposed by a free tier were: best streaming quality; offline listening; absence of advertising; avoiding random playback of tracks; and unlimited skips.
- Unreleased music; private two-stream chat; fan tickets priority; private live streaming sessions; exclusive interviews are some of the exclusive contents that would entice them to pay a higher subscription if they were made by their favorite artist.
- Propensity to pay, in addition to their current subscription model, for exclusive contents. However, this question will be framed differently in the survey because it is difficult to acquire this data in the absence of a service prototype.

3.2 QUANTITATIVE APPROACH AND METHODOLOGY

For the quantitative analysis, a survey (in Appendix B) structured on Qualtrics XM² was launched through main social media as Instagram and Whastapp in February 2023.

The questionnaire included 22 questions available in Italian or English. Different questions formats were present: qualitative and quantitative variables with nominal, ordinal and scale measures. Its structure is:

Questionnaire block	Questions	Aim
Warm-Up	From Q1 to Q3: Personal information: Q1, Q2 Behavior: Q3	Access block to skim the target audience of interest (resident in Italy and using DSP)
Music consumption habits	From Q4 to Q11: - Behavior: Q4, Q5, Q6, Q7, Q8, Q10 Importance: Q9, Q11	General focus on the respondents attitudes and habits in respect to music consumption, DSP and choice reasons. It allows an estimation of the penetration index

² <https://bocconi.eu.qualtrics.com/>

		in Italy.
Online consumption habits	From Q12 to Q13: Behavior: Q12, Q13	General focus on respondents' attitudes towards paid digital services
Awareness on exclusive contents	From Q14 to Q16: Behavior: Q14, Q15 Preferences – conjoint: Q16	Understand the perception on exclusive contents, platforms that offer these services and applicability in the DSP sector. For the conjoint: understanding the different level of utility associated to each combination of exclusive contents. 8 scenarios and different packages have been shown, made by the orthogonal design of SPSS software.
Single exclusive attributes evaluation	From Q17 to Q18: - Importance: Q17 WIP: Q18	This section is aiming to evaluate the importance of each exclusive content ideally proposed. The section have been presented after a conjoint analysis not to bias the respondents. Finally, a willingness to pay question related to their ideal package.
Demographics	From Q19 to Q22: Personal information: Q19, Q20, Q21, Q22	Insights into customer profiles, sample representativeness and identification of possible clusters.

Finally, check points questions were inserted in the survey to test the attention level.

In total, 445 answers were collected, of which 134 answers discarded. Among them:

- 46 incomplete full answers.

- 88 answers did not meet the starting screening criteria: to be resident in Italy and to be user of a DSP to stream music.

The valid sample is composed of 311 respondents, whose responses were analyzed by SPSS software.

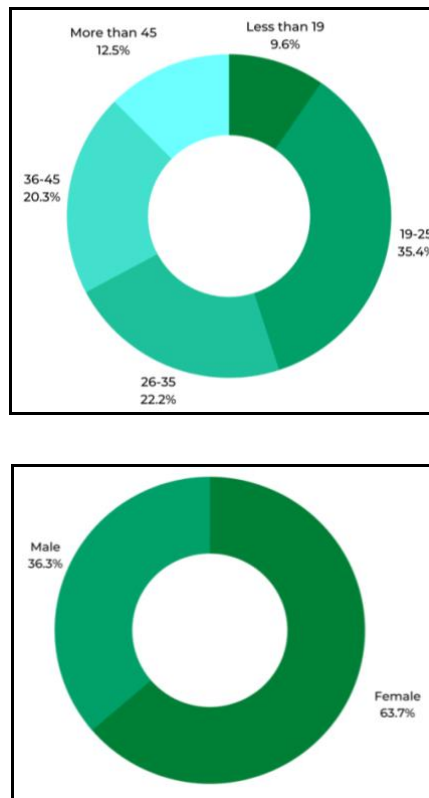
3.2.1 SAMPLE DESCRIPTION

In the first part of the analysis, univariate analysis has been conducted to study the sample from a sociodemographic point of view.

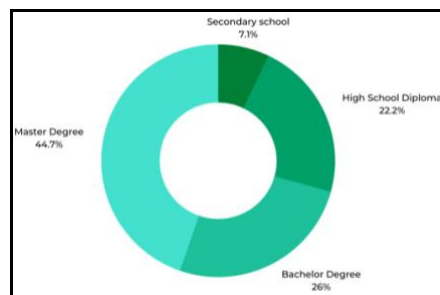
More specifically, it is mainly composed of people aged (Q2) between 19 and 25 years old (35.4%). Generally, 67% of the entire sample is under 35, unbalanced towards the real representation of the age classes in Italy (Istat, 2023). Considering the Italian population, it is composed of 23.6% of people under 25, 10.5% of residents between 26 and 35 years old, 12.4% of inhabitants between 36 and 45 years old and 53.5% of Italians older than 45 years old (Istat, 2023). Despite these findings, the analysis was conducted with this sample and without random exclusions: the Z and Millennial Generations are the primary users of music streaming platforms in Italy. As seen in Chapter 1, DSPs have a majority of consumers who are less than 35 years old.

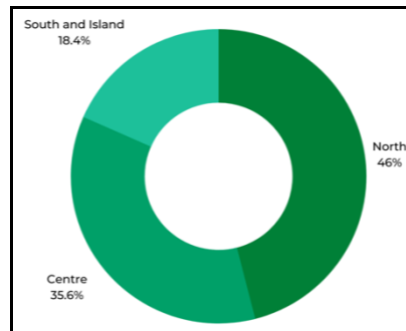
As a result, the sample examined is related to and consistent with actual consumer groups.

When it comes to gender (Q20), the sample is uneven but loyal to the real Italian representation, with more women than men (63.7% to 36.3%) (Istat, 2023).

[Image 3.1; 3.2] Age (Q2) and gender (Q20) representations

Regarding the education level (Q21), the 70,7% of the sample has at least a bachelor degree. The 22,2% of them finished the high school. About the geographical composition (Q19), the sample is mainly living in Northern Italy (46%), followed by Central inhabitants (35.6%). The following (18.4%) is living in South and Islands.

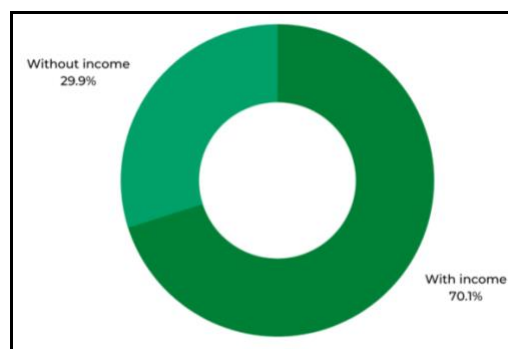
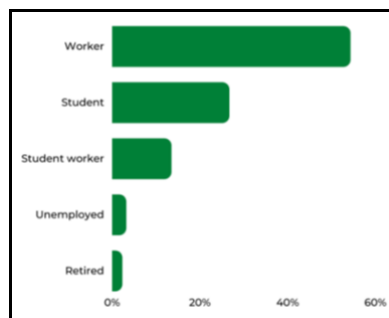
[Image 3.3; 3.4] Education level (Q21) and geographical residency (Q19) representations



Regarding the occupation (Q22), it fits the distribution of income and, since they are coherent, implies that the power of consumption among groups is differently distributed. As imagined, the sample consists mostly of workers (54.3%), while the other 40.2% is composed of students: some of whom are also working and thus have a higher bargaining power.

In order to easily conduct further analysis, the sample has been divided into two categories: those *without income* (29.9%) and those *with income* (70.1%). In the first cluster, all respondents without an economic income have been included, such as students and unemployed. Student workers, workers and the retired are included in the second cluster.

[Image 3.5; 3.6] Occupation (Q22) representations



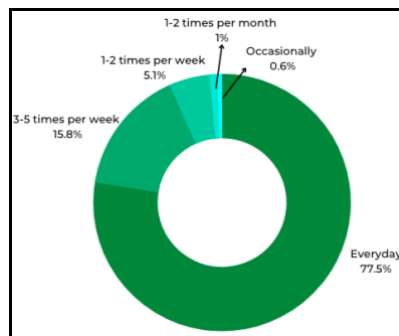
Age and occupation are the most important demographics: the choice of spending on digital contents might depend on the economic situation of the respondents. Furthermore, the age is

a factor that influence music tastes and listening preferences (IFPI, 2021). Consequently, in the analysis, they will be constantly used for detecting any relation with other variables.

3.2.2 MUSIC CONSUMPTION HABITS

The general music listening and DSP usage patterns in Italy are studied in the first section of the analysis. Q4 (How frequently do you listen to music?) researches the target population's frequency of music consumption. Great part of the sample (77.5%) listens to music every day. The majority of respondents (98.4%) consumes it weekly.

[Image 3.7] Music consumption frequency (Q4) representations



Even music genres differ (Q5 - What kind of music do you mainly listen to?): through a multiple-choice question, interviewees mostly reproduce pop (65.3%), rock (34.7%) and rap (30.5%). Furthermore, other genres not present in the list account for 35.7%.

[Image 3.8] Music tastes representations (Q5) representations

		Responses		Percent of Cases
		N	Percent	
Q5_Merged ^a	Pop	203	29.8%	65.3%
	RnB	39	5.7%	12.5%
	Rock	108	15.8%	34.7%
	Dance	77	11.3%	24.8%
	Elettro	49	7.2%	15.8%
	Rap	95	13.9%	30.5%
	Other	111	16.3%	35.7%
Total		682	100.0%	219.3%

a. Dichotomy group tabulated at value 1.

A relationship between age ranges (Q2) and music tastes (Q5) was detected. To do so, 2 age classes were merged (under 19 and 19-25) into a new category: under 25. As dealing with a multiple answer question, a customized table on SPSS was created and the test of independence (Chi-square) showed a significance level lower than 0.05: the two variables are somehow related. Because they are negatively related, when the P-value is low, the

Cramer V is high. In this case, it can be deduced that the Cramer V is high and that the variables are strongly related.

[Image 3.9] Pearson Chi-Square test between age ranges and music tastes (Q2 and Q5)

Pearson Chi-Square Tests		
Age_Recoded		
Q5_Merged	Chi-square	74.809
	df	21
	Sig.	<.001 ^a
Results are based on nonempty rows and columns in each innermost subtable.		
^a . The Chi-square statistic is significant at the .05 level.		

According to this view, those under 25 prefer pop music to those over 45, and those over 45 prefer rock music to the first age grouping. Finally, the youngest generations, including Generation Z and Millennials, listen to rap more frequently than older ones.

[Image 3.10] Comparisons of column proportions between age ranges and music tastes (Q2 and Q5)

Comparisons of Column Proportions ^a					
		Age_Recoded			
		Under 25 (A)	26-35 (B)	36-45 (C)	Over 45 (D)
Q5_Merged	Pop	D(.014)			
	RnB				
	Rock				A(.007)
	Dance				
	Electro				
	Rap	D(.000)	D(.002)	D(.001)	
	Other				A(.000) C(.000)
Results are based on two-sided tests. For each significant pair, the key of the category with the smaller column proportion appears in the category with the larger column proportion. Significance level for upper case letters (A, B, C): .05 ^a					
^a . Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.					

A relation between music genres (Q5) and gender (Q20) was detected: a customized table and the independence test (Chi-square) showed a significance level lower than 0.05.

[Image 3.11] Pearson Chi-Square test between gender and music tastes (Q20 and Q5)

Pearson Chi-Square Tests		
Gender		
Q5_Merged	Chi-square	33.107
	df	7
	Sig.	<.001 ^a
Results are based on nonempty rows and columns in each innermost subtable.		
^a . The Chi-square statistic is significant at the .05 level.		

As a result, male respondents have a preference for r&b, rock, electro and rap music compared to the female cluster.

[Image 3.12] Comparisons of column proportions between gender and music tastes (Q20 and Q5)

		Gender	
		Male (A)	Female (B)
Q5_Merged	Pop		
	RnB	B(.015)	
	Rock	B(.008)	
	Dance		
	Elettro	B(.003)	
	Rap	B(.003)	
	Other		

Results are based on two-sided tests. For each significant pair, the key of the category with the smaller column proportion appears in the category with the larger column proportion.
Significance level for upper case letters (A, B, C): .05^a

a. Tests are adjusted for all pairwise comparisons within a row of each innermost subtable using the Bonferroni correction.

As second step, the sample's perceptions on DSP were analyzed. Q6 (Which of the following streaming platforms do you subscribe to?) is detecting which are the main platforms where users stream music.

[Image 3.13] DSP subscriptions representation (Q6)

		Responses		Percent of Cases
		N	Percent	
Q6_Merged ^a	Spotify	255	54.8%	82.0%
	Apple Music	29	6.2%	9.3%
	Amazon Music	41	8.8%	13.2%
	Youtube Music	119	25.6%	38.3%
	Other	21	4.5%	6.8%
Total		465	100.0%	149.5%

a. Dichotomy group tabulated at value 1.

The majority (82%) relies on Spotify. Others are subscribed to YouTube Music (38.3%), followed by Amazon Music (13.2%). The question allowed multiple choices, which is useful to understand if some users are subscribed to multiple platforms at the same time. However, to better analyze later, Q7 (Which of the following streaming platforms do you mainly use?) requests to make a choice for the most used DSP. It resulted that Spotify (71.4%) is the most popular platform, followed by Youtube Music (14.5%), which mostly suffers from competition, since users abandon it when it comes to their preferred DSP.

[Image 3.14] Most used DSP representation (Q7)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Spotify	222	71.4	71.4	71.4
	Apple Music	18	5.8	5.8	77.2
	Amazon Music	16	5.1	5.1	82.3
	Youtube Music	45	14.5	14.5	96.8
	Altro	10	3.2	3.2	100.0
Total		311	100.0	100.0	

Finally, a relationship between age ranges (Q2) and most used DSP (Q7) was detected. Three DSPs were merged (Apple Music and Amazon Music) into the “other” category.

A connection technique and a crosstab were used, since dealing with two qualitative variables. Proceeding with the Chi-Square test: the significance was lower than 0.05. To evaluate the strength of the relationship, the Cramer's V was observed: since it is higher than the 0.2 threshold, it could be assumed that the relationship is quite strong.

[Image 3.15; 3.16] Chi-Square test and Cramer's V between age ranges and most used DSP (Q2 and Q7)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	55.271 ^a	6	<.001
Likelihood Ratio	44.489	6	<.001
Linear-by-Linear Association	22.438	1	<.001
N of Valid Cases	311		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 5.52.

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	.422	<.001
	Cramer's V	.298	<.001
N of Valid Cases		311	

It appears that people under the age of 45 prefer Spotify to the oldest generation, which still prefers YouTube Music (51.3%).

[Image 3.17] Crosstab between age ranges and most used DSP (Q2 and Q7)

Q7_Recoded * Age_Recoded Crosstabulation							
		Age_Recoded				Total	
		Under 25	26-35	36-45	Over 45		
Q7_Recoded	Spotify	Count	113	53	44	12	222
		% within Q7_Recoded	50.9%	23.9%	19.8%	5.4%	100.0%
		% within Age_Recoded	80.7%	76.8%	69.8%	30.8%	71.4%
		% of Total	36.3%	17.0%	14.1%	3.9%	71.4%
Youtube Music	Count	10	6	9	20	45	
	% within Q7_Recoded	22.2%	13.3%	20.0%	44.4%	100.0%	
	% within Age_Recoded	7.1%	8.7%	14.3%	51.3%	14.5%	
	% of Total	3.2%	1.9%	2.9%	6.4%	14.5%	
Other	Count	17	10	10	7	44	
	% within Q7_Recoded	38.6%	22.7%	22.7%	15.9%	100.0%	
	% within Age_Recoded	12.1%	14.5%	15.9%	17.9%	14.1%	
	% of Total	5.5%	3.2%	3.2%	2.3%	14.1%	
Total	Count	140	69	63	39	311	
	% within Q7_Recoded	45.0%	22.2%	20.3%	12.5%	100.0%	
	% within Age_Recoded	100.0%	100.0%	100.0%	100.0%	100.0%	
	% of Total	45.0%	22.2%	20.3%	12.5%	100.0%	

Furthermore, no relationship was detected between the choice of the most used DSP platform (Q7) with the respondent's economic situation. Through a connection analysis between occupation (Q22) and most used DSP (Q7), proceeding with the Chi-Square test, the significance was higher than 0.05.

[Image 3.18] Chi-Square test between occupation and most used DSP (Q22 and Q7)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.566 ^a	2	.277
Likelihood Ratio	2.729	2	.255
Linear-by-Linear Association	1.168	1	.280
N of Valid Cases	311		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 13.16.

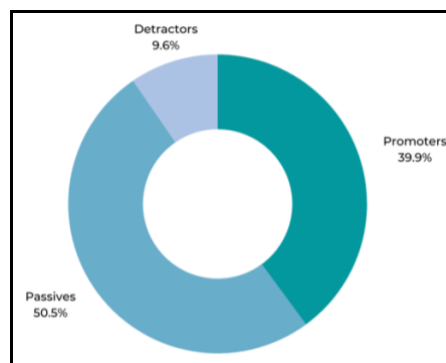
Going further, users are strongly satisfied with the DSP they use the most. Following a NPS analysis (Q8 - Are you overall satisfied with the streaming platform you use most frequently?), 39.9% of the sample is promoters, 50.5% is passives and 9.6% is detractors.

From the formula to calculate the NPS:

$$\% \text{ Promoter} - \% \text{ Detractors}$$

Most used DSP got an overall Net Promoter Score of 30.3 (Fox, 2023).

[Image 3.19] Most used DSP NPS representation (Q8)



Finally, a univariate was utilized in the analysis to help determine what factors respondents considered most significant when selecting their most frequently used DSP (Q9). Data show that consumers value the breadth of the music catalog a lot (mean 8.36). The interface and ease of use of the application appear to be important characteristics for the sample (mean 7.58). Moreover, the lowest standard deviation demonstrates that respondents agree with that value.

On the other hand, it appears that respondents do not value considerably the presence of virtual radio stations (mean 3.34) and podcasts (mean 5.17). However, it appears that they do not all agree on these factors: the standard deviation is high, especially for podcast presence (= 3.019).

[Image 3.20] Users evaluations criteria when choosing for a DSP (Q9)

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Audio quality	311	1.00	10.00	6.8971	2.65349
Breadth of the music catalog	311	1.00	10.00	8.3601	2.13698
Popularity of the service	311	1.00	10.00	6.1190	2.90417
Interface and ease of use of the application	311	1.00	10.00	7.5820	2.46109
Presence of editorial playlists	311	1.00	10.00	6.8103	2.71187
Presence of virtual radio stations	311	1.00	10.00	3.3441	2.57167
Presence of podcasts	311	1.00	10.00	5.1672	3.01892
Monthly service price	311	1.00	10.00	6.2797	2.80705
Valid N (listwise)	311				

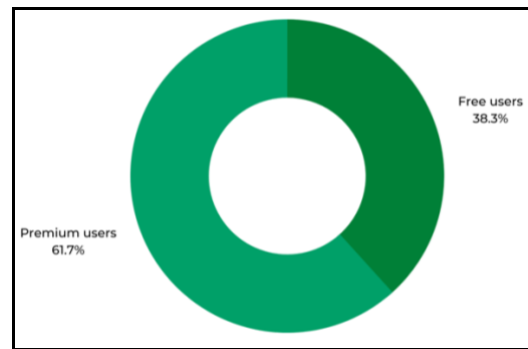
Regarding the subscription type chosen by respondents, Q10 (What kind of subscription do you have?) revealed that 32.5% of the sample enjoys a free with ads solution. The rest (60.4%) opt for a premium version (choosing between a student, individual or family solution).

[Image 3.21] Users subscription type for DSP representation (Q10)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Free: I use the service, but with limitations such as advertisements	101	32.5	32.5	32.5
	I am taking advantage of a trial	4	1.3	1.3	33.8
	I am using an illegal version	18	5.8	5.8	39.5
	Premium: I have a student subscription	53	17.0	17.0	56.6
	Premium: I have an individual subscription	46	14.8	14.8	71.4
	Premium: I have a family subscription	89	28.6	28.6	100.0
	Total	311	100.0	100.0	

To easily conduct further analysis, the sample has been distributed into two categories: *premium* (61.7%) and *free* (38.3%) versions. In the first cluster are present all respondents using a premium or a trial period. Free and illegal version users compose the second cluster.

[Image 3.22] Recoded users subscription type for DSP (Q10)



Actually, no relationship was detected between the choice of a premium or a free versions with the respondent's economic situation: a study needed to understand whether the subscription choice derived from the economic power of consumers. Through a connection analysis between occupation (Q22) and type of subscription (Q10), proceeding with the Chi-Square test, the significance detected was higher than 0.05. Hence, premium users might choose for this version because highly involved as music lovers in the value proposition.

[Image 3.23] Chi-Square test between occupation and type of subscription (Q22 and Q10)

Chi-Square Tests					
	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	3.570 ^a	1	.059		
Continuity Correction ^b	3.105	1	.078		
Likelihood Ratio	3.530	1	.060		
Fisher's Exact Test				.074	.040
Linear-by-Linear Association	3.559	1	.059		
N of Valid Cases	311				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 35.59.
b. Computed only for a 2x2 table

Since free versions have usage limitations, the univariate analysis was used to determine whether premium features would or might influence a user to upgrade to premium subscription (Q11). The results showed that consumers place a high value on the absence of advertising (mean 8.82). Then, it appears that offline listening is another crucial aspect (mean 7.75): the lowest standard deviation demonstrates that respondents agree with those values.

The greater streaming quality (HD, Loseless) appears not to be highly valued by respondents (mean 5.55) ($\sigma = 2.893$).

[Image 3.24] Users evaluations criteria when optin for a premium subscription (Q11)

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Best streaming quality (HD, Loseless)	311	1.00	10.00	5.5531	2.89319
Offline listening	311	1.00	10.00	7.7524	2.67361
Absence of advertising	311	1.00	10.00	8.8199	2.06813
Avoid random playback of tracks	311	1.00	10.00	7.6174	2.76934
Illimited skips	311	1.00	10.00	7.5884	2.94756
Valid N (listwise)	311				

It would be possible to go deeper with the analysis of Q9 and Q11. Since they are quantitative variables, a correlation and an ANOVA table would be helpful in investigating the existence of a relation with another qualitative variable. Indeed, some analysis of variance have been conducted with variables as occupation (Q22), age ranges (Q2) and most used DSP (Q7). However, despite finding some significances, the research will not go deeper in this part since not consistent with the objective: the dissertation aim is to test a new feature (exclusive contents on DSP). On the other hand, it would only be intriguing if there were plans to develop a new rival platform to enter the Italian DSPs sector.

3.2.2.1 MUSIC CONSUMPTION HABITS: CONCLUSIONS

From the analysis conducted so far, the following considerations can be deduced:

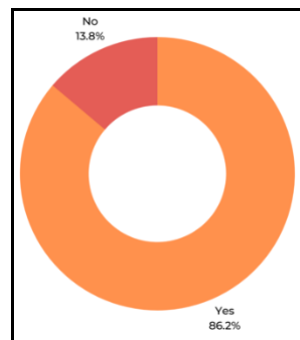
- The sample consists primarily of pop (65.3%), rock (34.7%), and rap (30.5%) lovers: they stream on a weekly basis. For those under 25, pop is the preferred genre, as opposed to those over 45 who prefer rock music. Comparing younger generations to older ones, those under 45 have a predilection towards rap.
- Spotify (71.4%) is the most used DSP, followed by Youtube (14.5%) and other services as Apple Music and Amazon Music (14.1%). Generally Spotify is chosen by younger generations, whereas over 45 has a preference for Youtube Music.
- The sample is generally satisfied by its DSP offer, showing it with a NPS of 30.3. However, as previously verified in qualitative interviews, users do not always realized that DSP are missing features as exclusive contents, whose lack generates dissatisfaction.

- When entering the DSP market for the first time, the size of the music catalog is the most crucial factor for the new client, whereas radio stations and podcasts are less effective in luring new customers.
- Absence of advertising and offline listening push DSP users in converting for a premium solution. However, it has been shown that the choice to upgrade is unrelated to the consumer's economic situation.

3.2.3 ONLINE CONSUMPTION HABITS

It is now investigated if Italians generally use online services and if they have any other premium digital subscriptions, such as Netflix and Amazon Prime (Q12).

[Image 3.25] Subscription rate on other digital services (Q12)



Given that 86.2% of respondents admitted to have additional premium memberships, it appears that respondents are eager to consume other paid digital contents. It was observed that Q12 does not have any relation with the users' occupation (Q22), to detect if the choice was dependent on the economic power of the respondent. Through a connection analysis, proceeding with the Chi-Square test, the significance was higher than 0.05.

[Image 3.26] Chi-Square test between occupation and subscription rate on other digital services (Q22 and Q12)

Chi-Square Tests					
	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.590 ^a	1	.442		
Continuity Correction ^b	.347	1	.556		
Likelihood Ratio	.576	1	.448		
Fisher's Exact Test				.475	.274
Linear-by-Linear Association	.589	1	.443		
N of Valid Cases	311				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 12.86.
b. Computed only for a 2x2 table

However, a relationship is present between Q12 and the kind of DSP subscription the sample chose (Q10). It is interesting to understand if DSP free version users tend to avoid spending money on online content.

[Image 3.27; 3.28] Chi-Square test and Cramer's V between kind of DSP subscription chose and subscription rate on other digital services (Q10 and Q12)

Chi-Square Tests					
	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	20.965 ^a	1	<.001		
Continuity Correction ^b	19.446	1	<.001		
Likelihood Ratio	20.431	1	<.001		
Fisher's Exact Test				<.001	<.001
Linear-by-Linear Association	20.897	1	<.001		
N of Valid Cases	311				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 16.45.
b. Computed only for a 2x2 table

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	-.260	<.001
	Cramer's V	.260	<.001
N of Valid Cases		311	

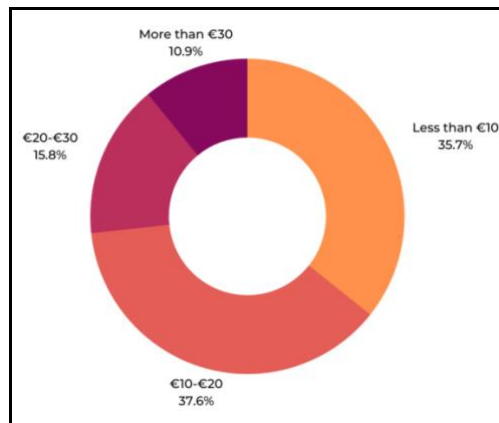
A strong relationship is detected by the Cramer's V value, fixed at 0.26: premium DSP users tend to pay for other services (93.2%), besides the music subscription.

[Image 3.29] Crosstab between kind of DSP subscription chose and subscription rate on other digital services (Q10 and Q12)

		Type of subscription		Total	
		Free	Premium		
Do you subscribe to other paid digital services (Netflix, Amazon Prime...)?	Yes	Count	89	179	268
		% within Do you subscribe to other paid digital services (Netflix, Amazon Prime...)?	33.2%	66.8%	100.0%
		% within Type of subscription	74.8%	93.2%	86.2%
	No	Count	30	13	43
		% within Do you subscribe to other paid digital services (Netflix, Amazon Prime...)?	69.8%	30.2%	100.0%
		% within Type of subscription	25.2%	6.8%	13.8%
Total	Count	119	192	311	
	% within Do you subscribe to other paid digital services (Netflix, Amazon Prime...)?	38.3%	61.7%	100.0%	
	% within Type of subscription	100.0%	100.0%	100.0%	
		% of Total	38.3%	61.7%	100.0%

To detect the total monthly expense for all digital services, Q13 (What is your total monthly spending on digital services, including subscriptions for music streaming platforms?) revealed that the majority (37.6%) spend between €10 and €20 per month. The second biggest cluster (35.7%) is not paying more than €10. Answers “€30-€40” and “more than €40” were merged for a better data view, into the category “More than €30”.

[Image 3.30] Monthly expenses on paid digital services (Q13)



3.2.3.1 ONLINE CONSUMPTION HABITS: CONCLUSIONS

To conclude, the sample has a great propensity to have additional subscriptions to music streaming platforms. However, those subscriptions are premium. Furthermore, it has been discovered that those who have a music premium subscription have a proclivity to pay for non-musical services.

Finally, considering the monthly expenditure, the largest part of the sample (73.3%) does not exceed €20/month in digital paid services.

3.2.4 AWARENESS ON EXCLUSIVE CONTENTS

The third part of the analysis is focused on the respondents' awareness on exclusive contents. Q14 (There are online platforms that offer exclusive contents for a fee. For example, online newspapers allow only subscribers to read an article in full. Which of these platforms with exclusive contents do you subscribe to?) is aiming to give an example of exclusive content platforms: for instance, journals, premium social media and OnlyFans. Just a small part of the sample is relying on these.

[Image 3.31] Exclusive content platforms usage (Q14)

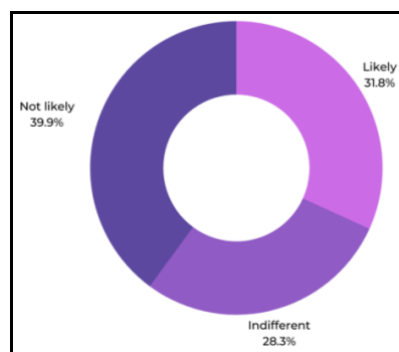
Q14_Merged Frequencies			
Q14_Merged ^a	Responses N	Percent	
		Percent	Percent of Cases
Online newspaper	40	12.3%	12.9%
Entertainment services (OnlyFans, etc.)	5	1.5%	1.6%
Social media with premium features (Snapchat+, Telegram Premium)	10	3.1%	3.2%
Other services	22	6.8%	7.1%
None of the above	247	76.2%	79.4%
Total	324	100.0%	104.2%

a. Dichotomy group tabulated at value 1.

79.4% of the sample is not a client of any exclusive content platforms, whereas 12.9% has a journal subscription. A small percentage (7.1%) is accessing exclusive contents from other platforms different from the ones listed.

Since being a multiple-choice question with small results for some categories, a customized table is not helpful to ensure a consistent significance relationship with other variables.

As a next step, Q15 is assessing the research idea. Starting from the description of OnlyFans, it is questioned if respondents would subscribe to a DSP artist page for consulting exclusive contents made by the artist himself. It appears that customers are not very excited about the concept. The results suggest that 39.9% of the sample is not likely to take advantage of it; 28.3% is indifferent on the solution and 31.8% has a willingness to try it.

[Image 32] Probability to subscribe to artists' exclusive contents on DSP (Q15)

Despite the unfavorable findings, it is important to make it clear that respondents were asked a question that provided no information regarding the exclusive contents offer. No information was provided on the kind of contents, the cost or the kind of benefits a user would receive from it. The question was asked so as not to create bias for the next steps of the questionnaire. Therefore, for now it can be assessed that the sample is generally unfavorable to exclusive contents on DSP in Italy.

Despite trying to cross Q15 with other qualitative variables to gather some relations, it seems that the probability of taking advantage of exclusive contents on DSP it is not linked to any interesting demographic (Q2 – Age, Q22 – Occupation).

[Image 3.33, 3.34] Significance of the statistical test between Q15 and Q2 (Age) and Q22 (Occupation)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.338 ^a	6	.501
Likelihood Ratio	5.387	6	.495
Linear-by-Linear Association	.715	1	.398
N of Valid Cases	311		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 11.04.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	4.843 ^a	2	.089
Likelihood Ratio	4.853	2	.088
Linear-by-Linear Association	.627	1	.428
N of Valid Cases	311		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 26.32.

3.2.4.1 AWARENESS ON EXCLUSIVE CONTENTS: CONCLUSIONS

As seen above, users seem not to be enthusiastic of exclusive contents: the majority (76.2%) is not using these platforms. Part of the sample (39.9%) would have a low willingness to take advantage of exclusive contents on their DSP. However, it is observable that a considerable part of users seems to be interested in the concept, despite not knowing which contents portfolio would be present. It was impossible to identify those who reacted as “not interested” or “interested” in the new offer, since the variable seems not to have any relation with different behavioral and demographic sample characteristics (consult Appendix A where other significance tests are present).

3.2.5 SINGLE EXCLUSIVE ATTRIBUTES EVALUATION

The objective of the current section is to find out which exclusive content on music streaming platform users value the most: these solutions are currently missing on the main Italian players. Questions are structured making reference to the user’s favorite artist or idol.

The following exclusive contents were proposed in the survey:

- Unreleased music: only exclusive subscribed fans would be able to listen to it.
- Private chat: communication channel between the client and his/her idol.
- Fans tickets: priority channel for purchasing concert tickets, avoiding queues and scamming.
- Live streaming: private and online concerts for fans.
- Exclusive interviews: series of Q&As with the artist.

Therefore, by analyzing Q17 (What kind of exclusive content and benefits would you be interested in if it was about your favorite artist?), results are shown below.

[Image 3.35] DSP exclusive content evaluations (Q17)

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Fans tickets	311	1.00	10.00	7.4920	2.78459
Unreleased music	311	1.00	10.00	6.9582	2.70749
Exclusive interviews	311	1.00	10.00	5.2637	2.87278
Live streaming	311	1.00	10.00	6.2540	2.81639
Private chat	311	1.00	10.00	5.5177	3.31061
Valid N (listwise)	311				

Through a univariate analysis, it appeared that consumers value the most: fan tickets (mean 7.49) and unreleased music (mean 6.96). Moreover, the lowest standard deviation among others contents demonstrates that respondents agree with those values. In reality, unreleased music and fans tickets had also emerged as the most valued contents during the exploratory qualitative research (focus group).

Unreleased music is, on the one hand, among the most intriguing exclusive content for a fan: it would enable him to stand out from the crowd by collecting music that is challenging to find. However, as Italy struggles to hold large-capacity concerts due to a lack of significant physical structures and ticket purchases are increasing steadily, fan tickets are valued the most.

Lastly, it appears that respondents do not considerably value exclusive interviews (mean 5.26) and private chat with the artist (mean 5.52). However, not all the respondents agree with those values, since subjected to the highest standard deviations ($\sigma = 2.873$ and $\sigma = 3.311$ respectively).

To detect if there is a relationship between the importance given to each exclusive content (Q17) and age ranges (Q2), 2 age classes were merged (under 19 and 19-25) into a new category: under 25. The cross was interesting to detect if the age was influencing the choice of exclusive contents, keeping in mind the generations' habits. Therefore, an ANOVA was conducted. After having done the evaluation of the statistical test, it was found out that the p-value of the F-test was lower than 0.05 for some variables, so the null hypothesis H0 was rejected for those.

The strength of the relation of the dependent variables was measured using the ETA index. Since the empirical threshold to consider the relationship is 0.2, some variable dimensions have a relationship: for instance, direct chat and exclusive interviews (even though, weaker).

[Image 3.36; 3.37] ANOVA table and ETA index evaluation between age ranges and DSP exclusive content evaluations (Q2 and Q17)

		Sum of Squares	df	Mean Square	F	Sig.
Fans tickets * Age_Recoded	Between Groups (Combined)	13.826	3	4.609	.592	.621
	Within Groups	2389.904	307	7.785		
	Total	2403.730	310			
Unreleased music * Age_Recoded	Between Groups (Combined)	29.678	3	9.893	1.354	.257
	Within Groups	2242.778	307	7.305		
	Total	2272.457	310			
Exclusive interviews * Age_Recoded	Between Groups (Combined)	70.067	3	23.356	2.882	.036
	Within Groups	2488.313	307	8.105		
	Total	2558.379	310			
Live streaming * Age_Recoded	Between Groups (Combined)	20.449	3	6.816	.858	.463
	Within Groups	2438.484	307	7.943		
	Total	2458.932	310			
Private chat * Age_Recoded	Between Groups (Combined)	201.930	3	67.310	6.466	<.001
	Within Groups	3195.723	307	10.410		
	Total	3397.653	310			

	Eta	Eta Squared
Fans tickets * Age_Recoded	.076	.006
Unreleased music * Age_Recoded	.114	.013
Exclusive interviews * Age_Recoded	.165	.027
Live streaming * Age_Recoded	.091	.008
Private chat * Age_Recoded	.244	.059

From the report, it looks like that the youngest age range is the most interested in exclusive interviews (5.57), even though in general it is not a very important criterion.

The same thing happens regarding private chat: people under 25 cares more about it (5.65), than the oldest population (3.71). Apparently, the youngest generations are more used to rely on digital communication platforms as Whatsapp, to desire this feature even for exclusive contents.

[Image 3.38] Report between age ranges and DSP exclusive content evaluations (Q2 and Q17)

Age_Recoded		Report				
		Fans tickets	Unreleased music	Exclusive interviews	Live streaming	Private chat
Under 25	Mean	7.3786	6.9714	5.5786	6.2929	6.1571
	N	140	140	140	140	140
	Std. Deviation	2.81432	2.79244	2.80048	2.83223	3.28999
26-35	Mean	7.5797	7.3188	5.1884	5.9855	5.0435
	N	69	69	69	69	69
	Std. Deviation	2.75150	2.51754	3.04995	2.60369	3.23326
36-45	Mean	7.8413	6.9841	5.3810	6.0952	5.7302
	N	63	63	63	63	63
	Std. Deviation	2.67730	2.67902	2.69066	2.87769	3.31763
Over 45	Mean	7.1795	6.2308	4.0769	6.8462	3.7179
	N	39	39	39	39	39
	Std. Deviation	2.94575	2.72862	2.88722	3.03088	2.79989
Total	Mean	7.4920	6.9582	5.2637	6.2540	5.5177
	N	311	311	311	311	311
	Std. Deviation	2.78459	2.70749	2.87278	2.81639	3.31061

On the contrary, no relationship between geographical area (Q19) and Q17 was detected.

[Image 3.39] ANOVA table between geographical area and DSP exclusive content evaluations (Q19 and Q17)

		ANOVA Table					
			Sum of Squares	df	Mean Square	F	Sig.
Fans tickets * What part of Italy do you live in?	Between Groups (Combined)		19.688	3	6.563	.845	.470
	Within Groups		2384.042	307	7.766		
	Total		2403.730	310			
Unreleased music * What part of Italy do you live in?	Between Groups (Combined)		40.153	3	13.384	1.841	.140
	Within Groups		2232.304	307	7.271		
	Total		2272.457	310			
Exclusive interviews * What part of Italy do you live in?	Between Groups (Combined)		31.106	3	10.369	1.260	.288
	Within Groups		2527.273	307	8.232		
	Total		2558.379	310			
Live streaming * What part of Italy do you live in?	Between Groups (Combined)		31.398	3	10.466	1.324	.267
	Within Groups		2427.535	307	7.907		
	Total		2458.932	310			
Private chat * What part of Italy do you live in?	Between Groups (Combined)		47.108	3	15.703	1.439	.231
	Within Groups		3350.545	307	10.914		
	Total		3397.653	310			

The result was not expected: usually Southern Italy suffers from greater isolation on international events, than the North areas. Here, musical activity (FIMI, 2021) is present. Therefore, it was expected that the geographical residence was influencing the exclusive contents importance evaluation.

Eventually, a relationship between probability to subscribe for DSP exclusive contents (Q15) and Q17 was detected. The study is necessary to understand if those who would like to subscribe to exclusive contents have specific attributes that value the most. Through an ANOVA table, it was found out that the p-value of the F-test was lower than 0.05 for all the variables, so the null hypothesis H0 was rejected for those. The strength of the relation of the dependent variables was measured using the ETA index, which indicates that there is a good dependency.

[Image 3.40; 3.41] ANOVA table and ETA index evaluation between probability to subscribe for DSP exclusive contents and DSP exclusive content evaluations (Q15 and Q17)

ANOVA Table						
		Sum of Squares	df	Mean Square	F	Sig.
Fans tickets * Q15_recoded	Between Groups (Combined)	112.179	2	56.089	7.539	<.001
	Within Groups	2291.551	308	7.440		
	Total	2403.730	310			
Unreleased music * Q15_recoded	Between Groups (Combined)	197.699	2	98.849	14.674	<.001
	Within Groups	2074.758	308	6.736		
	Total	2272.457	310			
Exclusive interviews * Q15_recoded	Between Groups (Combined)	266.163	2	133.082	17.882	<.001
	Within Groups	2292.216	308	7.442		
	Total	2558.379	310			
Live streaming * Q15_recoded	Between Groups (Combined)	181.688	2	90.844	12.287	<.001
	Within Groups	2277.245	308	7.394		
	Total	2458.932	310			
Private chat * Q15_recoded	Between Groups (Combined)	325.342	2	162.671	16.308	<.001
	Within Groups	3072.311	308	9.975		
	Total	3397.653	310			

Measures of Association		
	Eta	Eta Squared
Fans tickets * Q15_recoded	.216	.047
Unreleased music * Q15_recoded	.295	.087
Exclusive interviews * Q15_recoded	.323	.104
Live streaming * Q15_recoded	.272	.074
Private chat * Q15_recoded	.309	.096

From the report:

- Those who are unlikely to take advantage of exclusive contents actually value less than the other groups all the variables. For this reason, it seems that they would not change their mind regarding the concept, despite offering these contents.
- Those who are likely to try the new feature are extremely interested in fans tickets (8.24) and unreleased music (8.07). Thirdly, live streaming (7.24).
- Those who are indifferent actually showed a relevant interest for some variables as fans tickets (7.59) and unreleased music (6.78).

[Image 3.42] Report between probability to subscribe for DSP exclusive contents and DSP exclusive content evaluations (Q15 and Q17)

Q15_recoded		Report				
		Fans tickets	Unreleased music	Exclusive interviews	Live streaming	Private chat
Not likely	Mean	6.8226	6.1935	4.4435	5.4274	4.5645
	N	124	124	124	124	124
	Std. Deviation	2.96332	2.86464	3.00217	3.05817	3.21137
Likely	Mean	8.2424	8.0707	6.5859	7.2424	6.9596
	N	99	99	99	99	99
	Std. Deviation	2.47473	2.20043	2.31680	2.27718	2.90994
Indifferent	Mean	7.5909	6.7841	4.9318	6.3068	5.2386
	N	88	88	88	88	88
	Std. Deviation	2.65068	2.60613	2.74928	2.66677	3.34593
Total	Mean	7.4920	6.9582	5.2637	6.2540	5.5177
	N	311	311	311	311	311
	Std. Deviation	2.78459	2.70749	2.87278	2.81639	3.31061

To conclude, it seems that the “likely-to-try-cluster” is, on average, generally excited for each content, contrary to other groups.

As last step, despite being a difficult variable to gather, respondents were subjected to express their willingness to pay (Q18) for their favorite exclusive content portfolio, composed in the previous question (Q17).

The responses were closed and could have ranged between €0-€20. This limitation is justified by:

- The insights emerged in the focus group.
- The level of income per capita in Italy and the average online services price.
- The DSP average price, paid for a premium subscription: the most expensive solution never exceed €19 per month.

The question was asked in a way to make the user aware that the price selected would have been added to his/her current DSP subscription monthly cost, indifferently from his/her choice to have opted for premium or a free solution.

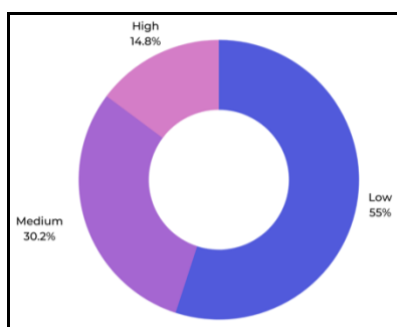
The aim is not to gather the correct price for an exclusive content portfolio. More important is the willingness to pay: for this, three price clusters were created:

- €0-€6: low willingness to pay
- €7-€12: medium willingness to pay
- €13-€20: high willingness to pay

The price ranges of each cluster is still based the focus group insights: respondents expressed that they would not have paid more than €12. Considering their age and status (23-35 years old, workers and students), it was more realistic to set this threshold as a cut-off point between average and high spending propensity.

From the analysis of Q18, great part of the sample (55%) showed a low willingness to pay for exclusive contents on DSP. The rest (30.2%) is admitting that a correct price for their favorite portfolio would range between €7 to €12.

[Image 3.43] Willingness to pay for DSP exclusive contents clustered (Q18)



The results reflect the reality:

- OnlyFans is offering access to contents from €4.99 to €49.99. But most of the creators are asking for a price that usually does not exceed €10 (Pereira, 2022).
- This exclusive subscription would be added to the current DSP monthly cost and the benefits offered are not enough to justify a threefold increase in price.

Lastly, a relationship between Q18 and Q17 was detected. The idea is to detect an influence of the willingness to pay on the importance given to the exclusive contents proposed. Through an ANOVA table, it was found out that the p-value of the F-test was lower than 0.05 for some variables, so the null hypothesis H_0 was rejected for those. The relationship was stated for unreleased music, exclusive interviews and private chat with the artist. The strength of the relation of the dependent variables was measured using the ETA index, which indicates that a general good dependency is present.

[Image 3.44; 3.45] ANOVA table and ETA index evaluation between willingness to pay ranges and DSP exclusive content evaluations (Q18 and Q17)

		ANOVA Table		Sum of Squares	df	Mean Square	F	Sig.
Fans tickets * Q18_Recoded	Between Groups (Combined)		32.392	2	16.196	2.104		.124
	Within Groups		2371.338	308	7.699			
	Total		2403.730	310				
Unreleased music * Q18_Recoded	Between Groups (Combined)		83.387	2	41.693	5.866		.003
	Within Groups		2189.070	308	7.107			
	Total		2272.457	310				
Exclusive interviews * Q18_Recoded	Between Groups (Combined)		130.355	2	65.178	8.268		<.001
	Within Groups		2428.024	308	7.883			
	Total		2558.379	310				
Live streaming * Q18_Recoded	Between Groups (Combined)		32.721	2	16.360	2.077		.127
	Within Groups		2426.212	308	7.877			
	Total		2458.932	310				
Private chat * Q18_Recoded	Between Groups (Combined)		403.061	2	201.531	20.728		<.001
	Within Groups		2994.591	308	9.723			
	Total		3397.653	310				

Measures of Association		
	Eta	Eta Squared
Fans tickets * Q18_Recoded	.116	.013
Unreleased music * Q18_Recoded	.192	.037
Exclusive interviews * Q18_Recoded	.226	.051
Live streaming di concerti * Q18_Recoded	.115	.013
Private chat * Q18_Recoded	.344	.119

From the report, those who showed a medium willingness to pay are more sensitive to unreleased music presence (mean 7.62), compared to those who have a lower pay propensity. Respondents with a higher willingness to pay give more importance to exclusive interviews (6.17) and private chat (7.17), comparing to the other clusters.

[Image 3.46] Report between willingness to pay ranges and DSP exclusive content evaluations (Q18 and Q17)

Q18_Recoded		Report				
		Fans tickets	Unreleased music	Exclusive interviews	Live streaming	Private chat
Low	Mean	7.2281	6.4971	4.6842	5.9825	4.5029
	N	171	171	171	171	171
	Std. Deviation	2.98438	2.87663	2.88092	2.99111	3.13683
Medium	Mean	7.6702	7.6170	5.8723	6.4574	6.5532
	N	94	94	94	94	94
	Std. Deviation	2.46432	2.26287	2.65279	2.50017	3.07126
High	Mean	8.1087	7.3261	6.1739	6.8478	7.1739
	N	46	46	46	46	46
	Std. Deviation	2.54932	2.60814	2.83866	2.68301	3.14328
Total	Mean	7.4920	6.9582	5.2637	6.2540	5.5177
	N	311	311	311	311	311
	Std. Deviation	2.78459	2.70749	2.87278	2.81639	3.31061

3.2.5.1 SINGLES EXCLUSIVE ATTRIBUTES EVALUATION: CONCLUSIONS

To conclude, the last section analysis brought these considerations:

- Among all the exclusive contents proposed, respondents value the most fans tickets and unreleased music when it comes to their idol or favorite artist whereas exclusive interviews and private chat are not attractive for everybody.
- Under 25 are the ones who cares the most regarding exclusive interviews and private chats.
- Those respondents interested in the concept has a preference towards fans tickets and unreleased music. In a second instance, live streaming. While the indifferent showed the highest curiosity for fans tickets and unreleased music.
- In general, respondents have low to medium willingness to pay for exclusive contents that do not cost more than an additional €12 per month than their subscription fee. It

was showed that the medium pay propensity cluster is more sensitive to unreleased music presence, whereas elements as exclusive interviews and private chat are more attractive for the ones with a higher willingness to pay.

4. CLUSTER AND CONJOINT ANALYSIS

The investigation will go deeper with a cluster and a conjoint analysis to pinpoint more precisely which kind of exclusive contents respondents are interested in, as well as to learn more about the types of consumers drawn to the offer.

In this instance, it appears that a cluster analysis is required to better understand the types of consumers included in the sample. It is interesting to group people together based on their qualities in order to determine who could be more willing to accept the innovative proposal based on exclusive contents. However, the cluster analysis taken into consideration will start from a factor analysis, needed to detect the main factors able to describe each possible consumers group.

Lastly, a conjoint analysis has been conducted in order to gather respondents' utility differences for several exclusive contents propositions. Contrarily from what analyzed before, a conjoint analysis would be more precise to understand the user perception on specific attributes when it comes to an overall contents portfolio evaluation.

4.1 FACTOR ANALYSIS

The factor analysis is needed before going into a cluster analysis. It was performed taking in account the following 13 variables:

Audio quality	Monthly service price
Breadth of the music catalog	Best streaming quality (HD, Loseless)
Popularity of the service	Offline listening
Interface and ease of use of the application	Absence of advertising
Presence of editorial playlists	Avoid random playback of tracks
Presence of virtual radio stations	Unlimited skips
Presence of podcasts	

The variables group is composed of the characteristics that influenced people when choosing their main streaming platform (Q9_1 to Q9_8): these variables help in discriminating consumers since each respondent evaluates differently each factor in the choice phase.

Moreover, the features that would or motivated a respondent to upgrade to a premium subscription were added to the variables cluster (Q11_1 to Q11_5). In this way, it is simpler gathering an exhaustive summary of consumers' preferences.

These factors help to explain why consumers selected a particular DSP based on their needs. As a result, people have expectations about what a DSP might provide. Later, it would be feasible to determine which cluster is more receptive to modifications and new features.

Going further with the factor analysis, a principal components method was used to determine the number of final factors (Malhotra, 2009). Following step by step the procedure:

1. The ratio between the number of components and the variables was valued. Generally it would be 1 out of 3.
2. Regarding the percentage of the variance explained, 5 factors explain 62.298% of the total variance.
3. The scree plot suggested creating 5 factors.
4. The Eigenvalue should be higher than 1 for each factor. Choosing 5 factors, it is slightly under the threshold of 1 (0.972). However, 4 factors would have explained only the 55.082% of the variance, which would have been too low.

[Image 4.1] Total variance explained in the factor analysis

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.372	25.938	25.938	3.372	25.938	25.938
2	1.554	11.953	37.892	1.554	11.953	37.892
3	1.230	9.460	47.352	1.230	9.460	47.352
4	1.005	7.730	55.082	1.005	7.730	55.082
5	.972	7.480	62.563	.972	7.480	62.563
6	.955	7.345	69.908			
7	.816	6.279	76.187			
8	.732	5.630	81.816			
9	.583	4.488	86.305			
10	.555	4.266	90.571			
11	.443	3.406	93.976			
12	.419	3.227	97.203			
13	.364	2.797	100.000			

Extraction Method: Principal Component Analysis.

5. With 5 factors, all communalities were greater than 0.4, which means that the amount of explained variability for each input variable is satisfactory (image 7 Appendix A).

When it came time for the interpretation stage, a rotated component matrix was helpful in defining the meaning of each factor.

[Image 4.2] Rotated component matrix in the factor analysis: 5 components

	Component				
	1	2	3	4	5
Unlimited skips	0.818				
Avoid random playback of tracks	0.797				
Absence of advertising	0.59		0.475		
Presence of editorial playlists		0.687			
Presence of podcasts		0.685			
Audio quality		0.523	0.311	0.424	
Breadth of the music catalog		0.496	0.48		0.33
Monthly service price			0.671		
Offline listening	0.46		0.567		
Presence of virtual radio stations				0.731	
Best streaming quality (HD, Lossless)			0.42	0.644	
Popularity of the service					0.873
Interface and ease of use of the application		0.403			0.571

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.a
 a. Rotation converged in 7 iterations.

According to the rotation, it was possible to define five factors:

- Experience freedom: generated by unlimited skips, avoid random playback, absence of ads
- Catalog breadth: generated by presence of editorial playlist and podcast, standard audio quality, breadth of catalog.
- Price
- Niche features: presence of virtual radio, best streaming quality.
- Familiarity of use: popularity of the service, app interface and ease of use.

4.2 CLUSTER ANALYSIS

As second step, the cluster analysis was performed starting from the factors identified.

The sample was randomly extracted (20%) to get to a hierarchical cluster analysis: the aim was to obtain the number of clusters and their reliable initial centres. From the dendrogram present in the appendix A (image 8), four clusters were identified.

Then, the cluster membership variable was created: it was necessary for the ANOVA analysis to find the initial centers to use for the k-means procedure as independent variable. As dependent ones, the previously found five factors were used.

[Image 4.3] Cluster membership

Report					
Mean	Experience freedom	Catalogue breadth	Price	Niche features	Familiarity of use
1	.4301359	-.5292637	.9512492	-.2937894	-.6889813
2	-1.9287682	.1159862	-1.0520436	.3917300	-.4059785
3	.3567360	.5526225	-.1857005	.1459237	.0717755
4	-.7273546	-1.0546056	.6918509	-.5495094	1.3898596
Total	-.0382093	.0189666	.1114110	-.0264003	-.0015577

After this step, the filter applied on the sample for a random selection was deleted to perform the k-means procedure.

[Image 4.4] ANOVA table for significance analysis

ANOVA						
	Cluster		Error		F	Sig.
	Mean Square	df	Mean Square	df		
Experience freedom	37.687	3	.641	307	58.749	<.001
Catalogue breadth	29.204	3	.724	307	40.315	<.001
Price	45.919	3	.561	307	81.844	<.001
Niche features	6.055	3	.951	307	6.369	<.001
Familiarity of use	51.876	3	.503	307	103.165	<.001

Basing on the outputs generated, the ANOVA table suggested the absence of issues regarding the significance. As observable, the p-value was below 0.05 for the 5 factors.

[Image 4.5] Cluster membership

Number of Cases in each Cluster	
Cluster 1	72.000
2	40.000
3	132.000
4	67.000
Valid	311.000
Missing	.000

In a further step, looking at the distribution of the sample: the biggest cluster contain 42.4% of the respondents, while the smaller represents the 12.8%.

The last step was to proceed with the interpretation phase: in the table below are presented the the final cluster centers. The highest and lowest values are highlighted to better interpret the four clusters.

[Image 4.6] Final cluster centers

Final Cluster Centers				
	1	2	3	4
Experience freedom	0.24892	-1.28203	0.47593	-0.43975
Catalogue breadth	-0.49175	-0.13474	0.59981	-0.57283
Price	0.71478	-1.39289	-0.22228	0.50139
Niche features	-0.16339	0.31425	0.17299	-0.35285
Familiarity of use	-0.93945	-0.69427	0.21675	0.99701

4.2.1 CLUSTERS DESCRIPTION

1. The first cluster (23.15% of the sample) is composed of respondents who has the highest price sensitivity. For this reason, it might be conceivable that in choosing a music streaming platform, they may direct themselves at first glance to the one that offers the cheapest subscription plan. They would also be inclined to turn to unfamiliar players to safeguard the economic aspect.

2. The second cluster (12.86% of the sample) is the smallest among the groups. Users in this set are the least price-sensitive and price-influenced: they recognize that quality is expensive. What they look for most in a DSP is to have niche functions, which not all consumers are interested to. Finally, they value the listening experience differently: they are those who tend not to overuse music so as not to have problems when the listening is limited.

3. The third cluster (42.4% of the sample) is the biggest one. Users are interested in freedom and completeness: they chose their favorite DSP because they found it attractive in terms of innovativeness and comprehensiveness. If, in order to receive these benefits, they have to sacrifice a little more for a higher price, they would not back down.

4. The fourth cluster (21.59% of the sample) are those who do not like quantity: the necessary catalog for them can also consist only of the most popular songs. Moreover, the fewer features the better: the essentials is their main quality. What matters is that they know how to use the platform: simplicity make them satisfied.

4.2.2 CLUSTERS DESCRIPTION: DEMOGRAPHICS

After identifying the clusters, their relationship to the demographic information gleaned from the questionnaire was investigated.

Surprisingly, the clusters seem not to have any relation with the sample information available: age, occupation, geographical residency, gender and education. In fact, by using crosstables as dealing with qualitative variables, the Chi-Square test gives a p-value always superior to 0.05, showing a non-existence of a relationship.

[Image 4.7] Chi-Square test between clusters and age ranges (Q2)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	11.956 ^a	9	.216
Likelihood Ratio	11.340	9	.253
Linear-by-Linear Association	1.615	1	.204
N of Valid Cases	311		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.02.

It is possible to conclude that demographics characteristics are equally distributed in clusters: there is no group that has any prevalence regarding those attributes.

4.2.3 CLUSTERS DESCRIPTION: BEHAVIORAL

A second bivariate analysis between clusters and most used DSP (Q7) revealed the existence of a relationship. The Chi-Square test admitted a p-value lower than 0.05.

[Image 4.8] Chi-Square test between clusters and most used DSP (Q7)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	47.655 ^a	6	<.001
Likelihood Ratio	49.016	6	<.001
Linear-by-Linear Association	13.637	1	<.001
N of Valid Cases	311		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.66.

More in deep, the relationship seems to be strong enough due to the Cramer's V value, higher than 0.2.

[Image 4.9] Cramer's V clusters and most used DSP (Q7)

Symmetric Measures			
		Value	Approximate Significance
Nominal by Nominal	Phi	.391	<.001
	Cramer's V	.277	<.001
N of Valid Cases		311	

Looking at the crosstable, it seems that:

1. Users in the first cluster are clients of Spotify (for the 58.3%), Other services (for the 29.2%) and YouTube Music (for the 12.5%)
2. 45% of the second cluster is Spotify's customer, followed by YouTube Music and Other services, equally distributed.
3. The third cluster counts mostly Spotify users (for the 87.9%).
4. The fourth cluster has still prevalence for Spotify users (68.7%), followed by YouTube Music and Other services.

[Image 4.10] Crosstab between clusters and most used DSP (Q7)

		Cluster Number of Case				Total	
		1	2	3	4		
Q7_Recoded	Spotify	Count	42	18	116	46	222
		% within Q7_Recoded	18.9%	8.1%	52.3%	20.7%	100.0%
		% within Cluster Number of Case	58.3%	45.0%	87.9%	68.7%	71.4%
		% of Total	13.5%	5.8%	37.3%	14.8%	71.4%
	Youtube Music	Count	9	11	12	13	45
		% within Q7_Recoded	20.0%	24.4%	26.7%	28.9%	100.0%
		% within Cluster Number of Case	12.5%	27.5%	9.1%	19.4%	14.5%
		% of Total	2.9%	3.5%	3.9%	4.2%	14.5%
	Other	Count	21	11	4	8	44
% within Q7_Recoded		47.7%	25.0%	9.1%	18.2%	100.0%	
% within Cluster Number of Case		29.2%	27.5%	3.0%	11.9%	14.1%	
	% of Total	6.8%	3.5%	1.3%	2.6%	14.1%	
Total	Count	72	40	132	67	311	
	% within Q7_Recoded	23.2%	12.9%	42.4%	21.5%	100.0%	
	% within Cluster Number of Case	100.0%	100.0%	100.0%	100.0%	100.0%	
	% of Total	23.2%	12.9%	42.4%	21.5%	100.0%	

The definition of a relationship between cluster and main DSP used (Q7) help in a better definition of the groups created. In particular, almost the whole third cluster (87.9%) is a Spotify user: probably, the samples find this player the most advanced and innovative for its needs, due to its description.

4.2.4 CLUSTERS DESCRIPTION: TARGETING

The last step is to take a decision regarding the cluster to target with an exclusive contents portfolio. It was executed a relationship analysis between those users groups and the sample's willingness to subscribe for exclusive contents on DSP (Q15).

[Image 4.11] Chi-Square test between clusters and willingness to subscribe for exclusive contents (Q15)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	10.799 ^a	6	.095
Likelihood Ratio	10.776	6	.096
Linear-by-Linear Association	1.015	1	.314
N of Valid Cases	311		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 11.32.

However, the analysis of the Chi-square suggested no connection existence between the two variables, due to a high P-value (0.95).

Consequently, since clusters are difficult to be analyzed according to variables as demographics and behavioral informations, it might be mandatory basing a targeting choice on clusters' characteristics, defined through the factors description.

As explained till now, opening exclusive contents on DSP as fan tickets or unreleased music would require a supplementary cost, that would be added to the price of the user's monthly music streaming platform subscription (independently to be free or premium). For this reason, cluster 1 and 4 (who are the most price-sensible among the groups) should not be taken into consideration: the idea of paying more would disincentivize them from using the exclusive offer.

Since the choice remains between two clusters (2 and 3), it is required to keep in mind that the exclusive offer would add extra content to the general catalog (even though inaccessible to everyone). Therefore, cluster 2 might be excluded from the choice due to their characteristics of not being so interested in any catalog extension: on the contrary, cluster 3 would benefit from this addition of content.

Furthermore, exclusive contents are not a niche feature that would improve the listening experience: on the contrary, it would give more fans benefits that are not related in any sense to the streaming reproduction quality.

Consequently, cluster 3 (which even represents the 42.2% of the sample) seems to pay attention to the catalog breadth: generally, they find each DSP function useful for them, even though with a lower utility respect to the other clusters. In a nutshell, the more is better: they might be opened to embrace the idea of exclusive contents.

Finally, they are not price-sensitive: however, they might have a moderate willingness to pay, since its factor center (-0.22) is close to zero.

4.3 CONJOINT ANALYSIS

A conjoint analysis was performed to gather information on the exclusive contents portfolio a DSP should propose to test the concept in Italy. This tool helps to identify the importance and levels of utility that interviewees value to each attribute through an indirect evaluation.

Starting from the conjoint analysis structure, a basket of different exclusive contents was composed. It is based from the absence or the inclusion of the following elements:

- Unreleased music: present or not present in the basket;
- Private chat: present or not present in the basket;
- Fan tickets: present or not present in the basket;
- Live streaming: present or not present in the basket;
- Exclusive interviews: present or not present in the basket.

In a nutshell, each attribute corresponds to the same variables present in Q17 and each level is based on a dichotomy “yes” or “no”. Through SPSS orthogonal design function, 8 scenarios were identified: they were inserted into the questionnaire (Q16), which asked respondents to rate them from 1 to 10 based on their preferences.

[Image 4.12] SPSS orthogonal design

STATUS	CARD	FAN TICKETS	EXCLUSIVE INTERVIEWS	LIVE STREAMING	UNRELEASED MUSIC	PRIVATE CHAT
Design	1	no	no	yes	yes	no
Design	2	yes	no	no	yes	no
Design	3	yes	yes	yes	yes	yes
Design	4	yes	yes	no	no	no
Design	5	yes	no	yes	no	yes
Design	6	no	yes	no	yes	yes
Design	7	no	no	no	no	yes
Design	8	no	yes	yes	no	no

4.3.1 CONJOINT ANALYSIS: OVERALL RESULTS

[Image 4.13] Conjoint analysis: overall results

Importance Values	
fan_tickets	31.624
exclusive_interviews	14.303
live_streaming	23.259
unreleased_music	26.297
direct_chat	4.518
Averaged Importance Score	

The overall results state that the most appraised attribute among the ones proposed is fan tickets, showing an importance value of 31.6%: it means that the presence of this component when creating the DSP exclusive contents offer is an important feature to take into consideration. However, it looks like that even unreleased music constitute an important characteristic for the sample (26.3%). On the other hand, respondents do not care at all about the presence or not of a direct chat with the artist (4.5%).

[Image 4.14] Conjoint analysis: overall utilities

Utilities			
		Utility Estimate	Std. Error
fan_tickets	yes	.670	.046
	no	-.670	.046
exclusive_interviews	yes	.303	.046
	no	-.303	.046
live_streaming	yes	.493	.046
	no	-.493	.046
unreleased_music	yes	.557	.046
	no	-.557	.046
direct_chat	yes	.096	.046
	no	-.096	.046
(Constant)		5.337	.046

The best scenario should be built basing the choice on the overall sample's utilities: all components should be present. In particular, in order of importance: fan tickets, unreleased music, live streaming, exclusive interviews and private chat. However, the latter is a nice to have: its absence would have a small impact on the overall sample's utility.

4.3.2 CONJOINT ANALYSIS: BY AGE

The conjoint was splitted by age ranges. There are several worthwhile discoveries:

- Under 35 give more importance to fan tickets and unreleased music that other age clusters.

- Range 36-45 finds fan tickets, live streaming and unreleased music the most important attributes.
- Over 45 are giving a different opinion: exclusive interviews and live streaming are the most important attributes. In agreement from what stated before, in the conjoint analysis they result to be the least interested in private chat comparing to the other groups, since their utility would be higher when absent.

[Image 4.15; 4.16] Conjoint analysis: by age

Importance Values		Utilities			
Age Group	Attribute	Importance Score	Utility Estimate	Std. Error	
Under 25	fan_tickets	30.530	.715	.001	
	exclusive_interviews	13.707	-.715	.001	
	live_streaming	21.106	.321	.001	
	unreleased_music	27.336	-.321	.001	
	direct_chat	7.321	.495	.001	
26-35	fan_tickets	34.603	-.495	.001	
	exclusive_interviews	14.073	.641	.001	
	live_streaming	22.020	-.641	.001	
	unreleased_music	28.311	.172	.001	
	direct_chat	.993	-.172	.001	
36-45	fan_tickets	32.389	5.516	.001	
	exclusive_interviews	12.566	.792	.136	
	live_streaming	25.487	-.792	.136	
	unreleased_music	22.301	.322	.136	
	direct_chat	7.257	-.322	.136	
Over 45	fan_tickets	13.011	.504	.136	
	exclusive_interviews	22.677	-.504	.136	
	live_streaming	30.855	.648	.136	
	unreleased_music	13.755	-.648	.136	
	direct_chat	19.703	.023	.136	
Averaged Importance Score			5.174	.136	

4.3.3 CONJOINT ANALYSIS: BY WILLINGNESS TO SUBSCRIBE FOR EXCLUSIVE CONTENTS

It was run a conjoint analysis splitting the results by the willingness to subscribe for exclusive contents (Q15).

It was found out that those that are willing to try exclusive features assign similar importance to the same attributes as the overall sample. Hence, they are, on average, interested at the presence or not of fan tickets (32.4%) and unreleased music (23.6%).

Those that stated that are not willing to try the exclusive feature or are undecided about it, still show the same preferences. However, differently from the other groups, detractors give an higher importance on live streaming (24.3%).

[Image 4.17] Conjoint analysis: willingness to subscribe for exclusive contents

Importance Values		
Not likely	fan_tickets	31.211
	exclusive_interviews	15.406
	live_streaming	24.275
	unreleased_music	26.435
	direct_chat	2.672
Likely	fan_tickets	32.351
	exclusive_interviews	14.901
	live_streaming	21.813
	unreleased_music	23.626
	direct_chat	7.309
Indifferent	fan_tickets	31.262
	exclusive_interviews	12.362
	live_streaming	23.754
	unreleased_music	29.191
	direct_chat	3.430
Averaged Importance Score		

4.3.4 CONJOINT ANALYSIS: BY CLUSTERS

As last step, the conjoint was splitted by the four clusters created. Looking at the values and utilities (see image 9 for utilities), the most useful insights are the following:

[Image 4.18] Conjoint analysis: by cluster

Importance Values		
1	fan_tickets	31.301
	exclusive_interviews	16.580
	live_streaming	25.353
	unreleased_music	21.041
	direct_chat	5.725
2	fan_tickets	34.682
	exclusive_interviews	11.561
	live_streaming	23.699
	unreleased_music	23.699
	direct_chat	6.358
3	fan_tickets	35.059
	exclusive_interviews	14.348
	live_streaming	22.247
	unreleased_music	24.528
	direct_chat	3.817
4	fan_tickets	23.010
	exclusive_interviews	11.811
	live_streaming	21.785
	unreleased_music	35.783
	direct_chat	7.612
Averaged Importance Score		

- For all the clusters, the highest importance is given to fan tickets and unreleased music. However, generally fans tickets is the most relevant attribute for clusters 1, 2 and 3. Cluster 4 gives more significance to unreleased music.
- Cluster 1 would gather more utility from a basket composed of fans tickets, live streaming, unreleased music, exclusive interviews and direct chat (in order of importance).
- Cluster 2 would gather more utility from a basket composed of fans tickets, live streaming, unreleased music, exclusive interviews and no direct chat (in order of importance).
- Cluster 3 would gather more utility from a basket composed of fans tickets, unreleased music, live streaming, exclusive interviews and direct chat (in order of importance). The absence of direct chat would not significantly impact the general utility estimation (-0.083).
- Cluster 4 would gather more utility from a basket composed of unreleased music, fans tickets, live streaming, exclusive interviews and direct chat (in order of importance).

4.3.5 CONJOINT ANALYSIS: CONCLUSIONS

To conclude, the conjoint section analysis brought these considerations:

- In general, unreleased music and fan tickets are the most highly valued characteristics. Direct chat is the trait that people value the least.
- Those under 45 prefer live streaming, unreleased music, and fan tickets. People over 45 tend to prefer live streaming, exclusive interviews and avoid direct chat.
- Those who are willing to subscribe to DSP exclusive contents solution would find as important these attributes: fan tickets and unreleased music.
- Cluster 3, selected during the targeting phase, would benefit more from a basket containing fan tickets, unreleased music, live streaming, exclusive interviews, and direct chat with artists (in order of importance). The broad utility estimation would not be significantly impacted by the lack of direct chat (-0.083).

5. MANAGERIAL IMPLICATIONS

In the research conducted so far, an entire global and Italian overview of DSPs has been addressed. Goldman Sachs' music reports (Lisa Yang, 2022) highlighted how streaming platforms benefited the entire music industry. However, most of them, like Spotify, despite their growth potential, suffer from negative financial results due to the "scissor effect". Tencent Music is sorting out the problem by offering a variety of apps that allow users to watch live performances, play karaoke, buy virtual gifts for artists, and interact directly with musicians. The idea is to diversify the offer to add more revenue streams. Currently, no DSP platform in developed countries offers exclusive contents yet.

Consequently, the dissertation focused on the concept of exclusive contents, as a way to add a new revenue stream to DSP currently active in Western countries. However, it was needed to conduct qualitative and quantitative research to come up with the contents needed to compose the portfolio: propose something similar to what Tencent Music is currently providing in China might not be effective in developed markets due to distant cultural and social habits.

Furthermore, the research was necessitated from a managerial point of view because music streaming platforms generate several negative psychological and social consequences for some actors in the music distribution chain.

Regarding artists, who are benefiting from the possibility of being exposed to a larger audience due to DSPs' algorithms' presence, they are not generally well paid by streams.

Whereas consumers suffer from the concept of psychological ownership, which is negatively affected by a lack of security in music possession and limited social rewards. Consequently:

- The general user is aware that he or she is paying for access to music and not for ownership.
- The fan is affected because he or she does not feel like part of a group anymore and has difficulties getting socially compensated as before. The relation fan-artist is generally less enduring and made weaker by DSP.

Drawing inspiration from Tencent Music, the purpose of exclusive contents is to tap into the emotional sides of fans and monetize the appreciation they prove towards their idols. Considering this idea, it was necessary to rethink the way exclusive content can be accessed. Taking up OnlyFans' model, artists could offer exclusive contents to those who subscribed to their profiles. Such a subscription would imply a higher cost for consumers and would be added to their current monthly fee required to use the streaming platform.

On one hand, the approach would add a new source of revenue for streaming platforms: like OnlyFans, DSPs could keep a percentage of exclusive subscriptions and, therefore, pay the rest out to their creators. Consequently, they would be free to release the payment to the stream's number. Furthermore, the concept might even attract new consumers, reaching higher penetration levels.

On the other hand, the concept might resolve the managerial issues raised above:

- Artists would have a better picture of their fanbase, understand their habits, tastes and desires.
- Consumers could feel more confident about the service. Speaking of psychological ownership, according to Danckwerts and Kenning (2019), when clients pay monthly fees, they feel a greater sense of ownership over the music they listen to. Perhaps, increasing the spending level, albeit a little, might further raise consumer confidence levels in the service.
- Fans would be highly involved in their idols' activities and be part of an exclusive community. It would even satisfy their need to financially support their favorite artist to contribute to his/her career development.

A more practical approach was needed to gather more general insights regarding the idea. For this purpose, the dissertation focused on the Italian market, where DSPs' users decide to subscribe to access exclusive and original contents that, in reality, are not offered (Statista, 2022). Even though consumers are generally satisfied with their current offer, showing a NPS of 30.3, they realize only later that the catalog and offerings lack exclusive content, the absence of which often generates frustration that spills over into other contexts, such as

purchasing concert tickets. In fact, the practice is very difficult, as the use of computer bots with the goal of resale is widespread. Another example is their favorite artist's unreleased music, usually released in low quality and illegally on other online platforms.

Therefore, some qualitative and quantitative research was taken into consideration to respond to the following questions:

- Which factors would induce the Italian consumer to subscribe to access exclusive contents on DSPs?
- Which is the targeted persona that would be involved in the new offer?

However, to offer exhaustive answers, there is a need to split the conclusions in relation to the sample taken into consideration.

5.1 MANAGERIAL IMPLICATIONS: OVERALL SAMPLE

The overall sample analyzed during the quantitative research resulted in an unbalanced representation of Italian age groups. It is mainly composed of young respondents. However, research on the Italian market revealed that music streaming platforms have mainly Z and Millennial Generation subscribers (Statista, 2022).

The sample have a strong preference for using and subscribing to Spotify (71.4%) and YouTube Music (14.5%). Furthermore, it has a high proclivity to have additional subscriptions to online platforms. However, the majority of the sample (76.2%) does not use non-music exclusive content services.

After a music consumption habits analysis and testing the concept of exclusive contents accessible by DSP, the overall sample greeted the idea skeptically. Yet, just a part of them (31.8%) would subscribe to exclusive contents on DSP for an extra monthly fee. Detractor and passive respondents, on the other hand, despite their cold opinions, expressed interest in some factors that might one day persuade them about the concept.

In fact, the factors that would generally induce the Italian consumer to subscribe to access exclusive contents are fan tickets, unreleased music, live streaming, exclusive interviews, and private chat. However, the latter is nice to have; its absence would have a small impact on the overall sample's utility.

Throughout the analysis, various variables were compared to see if there was any potential relationship. The most important demographics for the purpose were age and occupation: the decision to spend on digital content may be influenced by the respondents' economic situation. Furthermore, age is a factor that influences music tastes and listening preferences (IFPI, 2021).

However, while occupation was found to be a statistically insignificant variable, age influences opinion on exclusive contents and impacts listening habits.

Therefore, considering an exclusive content portfolio composed of fan tickets, unreleased music, live streaming, exclusive interviews, and private chat; the sample would react differently according to its age:

- Under 25, which are generally users of Spotify, would be generally satisfied with the entire offer, as they appeared to be the most excited about the concept. They mostly listen to pop and rap music. Consequently, artists involved in those music genres might attract their interest.
- People aged between 26 and 45, still mostly Spotify users, would take more advantage of fan tickets, unreleased music, and live streaming than the other contents, whose presence is nevertheless satisfactory. Rap tracks are the most streamed by this cluster.
- Respondents older than 45 years old are mainly YouTube Music users. They listen to rock music and would enjoy watching exclusive interviews and live streaming from their favorite artists. However, having a private chat with their idol would not be interesting at all.

Going further, it has been shown that DSP free-version users generally have a low propensity to subscribe to other premium platforms and spend money online. Consequently, it might be possible that they would not take advantage of the exclusive contents option.

Instead, premium users are familiar with paying platforms: they generally spend money online. However, since the overall sample willingness to pay for DSP exclusive contents is moderate, large outlays for the proposed exclusive package are unlikely. In fact, despite paying a higher price for DSP has positive impacts on the concept of psychological ownership, there might be a price threshold that disincentivize the user from signing up.

5.2 MANAGERIAL IMPLICATIONS: CLUSTER

The investigation went deeper with a cluster and a conjoint analysis to pinpoint more precisely which kinds of exclusive contents respondents are interested in, as well as to learn more about the types of consumers drawn to the offer. As a result of the analysis, the third cluster would be the ideal target.

It is composed of 42.4% of the overall sample and is made up of people interested in listening freedom, catalog completeness and using all the DSPs' features. Since exclusive contents would add more enjoyable products to extend the offer, they might think about sign up. If to receive these benefits they had to sacrifice a little more for a higher price, they would not back down. They are not price sensitive, however, they have a moderate willingness to pay (up to €12 more) for the entire exclusive contents offer, composed of fan tickets, unreleased music, live streaming, exclusive interviews, and direct chat (in order of importance). The absence of direct chat would not significantly impact the overall utility estimation.

Eventually, choosing this target would mean directly opening a new offer mainly for Spotify users, which comprise 87.9% of the analyzed sample.

In fact, from the analysis, it was not possible to classify demographically and behaviorally the target. It, as the other clusters, is a representation of the entire sample on a small scale: it might react to the new offer in the same way as the overall sample.

5.3 CONCLUSIONS

To conclude, DSPs should adopt exclusive contents to enrich their value proposition, even though not all consumers would be excited by the idea. However, a great part of them showed particular interest in some exclusive contents. It is possible that those who are skeptical of the idea now will become later subscribers and thus, late adopters.

Gathering all the information given, a DSP in Italy should offer the following exclusive contents: fan tickets, unreleased music, live streaming, exclusive interviews, and direct chat (in order of importance). To be ideal for the analyzed context, the offer should have a special focus on local artist. In fact, 76% of streaming comes from Italian tracks (FIMI, 2021). Finally, to access them, it would be required that an additional monthly fee should be paid by the interested user.

Unreleased music and fan tickets are the factors that attract Italians the most. On the one hand, the first is among the most appealing exclusive content for a fan: it would enable to stand out from the crowd by collecting music that is challenging to find. The latter is important because Italy struggles to hold large-capacity concerts due to a lack of significant physical structures and ticket purchases are increasing steadily.

5.4 RESEARCH LIMITATIONS

A fixed value proposition has not been defined. In fact, because it was a B2C research, it did not consider the perspectives of the B2B side, which includes artists and their management as well as podcasters, who were excluded from the study. No mention has been made to artists' willingness to take part in the program or what kind of exclusive content they would actually produce. The contents proposed during the research might not be necessarily consistent with each artist's career development. For instance, artists highly involved in releasing new music every month would not be as attractive as an inactive artist if they offered unreleased music. Or not all the artists might agree with the contractual conditions expected with the new subscription.

Furthermore, the tested idea might be successful only if subscriber numbers remain constant over time. This would imply that artists should continuously publish new content to satisfy consumers' needs.

Going further, the research did not offer an illustration of the first Italian DSP that should start testing the concept. Spotify might be the ideal candidate only because the third cluster was targeted and it is mainly composed of Swedish platform users.

However, these considerations might be inconclusive, especially when talking about a sample that does not reflect the actual Italian DSP usage. In fact, Amazon Music was not well represented by the sample, and it actually accounts for 57% of Italian usage (Statista, 2022).

In any case, the first mover might have a significant impact in the Italian market, which is amplified when the platform has large market share: exclusive contents may significantly increase competition pressure by resolving some issues that cause consumer or fan frustration. For this reason, the concept might steal clients from the competition partners.

Speaking of the sample, the quantitative research revealed the following limitations:

- The set of exclusive contents continuously proposed in the questionnaire was a shortlist of choices derived from qualitative research. Therefore, the list could have been extended with other variables that, on the other hand, would have made the survey excessively long.
- The targeting phase might not be so precise since it is based on qualitative evaluations. It was not possible to derive any behavioral and demographic characteristics affecting the clusters.
- The sample was statistically insignificant to respond to some research goals. Occupation, which usually defines the bargaining power of a consumer, did not show any relation to the variables analyzed.
- Despite being asked, the willingness to pay could have been more thoroughly analyzed. In fact, a linear regression considering this variable as dependent and the

exclusive content variables as independent was executed. It resulted that only the private chat presence was positively influencing the willingness to pay. The relation with the other independent variables was not statistically significant. Despite the fact that there was no sign of multicollinearity, the analysis did not go further because in terms of residuals, the minimum and maximum values were quite large, as was their standard deviation, suggesting that the majority of the variability is not explained in the model.

- Overall sample utilities for exclusive contents have been calculated and analyzed without taking into consideration the type of artist that the consumer had in mind.

5.5 FOLLOW-UP STUDIES

After the following dissertation, new studies might be taken into consideration to gather more consistent conclusions.

The study did not place any focus on the macro financial impact that such a solution would generate on a DSP's annual performances or on the overall sector. In fact, it might affect music streaming platforms' penetration or the entire industry's growth.

On the other side, any microanalysis of the costs needed to set up the concept has been taken into consideration. For instance, it would be necessary to think about all the structural or research costs that the platform should invest in to upgrade from a technological standpoint. This should allow access to exclusive contents and even guarantee product exclusivity and privacy, which actually justify the added value for the consumer and prevent the illicit dissemination of the material.

Furthermore, specific price studies for the offer should be taken into consideration. In fact, there is a need to satisfy the customers' expectations and propose a solution that is ideal for their willingness to pay. However, on the other side, the price should be worth the investment made, and it is dependent even on the service retention percentages shared between the platform and the creator. Perhaps, as OnlyFans, artists can set their price according to the content offered or depending on their popularity.

Finally, studies from a managerial point of view should be considered to better define:

- Which DSP has the advantage of being the first to propose the idea;
- What kind of value proposition could be attractive for the final consumer and for the creator;
- What impact the innovation would have on the concept of psychological ownership.

APPENDIX

APPENDIX A

Image 1

Statistics developed by MUSO; software able to monitor the level of online piracy in the entertainment industry (Stassen, 2022). Last access made in December 2022, by Edoardo Gammaraccio.

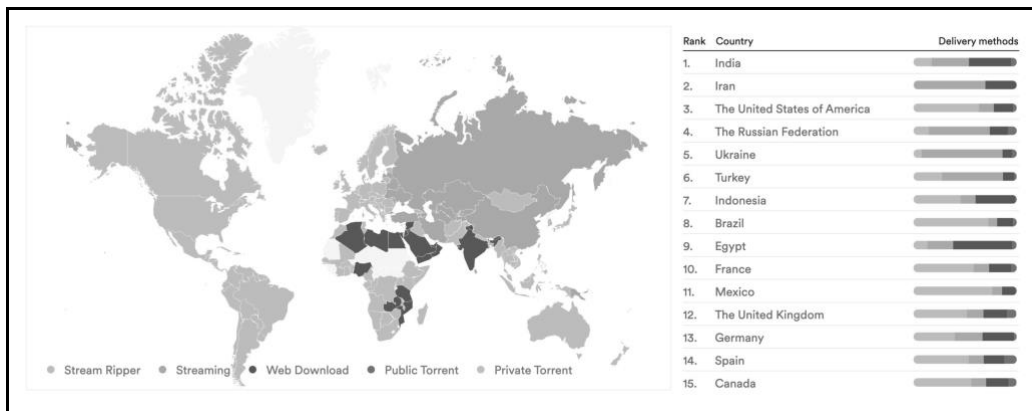


Image 2

(MacroTrends, 2022). Last access made in December 2022, by Edoardo Gammaraccio.

Annual Data Millions of US \$ except per share data		2021-12-31	2020-12-31	2019-12-31	2018-12-31	2017-12-31
Revenue		\$11,438.21	\$9,001.324	\$7,575.68	\$6,210.879	\$4,622.927
Cost Of Goods Sold		\$8,372.799	\$6,699.589	\$5,647.04	\$4,612.986	\$3,663.302
Gross Profit		\$3,065.412	\$2,301.735	\$1,928.64	\$1,597.893	\$959.625
Research And Development Expenses		\$1,078.987	\$956.105	\$688.8	\$582.233	\$447.599
SG&A Expenses		\$1,875.214	\$1,680.323	\$1,321.6	\$1,066.443	\$939.279
Other Operating Income Or Expenses		-	-	-	-	-
Operating Expenses		\$2,954.201	\$2,636.429	\$2,010.4	\$1,648.676	\$1,386.878
Operating Income		\$111.211	\$-334.693	\$-81.76	\$-50.783	\$-427.253
Total Non-Operating Income/Expense		\$183.381	\$-475.197	\$-64.96	\$-153.53	\$-966.407
Pre-Tax Income		\$294.592	\$-809.891	\$-146.72	\$-204.313	\$-1,393.66
Income Taxes		\$334.817	\$-146.214	\$61.6	\$-112.195	\$2.261
Income After Taxes		\$-40.225	\$-663.676	\$-208.32	\$-92.118	\$-1,395.921
Other Income		-	-	-	-	-
Income From Continuous Operations		\$-40.225	\$-663.676	\$-208.32	\$-92.118	\$-1,395.921
Income From Discontinued Operations		-	-	-	-	-
Net Income		\$-40.225	\$-663.676	\$-208.32	\$-92.118	\$-1,395.921
EBITDA		\$261.465	\$-207.898	\$15.68	\$-12.991	\$-366.217
EBIT		\$111.211	\$-334.693	\$-81.76	\$-50.783	\$-427.253
Basic Shares Outstanding		191	188	181	177	152
Shares Outstanding		194	188	181	181	152
Basic EPS		\$-0.21	\$-3.54	\$-1.15	\$-0.52	\$-9.20
EPS - Earnings Per Share		\$-1.21	\$-3.54	\$-1.15	\$-0.60	\$-9.20

Image 3, 4, 5, 6

Significance of the statistical test between Q15 and Q4 (Music consumption frequency), Q5 (Music genre tastes), Q7 (Most used DSP) and Q12 (Type of DSP subscription). Made by Edoardo Gammaraccio.

Pearson Chi-Square Tests		
		Q5_TOG
Q15_recoded	Chi-square	12.345
	df	14
	Sig.	.579

Results are based on nonempty rows and columns in each innermost subtable.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	6.245 ^a	4	.182
Likelihood Ratio	6.565	4	.161
Linear-by-Linear Association	.280	1	.597
N of Valid Cases	311		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.94.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	6.999 ^a	4	.136
Likelihood Ratio	7.362	4	.118
Linear-by-Linear Association	.905	1	.342
N of Valid Cases	311		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 12.45.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.157 ^a	2	.925
Likelihood Ratio	.157	2	.925
Linear-by-Linear Association	.156	1	.693
N of Valid Cases	311		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 33.67.

Image 7

Communalities. Results from SPSS software. Made by Edoardo Gammaraccio.

Communalities		
	Initial	Extraction
Qualità audio	1.000	.562
Ampiezza del catalogo musicale	1.000	.685
Popolarità del servizio	1.000	.817
Interfaccia e facilità d'uso dell'applicazione	1.000	.583
Presenza di playlist personalizzate	1.000	.505
Presenza di stazioni radio virtuali	1.000	.664
Presenza di podcast	1.000	.518
Prezzo mensile del servizio	1.000	.466
Migliore qualità di streaming (HD, Loseless)	1.000	.694
Ascolto offline	1.000	.555
Assenza di pubblicità	1.000	.649
Evitare la riproduzione casuale di brani	1.000	.683
Skip illimitati	1.000	.751

Extraction Method: Principal Component Analysis.

Image 8

Dendrogram. Results from SPSS software. Made by Edoardo Gammaraccio.

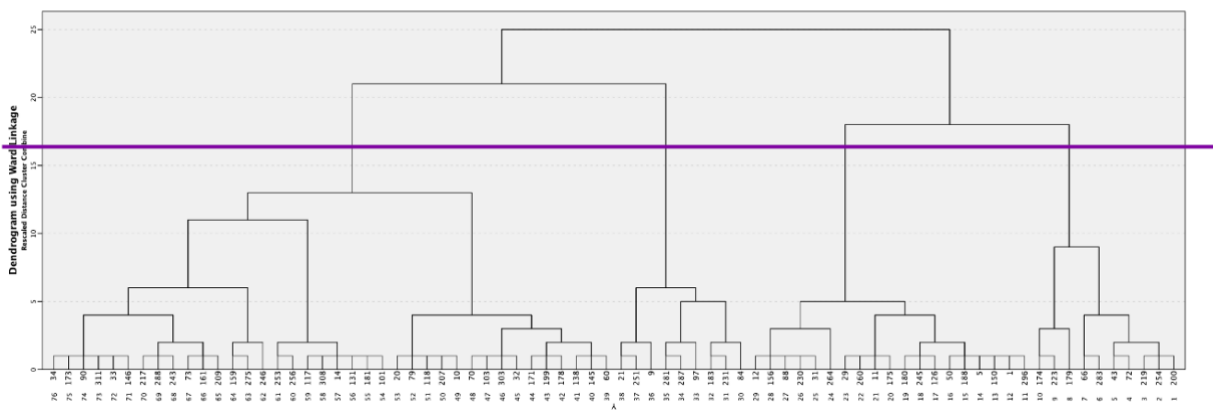


Image 9

Clusters utilities got in the conjoint analysis. Results from SPSS software. Made by Edoardo Gammaraccio.

Utilities				
Cluster	Number of Case		Utility Estimate	Std. Error
1	fan_tickets	yes	.774	.078
		no	-.774	.078
	exclusive_interviews	yes	.410	.078
		no	-.410	.078
	live_streaming	yes	.627	.078
		no	-.627	.078
	unreleased_music	yes	.520	.078
		no	-.520	.078
	direct_chat	yes	.142	.078
		no	-.142	.078
(Constant)		5.274	.078	
2	fan_tickets	yes	.429	.132
		no	-.429	.132
	exclusive_interviews	yes	.143	.132
		no	-.143	.132
	live_streaming	yes	.293	.132
		no	-.293	.132
	unreleased_music	yes	.293	.132
		no	-.293	.132
	direct_chat	yes	-.079	.132
		no	.079	.132
(Constant)		4.771	.132	
3	fan_tickets	yes	.762	.067
		no	-.762	.067
	exclusive_interviews	yes	.312	.067
		no	-.312	.067
	live_streaming	yes	.484	.067
		no	-.484	.067
	unreleased_music	yes	.533	.067
		no	-.533	.067
	direct_chat	yes	.083	.067
		no	-.083	.067
(Constant)		5.575	.067	
4	fan_tickets	yes	.506	.043
		no	-.506	.043
	exclusive_interviews	yes	.260	.043
		no	-.260	.043
	live_streaming	yes	.479	.043
		no	-.479	.043
	unreleased_music	yes	.787	.043
		no	-.787	.043
	direct_chat	yes	.167	.043
		no	-.167	.043
(Constant)		5.225	.043	

APPENDIX B – Survey

Survey flux**Block:** Introduction (1 Question)**Standard:** Warm-Up (3 Questions)**Branch:** New Branch: **If** Do you live in Italy? No is selected **or** Do you use streaming platforms (Spotify, Apple Music, Amazon Music etc.) to listen to music? No is selected**End Survey****Standard:** Music consumption habits (8 Questions)**Standard:** Online consumption habits (2 Questions)**Standard:** Awareness on exclusive contents (3 Questions)**Standard:** Single exclusive attributes evaluation (2 Questions)**Standard:** Demographics (4 Questions)**End Survey**

Beginning block: Introduction

Hi! I am Edoardo and I am a Marketing Management student at Bocconi University and NHH University, and I need your help to graduate! I would be grateful if you could fill out the following 7-minute questionnaire!

All applications will be processed in aggregate and anonymously, in accordance with current privacy regulations.

End block: Introduction**Beginning block:** Warm-Up

Q1 Do you live in Italy?

Yes (1)

No (2)

Q2 How old are you?

Less than 19 years old (1)

19-25 (2)

26-35 (3)

36-45 (4)

More than 45 years old (5)

Q3 Do you use streaming platforms (Spotify, Apple Music, Amazon Music etc.) to listen to music?

Yes (1)

No (2)

End block: Warm-Up

Beginning block: Music consumption habits

Q4 How frequently do you listen to music?

Every day (1)

3-5 times/week (2)

1-2 times/week (3)

1-2 times/month or less (4)

Occasionally (5)

Q5 What kind of music do you mainly listen to? (You may select more than one option)

Pop (1)

RnB (2)

Rock (3)

Dance (4)

Elettro (5)

Rap (6)

Other (7)

Q6 Which of the following streaming platforms do you subscribe to?

(You may select more than one option)

Spotify (1)

Apple Music (2)

Amazon Music (3)

Youtube Music (4)

Other(5)

Q7 Which of the following streaming platforms do you **mainly** use?

Spotify (1)

Apple Music (2)

Amazon Music (3)

Youtube Music (4)

Other (5)

Q8 Are you overall satisfied with the streaming platform you use most frequently?

0 (0) = completely dissatisfied

1 (1)

2 (2)

3 (3)

4 (4)

5 (5)

6 (6)

7 (7)

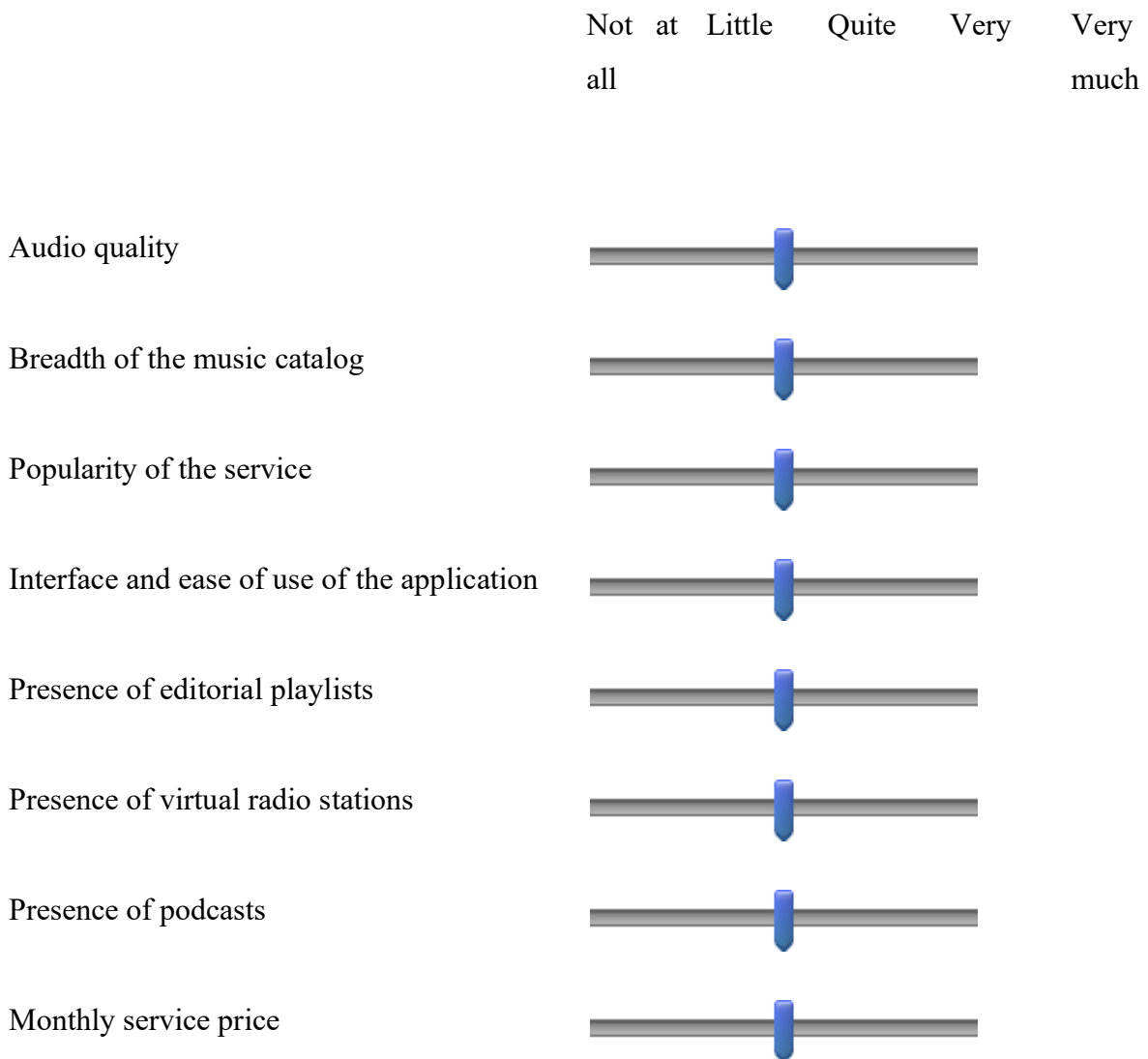
8 (8)

9 (9)

10 (10) = completely satisfied



Q9 How much did these features influenced you in choosing the streaming platform you **mainly** use?

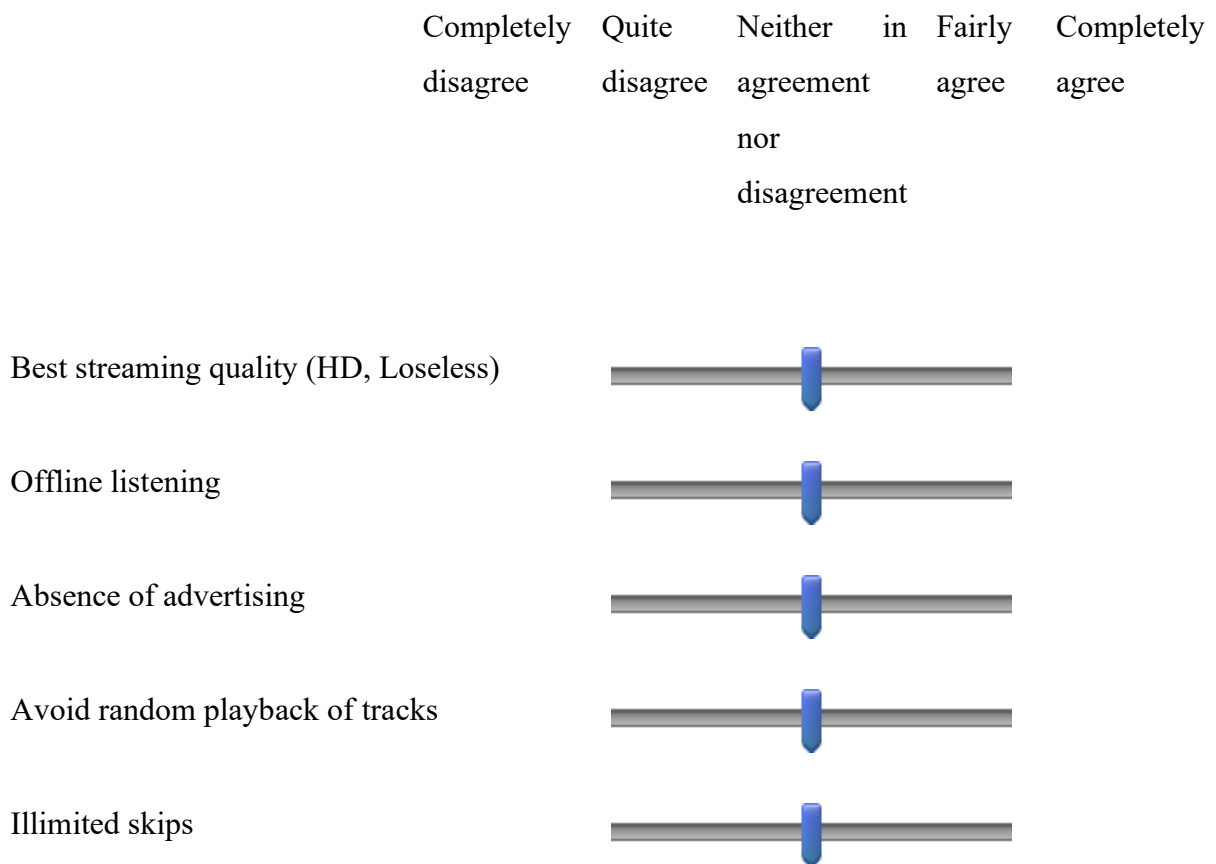


Q10 What kind of subscription do you have?

- Free: I use the service, but with limitations such as advertisements (1)
- I am taking advantage of a trial (2)
- I am using an illegal version (3)

-
- Premium: I have a student subscription (4)
 - Premium: I have an individual subscription (5)
 - Premium: I have a family subscription (6)

Q11 Which of these features would or did motivate you to upgrade to a Premium subscription (which abolishes all the limitations imposed by a Free subscription)?



End block: Music consumption habits

Beginning block: Online consumption habits

Q12 Do you subscribe to other paid digital services (Netflix, Amazon Prime...)?

Yes (1)

No (2)

Q13 What is your total monthly spending on digital services, including subscription for music streaming platforms?

< €10 (1)

€10-€20 (2)

€20-€30 (3)

€30-€40 (4)

> €40(5)

End block: Online consumption habits

Beginning block: Awareness on exclusive contents

Q14 There are online platforms that offer exclusive content for a fee. For example, online newspapers allow only subscribers to read an article in full. Which of these platforms with exclusive content do you subscribe to?

(You may select more than one option)

Online newspaper (1)

Entertainment services (OnlyFans, etc.) (2)

- Social media with premium features (Snapchat+, Telegram Premium) (3)
- Other services (4)
- None of the above (5)

Q15 OnlyFans is a platform that provides entertainment with exclusive content accessible only to creator subscribers.

Imagine if your music streaming platform gave you the opportunity to enjoy exclusive content made by your favorite artists. How likely would you be to take advantage of this service?

- 0 (0) = not likely
- 1 (1)
- 2 (2)
- 3 (3)
- 4 (4)
- 5 (5)
- 6 (6)
- 7 (7)
- 8 (8)
- 9 (9)
- 10 (10) = very likely

Check point: What is the chemical formula of water?

H₂O (1)

CO₂ (2)

Q16 Imagine that by subscribing to your favorite artist's page on the streaming platform you use most, you get access to a range of exclusive content.

Among them:

- **Unreleased music:** only subscribed fans will be able to listen to it.
- **Private chat:** private communication channel between you and your idol.
- **Fans tickets:** priority channel for purchasing concert tickets, without scalping.
- **Live streaming:** private and exclusive concerts online only for fans.
- **Exclusive interviews:** exclusive series of Q&As with the artist.

With these attributes in mind, you will be presented with packages that may and may not have the content listed above. Which of these combinations would you be most interested in?

Not Slightly Moderately Very Extremely
interesting interesting interesting interesting interesting
at all

Option A



Option B



Option C



Option D



Option E



Option F








Option G








Option H








Option A

				
Fans tickets	Exclusive interviews	Live streaming concerts	Unreleased music	Private chat

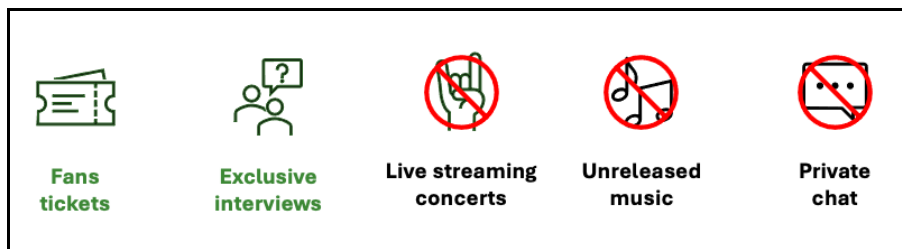
Option B

				
Fans tickets	Exclusive interviews	Live streaming concerts	Unreleased music	Private chat

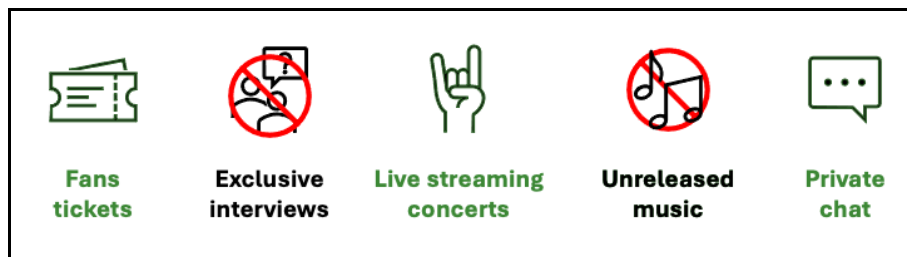
Option C

				
Fans tickets	Exclusive interviews	Live streaming concerts	Unreleased music	Private chat

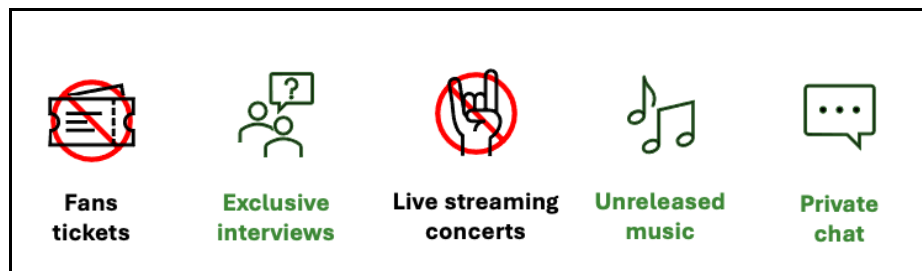
Option D



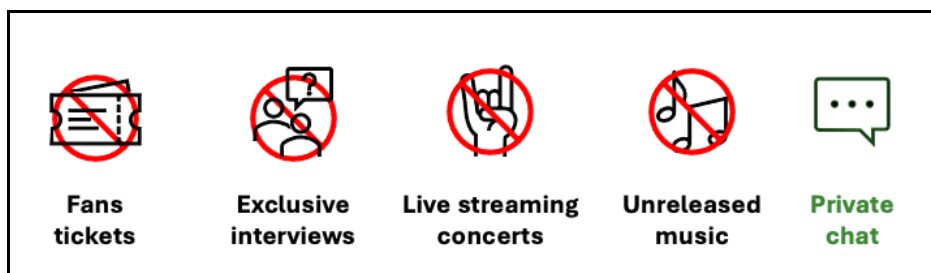
Option E



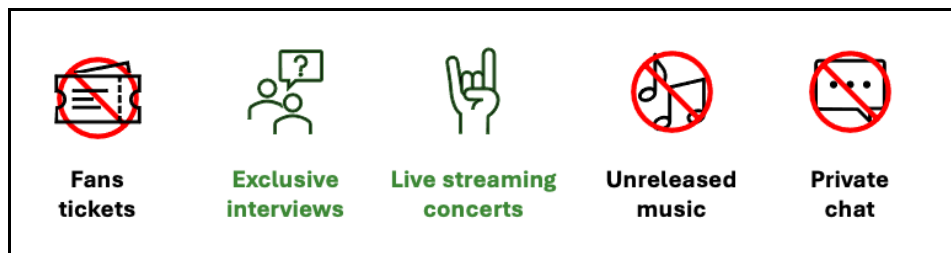
Option F



Option G



Option H



End block: Awareness on exclusive contents

Check point: Who is the current prime minister of Italy?

- Giorgia Meloni (1)
- Mario Draghi (2)

Beginning block: Single exclusive attributes evaluation

Q17 What kind of exclusive content and benefits would you be interested in if it was about your **favorite artist**?

Not Slightly Moderately Very Extremely
interesting interesting interesting interesting interesting
at all

Priority access to concert tickets



Unreleased music



Exclusive Interviews



Live streaming of concerts



Having a direct chat with the artist



Q18 How much more would you be willing to pay for exclusive content from **each** artist to whom you subscribe?

More than €5 €5-€10 €10-€15 More than €15

Additional monthly expenditure in € ()



End block: Single exclusive attributes evaluation

Beginning block: Demographics

Q19 What part of Italy do you live in?

- Northern Italy (1)
- Central Italy (2)
- Southern Italy (3)
- Islands (4)

Q20 Gender

- Male (1)
- Female (2)
- Other (3)

Q21 Degree of education

- Junior high school (1)
- Diploma (2)
- Bachelor's degree (3)
- Master's Degree (4)

Q22 Employment

- Student (1)
- Student worker (2)
- Worker (3)
- Unemployed (4)
- Retired (5)

End block: Demographics

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