

Music Streaming Business

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Economic model

Subscription and advertising revenues must cover licensing, product development and distribution. Gross margin depends on royalty terms and the mix of paid versus advertising-supported users.

Competitive position

Assess listening engagement, churn, acquisition cost and the ability to negotiate content costs. Compare price increases with customer retention rather than treating higher average revenue as automatic growth.

Decision framework

Evaluate investment in creator tools and new formats against contribution margin and cash requirements. Use separate scenarios for subscriber growth, advertising demand and content-cost inflation.