

# Media Sentiments towards Spotify in the United States and Malaysia

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The music industry's reliance on streaming platforms is now unequivocal. Despite the low-profit margins in comparison to physical products, streaming platforms' colossal consumerism has made music streaming platforms invisible to an extent that its non-existence could lacerate the music industry. Susceptible to media like any other business, Spotify, one of the current leading music streaming platforms is constantly under the media's radar. Understanding media's acceptance towards this particular platform would display the potential of future similar business, therefore, this paper presents the comparison of media sentiments towards Spotify in the United States and Malaysia. Through the sentiment analysis, it was found that the United States media are more hostile towards the Spotify whilst Malaysia media are more in favour of the studied streaming platform.

**Keywords:** *media sentiments, opinion mining, streaming platform acceptance, music consumerism, music business.*

## INTRODUCTION

Music is a universal field that is utilized in education, therapy, industry, and entertainment (Tajuddin et al, 2021; Ismail & Anuar, 2020). In the present era, music is accessed through various digital platforms. Music streaming platforms are undeniably popular despite their budding years in the industry. Not only for new music, it provides a platform for previously rare recordings or lesser known genres to be digitised and re-discovered (Mohammed, 2017, 2021). Parallel to the development of the Internet of Things (IoT), a great shift in consumer demand was witnessed within the music industry. According to the 2021 Global Music Report by the International Federation of the Phonographic Industry (IFPI), streaming platform revenues have consistently been growing since 2005 and eventually surpassed the physical revenues in 2017. The report also showed that the global revenue of 2020's streaming platforms had staggeringly settled at 62.1% which was threefold the overall physical sales. Leading the

industry's revenue for four consecutive years, streaming platform businesses are naturally under the media's constant radar.

Acknowledging the media's prowess in impacting businesses, the researchers took interest in the media's sentiments towards the huge shift in the music industry's business conduct. Adjusting to the needs of virtual business requires a lot of changes, not to mention for a business that relies heavily on intellectual rights. Therefore, this paper studies the media sentiments towards one of the leading streaming platforms namely Spotify in both the local field, Malaysia, and the 2020's market victor, the United States of America.

## LITERATURE REVIEW

The adaptation of streaming platforms as one of the main distribution channels in the music business framework is now inevitable. As mentioned by Jones (2017) and Paradise (2014) not only that it can patch the forced gap caused by online piracy, but streaming platforms also has successfully taken over the musical landscapes. The global public's reliance on the internet has further strengthened the stance of streaming platforms as the preferred distribution channel. Accumulating 434 million paying users (IFPI, 2021), not to mention an even bigger number of non-paying consumers, music streaming has one of the most promising business potentials in the entertainment industry.

Normal to businesses in adapting stage, Spotify is heavily exposed to criticisms and resistance from both industry practitioners and the media. This eventually had become one of the major concerns for the company to further any future expansion as according to Siering (2013) positive media sentiment leads to higher returns on financial markets. Many types of research had proven the direct impact of media on businesses. The statement further supported by Alfred and Poku (2013) in one of their academic financial journals that positive reportage not only enhances the image and reputation of an organization but negative reportage by media houses will go a long way to affect the image and reputation of an organization. The music streaming business is still not a fully ventured field with endless commercial potential, understanding the media sentiments on the platforms would ultimately be a handful for similar future business plans.

Sentiment analysis is no longer an uncommon studied matter in the business industry. It is rather in fact, one of the preferred methods utilized by the industry to understand consumer preferences and behaviors towards a particular product or service. As mentioned by Farhadloo and Rolland (2018) business analytics data is mined for patterns that would help understand customers and improve sales and marketing. It is usually used to mirror consumers' opinions towards the business, further providing the business with targeted consumers' preferences, wants, and needs. According to Luo and Xu (2013), sentiment analysis refers to text analytics

to identify and classify subjective opinions in source materials. Through text analytics, the media's direction in stirring the public's opinion towards Spotify could be detected. The data gained can be used for both the company and its competitors to suit their service according to the market demands.

## **METHODOLOGY**

Classifying media sentiments requires an in-depth understanding of multiple matters discussed. Therefore, a qualitative approach is used for this particular research. According to Cropley (2021), the information qualitative researchers collect helps to gain necessary insights by employing narratives. Through the collected data, the media's sentiment towards Spotify's business conduct and role in the music industry could be interpreted. As explained by Mohajan (2018), the purpose of qualitative research is to describe and interpret issues or phenomena systematically from the point of view of the individual or population being studied and to generate new concepts and theories. Since gaining media sentiments requires issues interpretation, a qualitative approach would ultimately help the researchers reach the aim of this research.

In terms of the sample, the researchers solely relied on secondary data. According to Johnston (2013), secondary data is the analysis of data that was collected by someone else for another primary purpose. As this research aims to understand the media's opinion towards Spotify, all data were directly collected from major news houses in the United States of America and Malaysia. An amount of 50 articles from USA-based mainstream news houses were retrieved from the internet whilst another 50 articles from Malaysia-based mainstream news houses were retrieved as samples for this research.

In regards to choosing the research samples, the researchers specifically had opted the stratified sampling. According to Taherdoost (2016), stratified sampling is where the population is divided into strata and a random sample is taken from each subgroup. As the main of the research exclusively stresses finding the media sentiments on Spotify, the researchers had filtered out news irrelevant to Spotify. The only news that discusses Spotify was chosen, and the researchers had specifically chosen the most recent 50 news produced by mainstream news houses. The same conducts of sampling techniques were repeated in data collection for Malaysia-based media.

When the 50 USA-based news and 50 Malaysia-based news were collected, data analysis was conducted using sentiment analysis. According to Liu (2012) sentiment analysis in the field of study analyses people's opinions, sentiments, evaluations, appraisals, attitudes, and emotions towards entities such as products, services, organizations, individuals, issues, events, topics, and their attributes. To collect the sentiment elements, the researchers had chosen one of the

three sentiment classification levels which is the document level classification. According to Katrekar (2019) in document-level classification, sentiment is extracted from the entire review, and a whole opinion is classified based on the overall sentiment of the opinion holder. The scholar further said that the goal is mainly to classify a review as positive, negative, or neutral.

Therefore, in this research, during the conduct of data analysis, the researchers had classified the collected data into three different, yet common sentiment categories which are positive-negative and neutral. The same scholar mentioned that document-level classification works best when the document is written by a single person and expresses a sentiment on a single entity. As this research aims to study media articles that write about Spotify, document level of sentiment classification levels works best as it requires the researchers to view the document as a whole and not partially since it might lead to a biased interpretation of the real media sentiments.

Apart from that, the researchers had also set up several benchmarks to be followed in classifying the data into three categories. As in for positive sentiment category, the news placed in this category were the news articles that discuss the potential, conduct, capabilities, and features that light the public with Spotify's performances and achievements. While for the negative sentiment category, the news placed in this category were the news articles that discuss weaknesses, failures, and inability to suit demands that suggest Spotify as an unfair distribution method. The last category created for the sentiment analysis was the neutral sentiment whereby news with no elements of positivity or negativity was placed under this category.

#### 4. RESULTS

Each content of the collected data had been classified into three categories: (i) positive, (ii) neutral, and (iii) negative. Presented below is the result of the United States of America's (USA) media sentiment towards Spotify.

**Table 1: US-Based Media Sentiments toward Spotify**

US-Based Media Sentiments towards Spotify		
	Amount (N)	Percentage (%)
Positive	16	32.00
Negative	26	52.00
Neutral	8	16.00
Total	50	100.00

Reflecting on the table above, the biggest amount (N=26, 52%) of the samples were categorized as media with negative sentiments. The negative contents found within the collected data were inoperative planned projects due to pandemic, songs disappearance on Korean Spotify, outage and inconsistent connection, app crash and consumer complaints, end-of-year wrap failure, British royal members on content misinformation, app eavesdropping on conversations for data mining (advertisement lead), Joe Rogan's misinformation issues, refusal in Joe Rogan's contract cancelation, CEO's investment on AI defense tech, artists exiting Spotify, football chief's resignation due to rumors on Spotify's stadium purchase and K-pop artists purge.

The data was then followed by the second largest amount (N = 16, 32%) out of 50 news articles from USA news houses that portrayed positive sentiment towards Spotify. The sentiment content mainly talks about new features like live lyrics, Spotify's roles as a music library, prediction in consumer increment, Spotify's corporate organization, collaboration deals, organization's crisis management towards content and connection issues, quick dissolution on Joe Rogan issues, founders' future ambition for the company and stands against tax increment in in-app purchase.

The final amount of the samples for USA-based media sentiments was (N=8, 16%) which falls into the neutral category that mainly discusses service usage guidance. That marks the end of data analysis for the USA-based media sentiments towards Spotify. Below is another table that portrays the findings of Malaysia-based media sentiment towards Spotify.

**Table 2: Malaysia-Based Media Sentiments toward Spotify**

Malaysia – Based Media Sentiments towards Spotify		
	Amount (N)	Percentage (%)
Positive	29	58.00
Negative	16	32.00
Neutral	5	10.00
Total	50	100.00

Referring to the table above, the biggest amount (N=29, 58%) out of 50 samples from Malaysia-based media were in favor of Spotify, the music streaming platform. As for this category, the content of the positive media sentiments mainly discusses affordable student packages, local artists graced New York's Times Square Billboard, capabilities and new features like detecting trends, live lyrics, or finding a song through lyrics, increment of subscribers, kid's friendly standalone app, a playlist for pets, songs made available in 16 additional languages,

collaborations, local artists' local and international reach on Spotify, podcasts availability, packages options, and apps achievements.

The number was followed by (N=16, 32%) which suggests the media's ill-treatment of the company. Within this category, issues discussed were mainly about censorships, content misinformation, tax, service competitions, service similarities, battery usage, artist's arrestment over the playlist, conservative art laws, crashes, and connection inconsistency.

As for the final balance (N=5, 10%) of the samples that fell into the neutral category, the news article mainly discusses hacks on Spotify and service availability during competitors' apps crash.

## DISCUSSION

The result above had shown the different media treatments received by Spotify in the USA and Malaysia. It was clearly shown that the USA media were more hostile whilst the Malaysia media were more in favor of the music streaming platform. In comparison to the Malaysian media, negative media sentiments detected in USA's news articles were staggeringly high at 52% to 32%. One of the possible factors of this phenomenon however is probably due to the freedom of the press practiced by the media practitioners in the USA. Unlike their colleagues in other counterparts of the world, USA media practitioners are protected by the First Amendment of the United States Constitution. The US press is notoriously known for being vocal not only to politicians and prominent individuals but to conglomerates. This can be referred to the discussion made by hostile media experts Vallone, Ross, and Lepper (1985) that the evidence for biased perceptions of media is in the "unfair treatment" that defeated candidates and retired politicians suffered from the press, or denunciations of the media that ignore or distort their concerns.

The US media has always been known to publicly conduct criticisms, as opposed to the media in Malaysia which practices strict reporting and journalism. This is supported by a news article published by Roslan (2021) that Malaysia's placing in the released 2021 World Press Freedom Index compiled by Reporters Without Borders (RSF) fell to 119 from 101 in 2020. Due to the rigid practice of Malaysian media, this might serve as one of the factors of great media treatment and sentiments towards Spotify Malaysia.

However, despite the possible factors that affect media treatments and sentiments towards one of the most successful online distribution platforms, as suggested by several academicians cited in this research, negative media affects not only consumer preferences, but also consumer behavior in products or services consumption. Reflecting the positive manner of the media, the consumption behavior of Spotify in Malaysia has proven to be positive. This can be supported by a news report by Roslan (2022) on Kugiran Masdo's -local budding artists- an achievement

in reaching 1.4 million streams on Spotify and Mokhtazar (2018) Yuna thankful for 36 million streams on Spotify.

Truthfully to the statement made by several academicians previously cited in this research, bad publicity and negative sentiment from the media mirrors local consumer behavior. This can be seen from the Spotify exit conducted by several artists as a protest towards their unresolved dissatisfactions with Spotify. The news was reported by Snider (2022) that remarks Nils Lofgren, Joni Mitchell joining Neil Young in exiting Spotify. This is one of many examples of stakeholders' dissatisfaction, not to mention a handful of lawsuits targeted the company by the industry.

Consistent with academicians' statements on the media sentiments' impact on businesses, product or service achievements could be proportionately reflected in the media's opinion and treatments. Understanding the media trends, concerns, and issues commonly discussed would positively provide better knowledge of business potential.

Whilst for the recommendation, similar to any other research paper, this paper has several rooms for improvements that are worthy of acknowledgment. The first one would be on the scale of the sample. As the USA's music industry scene is relatively huge to Malaysia's music industry, the USA Spotify is naturally prone to more dissatisfaction, and criticisms from both public and the media. Nonetheless, the main reason that the researcher chose to study the USA's media sentiment is to have the result as a benchmark of media sentiment in comparison to Malaysia's media sentiment. In the future, if one wishes to further extends the study of US media sentiments towards music streaming platforms, it is best if it could be done with a larger scale of samples.

The second notion worthy of attention in future research would be how Spotify pays royalties and intellectual rights differently based on the countries that they serve. This is one of the main reasons that affect not only media sentiments towards the distribution platform but also readily affect its stakeholders and consumers. Taking into account this matter would certainly provide a deeper understanding of media sentiments, actions, and support towards the business.

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