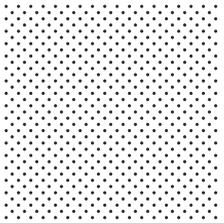
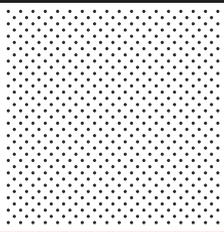
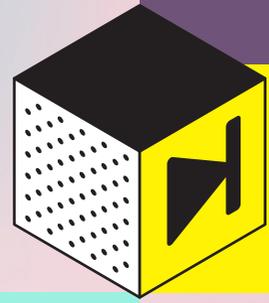




VOLUME 3

GLOBAL
TRENDS
REPORT



CULTURAL REBIRTH:

MILLENNIALS AND GEN Zs DRIVE A MORE INCLUSIVE AND CONNECTED CULTURAL LANDSCAPE

By: Dawn Ostroff

Chief Content & Advertising Business Officer, Spotify

If 2020 was a “cultural wake-up call,” as our Culture Next research found last year,¹ 2021 is shaping up to be a cultural rebirth.

The COVID-19 pandemic has upended our idea of “normalcy.” An ongoing global movement for racial justice continues to challenge the status quo and fuel social change. With this as the backdrop, we spoke with Gen Zs (ages 15-25) and millennials (ages 26-40) to understand the biggest shifts in how both generations are creating, curating, and experiencing culture.

One thing is certain: Audio is playing a major part in this cultural rebirth. That’s why this latest edition of Culture Next includes three new chapters: Listeners, Creators, and Advertisers. In this report, we explore how millennials’ and Gen Zs’ distinct perspectives (and inevitable overlaps) are shaping the audio

landscape. This year’s report includes a range of voices from around the world, with the addition of a few new markets across Southeast Asia, the United Arab Emirates, and Japan. And while we found similarities in how both generations are shaping culture, we’ve also zeroed in on some distinct differences.

It’s been quite a year for Gen Z, a generation now on the edge of newfound independence. With traditional markers of adulthood (like hanging out with friends unsupervised, attending college in person, or starting their first post-grad jobs) on pause, Zs are eager to leave virtual events behind and resume IRL experiences. For example, we found that millennials are more likely than Zs to say they’ll continue attending virtual concerts after the pandemic is over.² Our global research also revealed that Gen Zs are still searching for connection and meaning — about

themselves and the rapidly changing world around them. Without school and face-to-face time with friends, they’ve reported more feelings of loneliness over the course of the pandemic. Music and podcasts have helped: 66% of Gen Zs said audio helped them feel less alone over the last year.³

Millennials, meanwhile, faced a different set of challenges. As this generation advances in their careers and starts families of their own, the pandemic has shaken up their expectations of work-life balance. Audio has emerged as the go-to source for millennials to connect with family, stay informed, and indulge in “me time.” Smart speakers, for example, have emerged as a household must-have for millennial parents to entertain their kids — and give them a break from screens. On a personal level, millennials have reported strong emotional connections with their favourite podcast hosts. In fact, they’re more likely than Gen Zs to say that podcast hosts sometimes feel like a friend.⁴ And with more years behind them, millennials are more likely to favour nostalgic content (think playlists devoted to the sounds of decades past, country music, and more).

There are commonalities between millennials and Zs that came to light in our research too. **Both generations are pushing for a more inclusive, multi-faceted culture.** Millennials and Gen Zs agreed that as a culture, we’re more open to hearing from diverse voices than ever before: 53% said they’ve sought more content from more diverse creators and podcasts in the past year.⁵

This year’s Culture Next examines two different generations navigating a common challenge: rebuilding culture from the ground up. And on Spotify, they’re not just listening — they’re creating, discovering (and revisiting), building communities, and passing the mic to voices that have been traditionally overlooked. **Read on for a look into their changing habits and tastes, and even more ways advertisers can engage with them, learn from them, and create in collaboration with them.**

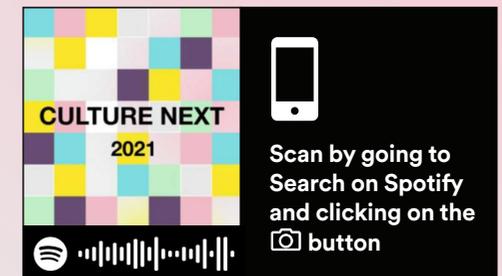


TABLE OF CONTENTS

CHAPTER 01: LISTENERS

Audio is playing a major role in young people's lives

03 SOUND ESCAPE:

Millennials and Gen Zs explore all the ways digital audio offers comfort and connection.

06 BLURRED LIVES:

Sound is blurring the lines between tangible and virtual, fact and fiction, and more.

09 SYMBIOTIC CREATION:

Collaborations are changing the sound of culture.

CHAPTER 02: CREATORS

Creators are shaping culture through music and podcasts

12 THE "IT" SOURCE:

Audio has become the "it" source of information and entertainment for a new generation.

15 NEW VOICES:

Millennial and Gen Z creators are amplifying underrepresented viewpoints and vibes.

18 GENERATION CURATION:

Curation is a critical part of how culture is being shaped today.

CHAPTER 03: ADVERTISERS

The most important cultural shifts for marketers to understand.

21 AFFINITY-HOODS:

Similarities among young consumers lie in shared cultural passions, not demographic targeting.

24 REMOTE CONNECTIONS:

Brands are adapting to reach a new consumer whose lifestyle has radically shifted.

27 WORKING WITH SPOTIFY ADVERTISING:

Reach your audience through digital audio campaigns that are contextual, immersive, relevant, and original.

METHODOLOGY

For this issue of Culture Next, Spotify conducted a combination of qualitative, quantitative, and first-party data analysis, looking at Gen Zs (15-25) and millennials (26-40). We partnered with youth culture agency [Archival](#) to conduct four Zoom focus groups, 40 in-depth interviews, and a dozen ethnographies, ultimately speaking with more than four dozen respondents around the globe, in the United States, Canada, Mexico, Brazil, Spain, Italy, France, Germany, the United Kingdom, India, Indonesia, Singapore, the Philippines, Japan, Australia, and the United Arab Emirates. We conducted additional in-depth interviews with advertising and audio industry thought leaders.

We also fielded a global quantitative survey via Lucid among 9,000 respondents in April 2021 (500 respondents per market — in all the previously mentioned markets, as well as Thailand and Malaysia). Findings were additionally grounded in Spotify's unique Streaming Intelligence and first-party data.



Nestor, 31, Atlanta

LISTENERS: Trend No. 1 

Sound Escape

As the impact of digital content on our well-being becomes increasingly clear, millennials and Zs are journeying toward a more fulfilling and balanced media diet. For millennials, that means seeking comfort in nostalgic sounds. For Zs, it's all about offsetting their digitally saturated lives. Whether it's diving into a true crime podcast, getting hyped with a pop playlist, or soothing themselves with ambient sound (or even — gasp — silence), both generations are exploring all the ways audio can enrich their lives.

Sound Escape 

FINDING BALANCE



From doomscrolling to bingeing, unhealthy tech habits are the norm for both millennials and Gen Zs — especially during a pandemic. With so much bad news and so few ways to escape, zoning out can feel like the only recourse. Respondents from both generations told us they feel that audio of all forms encourages them to tune in to themselves, to each other, and to the outside world.



77% OF MILLENNIALS AND 67% OF GEN ZS IN THE U.K. AGREE THAT THEY USE AUDIO TO REDUCE THEIR STRESS LEVELS.⁶



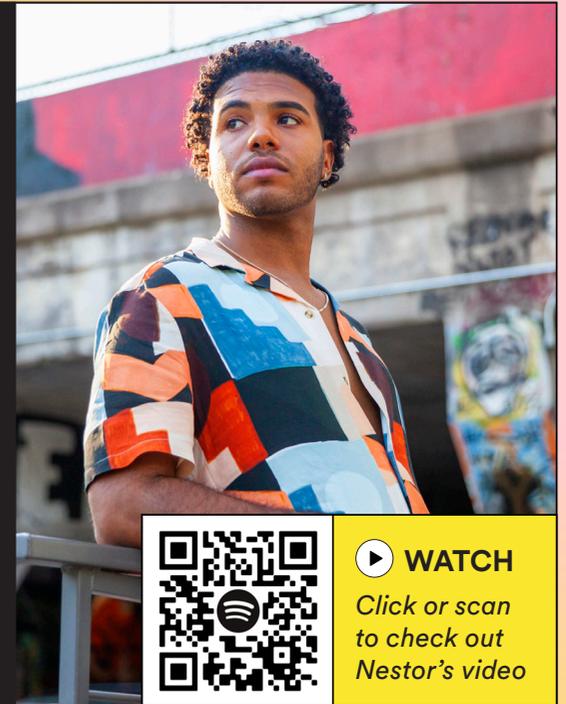
 —Nestor, 31, Atlanta

“WHEN I LISTEN TO SOMETHING COMFORTING AND SOOTHING, IT LOWERS MY BLOOD PRESSURE.”



MILLENNIALS — WITH MORE YEARS BEHIND THEM — HAVE ESPECIALLY *LEANED ON NOSTALGIC PLAYLISTS FOR RELIEF DURING THE PANDEMIC:*

IN THE U.K., THEY STREAMED ‘70S LOVE SONGS 61% MORE, ‘80S ROCK ANTHEMS 40% MORE, AND ‘80S HITS 36% MORE BETWEEN MARCH 2021 AND THE YEAR PRIOR.⁸



 **WATCH**
Click or scan to check out Nestor's video

HOLISTIC MIX

Millennial and Gen Z listeners are focused on finding the right mix of content to match or make their mood — and are moving seamlessly between all formats. Podcasts punctuate music playlists, binaural beats back up morning meditations, and throwback playlists offer a dose of comforting nostalgia.



72% OF MILLENNIALS IN THE U.K. SEE AUDIO AS A MENTAL HEALTH RESOURCE.⁷

Sound Escape 

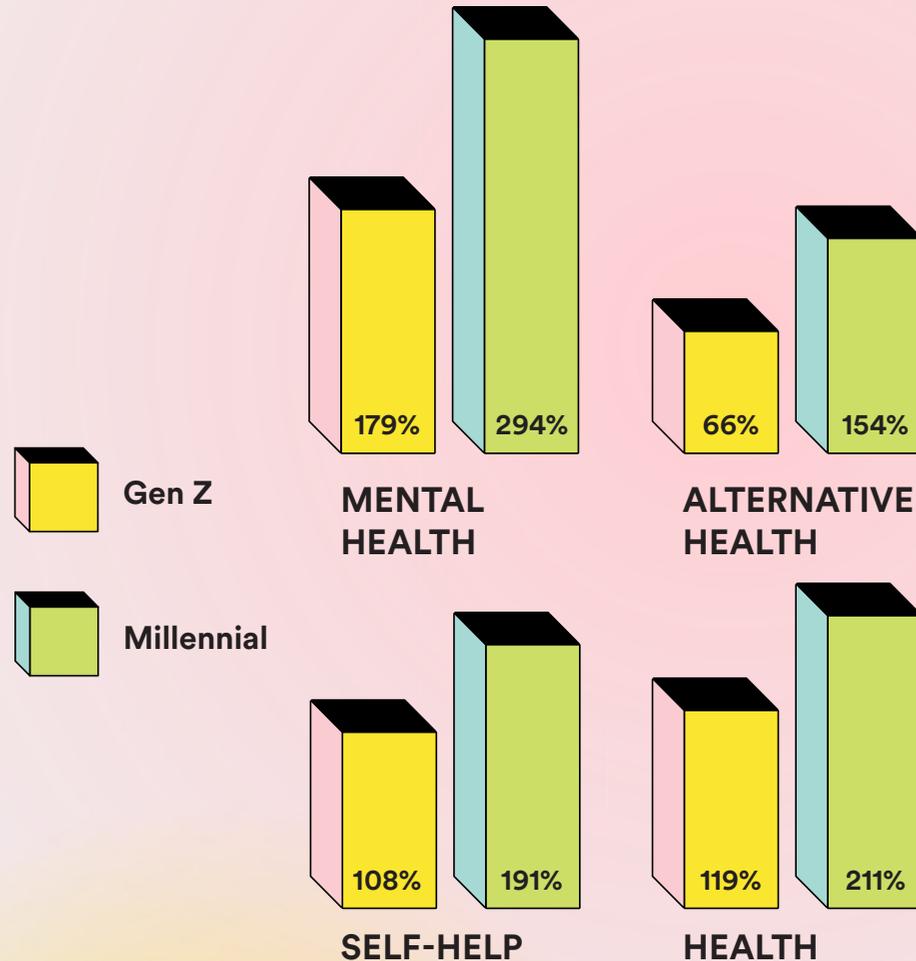
DIY WELLNESS MENU

Among Gen Zs, audio isn't considered just entertainment — it's an integral part of their DIY wellness menu. Zs the world over are tuning into specific auditory experiences to self-regulate, manifest, and heal, whether through positive-thinking podcasts, ambient sound, or even silence.

64% OF GEN ZS IN THE U.K. FEEL "MORE CENTRED AND GENERALLY HAPPIER" WHEN LISTENING TO THEIR FAVOURITE MUSIC ON A DAILY BASIS.¹⁰

↓ THE FOLLOWING PODCAST CATEGORIES SAW **IMPRESSIVE INCREASES AMONG THE U.K.'S MILLENNIAL AND GEN Z UNIQUE USERS** IN Q1 2021 COMPARED TO Q1 2020*:⁹

*AVERAGE PODCAST LISTENERSHIP IN THE U.K. INCREASED 113% AMONG MILLENNIALS AND 175% AMONG ZS



What It Means For Brands



As millennials and Zs are incorporating audio into their self-care routines, brands have an opportunity to become a part of their daily practices through Spotify Advertising.

GO WITH THE FLOW

Listeners are more receptive when messaging matches their mood. Consider millennials' nostalgic listening experience and lean into contextual targeting to match their vibe.

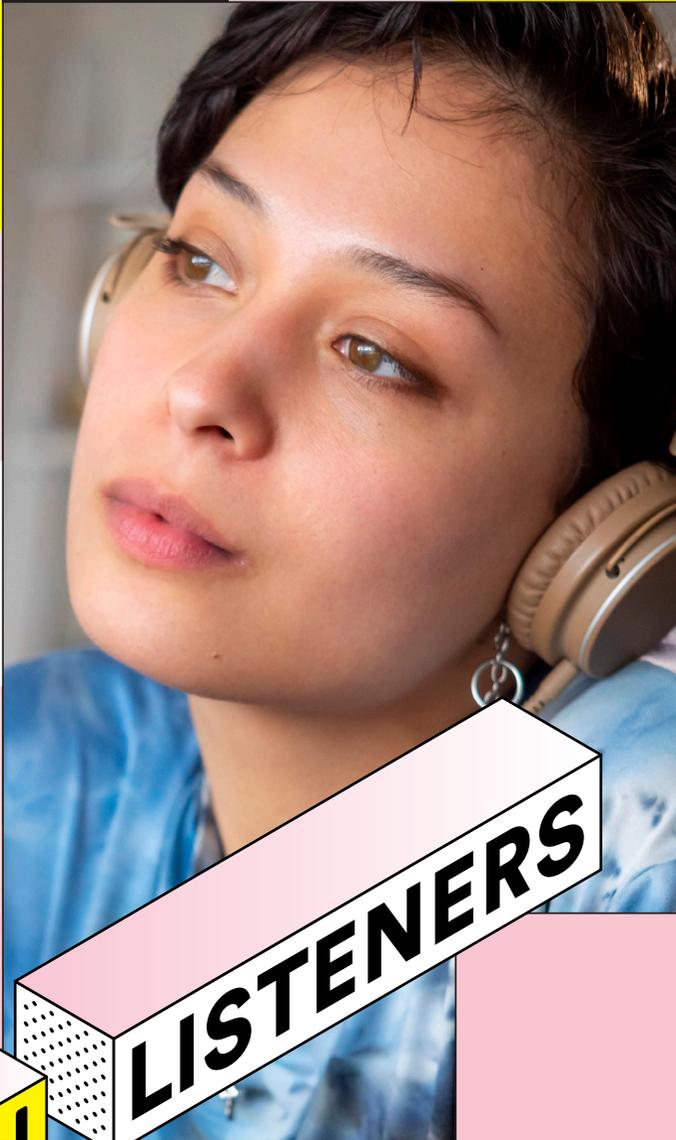
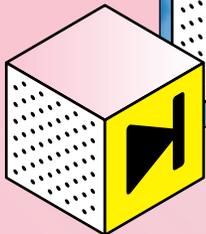
ALIGN WITH COMFORTING CONTENT

Musical repetition creates positive associations as the more we hear something, the more we like it. Sponsor On Repeat, a personalised playlist filled with the songs you can't get enough of right now, to increase positive sentiment for your brand.

ESCAPE THROUGH EDUCATION

Podcasts are a portal to a cool, new kind of school. Create custom podcast midrolls that deliver short knowledge drops to listeners to increase their curiosity and nourish their brain. Align with educational podcast shows such as *Every Little Thing* from Gimlet, a Spotify Studio, to tap into listeners who are in a learning state of mind.

Kat, 26, Toronto

**LISTENERS**

LISTENERS: Trend No. 2

Blurred Lives

Millennials and Gen Zs are increasingly immersed in a mixed reality that blurs the lines between tangible and virtual, straddles fact and fiction, and brings audiences “together” at a distance. And while Gen Zs are eager to resume IRL experiences, millennials are OK with continuing to attend virtual events. These new modes of navigating real and virtual worlds — and everything in between — are being driven by the most immersive of our senses: sound.

“BECAUSE OF SOCIAL MEDIA AND ALL THE DISTRACTIONS WE HAVE VISUALLY, WE ARE REALLY DESENSITISED. BUT AUDIO IS THE ONE PERSISTING THING. AUDIO HAS THAT UNIQUE ABILITY TO LITERALLY GET INSIDE YOU.”

▶ —Kat, 26, Toronto



Blurred Lives

REALITY SHIFTING

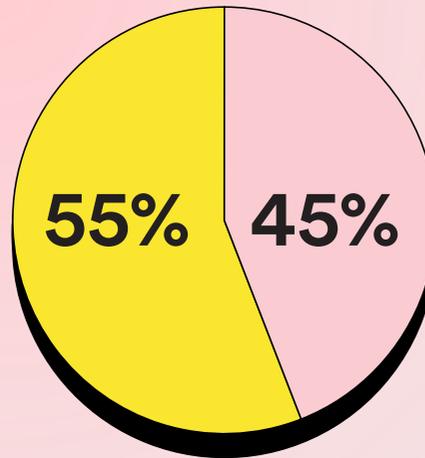
While audio soundtracks have long figuratively transported listeners to new places, audio-first immersions became more literal as millennials and Gen Zs sought to escape the same four walls, city blocks, and social pods they’ve been stuck with for over a year.

DEMOCRATISED LIVE EXPERIENCES

For musicians and music fans, immersive virtual worlds became a critical tether as live shows paused: 68% of millennials and Gen Zs globally “attended” a virtual experience in the last year.¹¹ Millennials in the U.K. were more likely than Zs there to say they plan to continue attending virtual concerts after the pandemic is over (56% vs. 44%), since they’re cheaper and more convenient than real-life experiences.¹²

AMONG MILLENNIALS IN THE U.K.:

WOULD RATHER CONNECT WITH LOCAL MUSIC FANS OF AN ARTIST YOU LIKE VIA AN IRL CONCERT



WOULD RATHER CONNECT WITH OTHER MUSIC FANS OF AN ARTIST YOU LIKE FROM AROUND THE WORLD VIA A LIVESTREAMED CONCERT

SOURCE: Spotify Culture Next survey, U.K., among 507 respondents 15-40, April 2021

60% OF MILLENNIALS IN THE U.K. FEEL THAT AUDIO IS THE MOST IMMERSIVE FORM OF MEDIA.¹³

Blurred Lives 

AUDIO IMMERSIONS

For both millennial and Z gamers, immersion into alternate realities is somewhat routine. However, their appetite for hybrid real-virtual experiences is driving new content preferences. Gamers are increasingly experimenting with swapping in different soundtracks as a way to refresh their experiences. In fact, among avid gamers globally, 65% of millennials and 56% of Gen Zs agree that curating their music choices while gaming is important.¹⁴

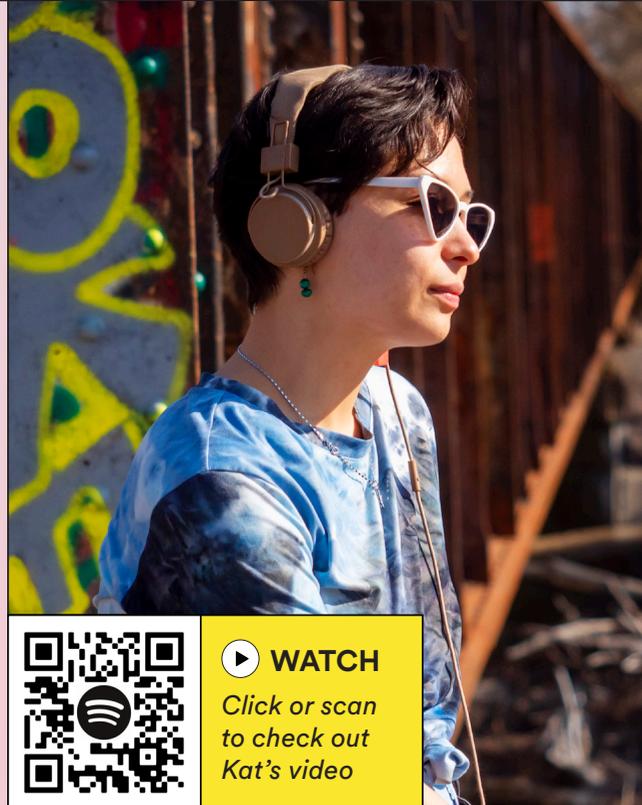


TIME SPENT STREAMING SPOTIFY VIA GAMING CONSOLES INCREASED 52% IN THE U.K. BETWEEN Q1 2020 AND Q1 2021.¹⁵



▶ “LISTENING TO [K-POP SINGER] LUNA WHILE I PLAY GIVES ME AN ACTUAL PHYSICAL REACTION. SHE OPENS UP THE FLOODGATES TO BE WHATEVER I FEEL LIKE BEING AND MAKES MARIO KART FEEL SUPER SPARKLY.”

▶ —Kat, 26, Toronto



What It Means For Brands



Audio allows brands to be a part of both physical and virtual realities.

TAKE THEM TO ANOTHER DIMENSION
Leverage 3D audio to immerse listeners in an authentic virtual listening environment, creating a dynamic and sensory experience. Achieve undivided attention for your brand through soundscapes that take Zs on a journey from near and far to left and right.

THINK ABOUT INTERESTS, NOT DEMOGRAPHICS
For a long time, “gamers” was shorthand for young and male. But as of 2019, 44% of total global Spotify Free gamers are female.¹⁶ Get in with gamers through the content they crave by sponsoring their top playlists such as Top Gaming Tracks, or crafting unscripted host reads in shows like *The Misfits Podcast*, a Spotify Exclusive, to tap into the power of the hosts’ gaming celeb status

REACH A NEW LEVEL
Gamers are focused on scoring when they’re deep in play mode, but they also use time spent gaming to learn and discover new things, from podcasts to playlists. Take your targeting to the next level by reaching gamers of both generations in real time while they’re soundtracking their gaming with Spotify.



Sophia, 17, Whittier, CA

LISTENERS: Trend No. 3 

Symbiotic Creation

With the influence of social media (especially for Zs), collaborations between musicians, podcasters, audiences, and brands are changing the sound of culture from the inside out. Fan communities have been especially beneficial for Gen Zs through the pandemic, helping them form bonds over shared passions.

—Sophia, 17, Whittier, CA

“SOCIAL MEDIA HAS CREATED A **COMMUNITY FOR MUSIC LOVERS** OF EVERY GENRE YOU CAN IMAGINE. PEOPLE GIVE RECOMMENDATIONS OR ASK FOR RECOMMENDATIONS, AND WE ALL GROW OUR MUSIC TASTES.”



FAN COMMUNITIES

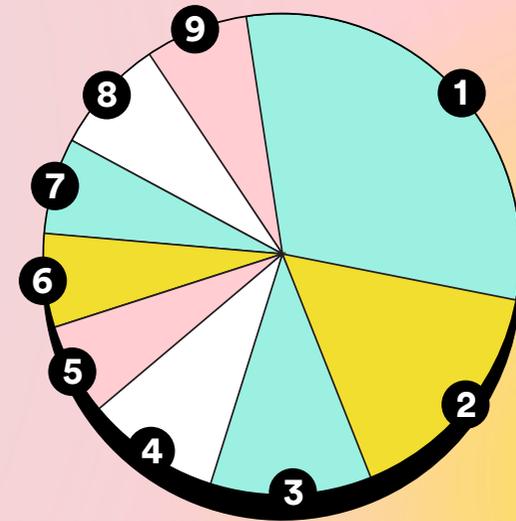
Psychologists say being a part of a fan community is good for mental and emotional health, especially among teens, as it creates a sense of belonging and identity.¹⁷ Beyond sharing music, TikTok teens and K-pop stans have even gained political clout by banding together to promote Black Lives Matter and using meme takeovers to disrupt racist online chatter.



WATCH

Click or scan to check out Sophia's video

WHERE GEN ZS IN THE U.K. ARE MOST LIKELY TO HAVE DISCOVERED A **NEW MUSIC ARTIST**:



Symbiotic Creation

THE NEW HITMAKERS



Gen Zs — who grew up on the internet — came of age reposting, remixing, and reproducing culture. To them, everything is ripe for some inspired rearranging, including audio. Armed with social media, young listeners now play an active role in amplifying new artists, co-creating songs, and forming powerful global communities that make tomorrow's hits.

29% OF GEN Z SPOTIFY USERS IN THE U.K. SAID THEY'VE HEARD A SONG ON SOCIAL MEDIA AND THEN SEARCHED FOR IT ON SPOTIFY.¹⁸

Symbiotic Creation 

REMAKING THE SOUND OF CULTURE

With creators more accessible than ever, both millennial and Gen Z listeners now respond to musicians' work-in-progress drafts, choose their favourite hooks, write lyrics, retitle songs, and even play a role in deciding which tracks get made. This is changing how creators create. Instead of working in private until they emerge with their completed product, musicians and podcasters are now welcoming fans (and brands) into their creative process.



AMONG AUDIO CREATORS AROUND THE GLOBE, MILLENNIALS WERE MORE LIKELY THAN GEN ZS TO SAY THAT RECEIVING FEEDBACK FROM FANS OR FOLLOWERS IS PART OF THEIR CREATIVE PROCESS (76% VS. 65%).¹⁹

“THE WORD ‘FAN’ DOESN’T ENCOMPASS ENOUGH OF THE ACTUAL RELATIONSHIP ANYMORE. I THINK WHAT ATTRACTS MY FANS TO ME AND ME TO MY FANS IS THAT WE HAVE THIS **VERY OPEN, CHARMING, WITTY DIALOGUE THAT IS EXTREMELY HONEST AND FUNNY**. AND I VALUE SO MUCH OF WHAT COMES FROM THAT. I WOULDN’T WANT TO SHELTER THAT OR COMPROMISE THAT.”

What It Means For Brands



Gen Zs and millennials are not just consumers, they’re creators. Pull back the curtain and give your audience a backstage pass to your brand’s creative process — and the opportunity to be part of it.

KEEP UP WITH CULTURE IN REAL TIME

Audio offers a unique opportunity to deeply engage listeners using minimal production resources. Whether you’re a Fortune 500 company or a startup, Spotify Ad Studio offers free audio ad production, including custom voiceover, allowing creative teams to produce new messages easily and get them live quickly.

BUILD CAMPAIGNS FOR COLLABORATION

Foster connection with Gen Zs by including them in the creative process. For instance, Calvin Klein drove Zs to a digital experience to ask, “What do you hope for?” Once they answered with their specific dream for the future, they could then add one song to a collaborative playlist for that specific hope.

BRING MILLENNIALS BACK TO THE BEGINNING

Before it reaches the masses, every hit song begins as a simple idea — and great products are built in a similar fashion. Create custom podcast midrolls that start with a fact about your brand (the original name, a description of the garage/basement where a prototype was made, etc.) and discuss how the spark of an idea led to the finished product.



Wil, host of *SUPERHUMAN*



CREATORS: Trend No. 1 

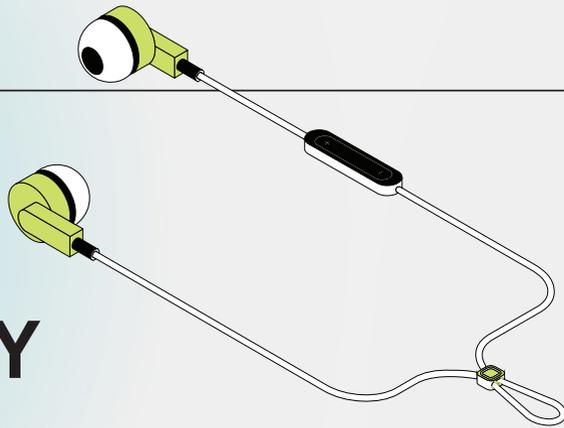
The “It” Source

Podcast creators are fast becoming the front page, the 6 o'clock news, the silver screen, and the classroom for a new generation of “cord nevers” — Gen Zs who already turn to their phones as their primary news source. As for millennials, they're still tuning into their favourite shows (and hosts) for credible information about the world around them.

The “It” Source 

AUDIO AUTHORITY

Millennials’ and Gen Zs’ trust in traditional societal institutions, from politics to religion to media, is lower than ever around the world.²⁰ At the same time, many young people are placing more trust in a medium they feel brings them closer to the “capital T truth”: audio. Podcasters have emerged as a refreshing class of creators that feel authentic, accessible, and — above all — trustworthy, even in the midst of widespread skepticism.



“THERE’S A HIGHER LEVEL OF TRUST WITH PODCAST AUDIENCES BECAUSE IT’S MORE RAW. *IT’S KIND OF LIKE HANGING OUT AND SEEING THIS SIDE OF SOMEONE THAT’S AS PERSONAL AS IT CAN GET.* [MY AUDIENCE] FEELS LIKE I’M THERE TALKING TO THEM.”



▶ —*SUPERHUMAN* host Wil Dasovich



 **WATCH**
Click or scan to check out Wil’s video

17% OF ZS IN THE U.K. IDENTIFY AS “CORD NEVERS,” WHO HAVE NEVER USED TRADITIONAL CABLE TV.²¹

67% OF MILLENNIALS IN THE U.K. BELIEVE THE ACTUAL VOICES OF PODCAST HOSTS CAN MAKE OR BREAK A PODCAST (VERSUS **59%** OF ZS IN THE U.K. WHO SAID THE SAME).²²

RAW, REAL, RELATABLE

Unlike traditional broadcasters, who rarely go off-script, audio creators often reveal their vulnerable and raw “real” selves — which listeners are more likely to feel intimately connected with. The intimate connection forged between audio creators and listeners is a gold mine for brands. Podcasts have proven to be a uniquely effective ads environment: 41% of all global listeners say they trust ads more if they hear them during a podcast, and 81% report that they’ve taken an action after hearing a podcast ad.²³



The “It” Source 

INTIMATE PROXIMITY

Once viewed as niche, podcasting is now so mainstream that leaders in nearly every cultural arena — from gaming and humour, to politics, sports, youth culture, and beyond — are using the medium to forge deeper connections. And well-known Gen Z creators are also now attracting younger listeners to the audio medium.



“READING A NEWSPAPER ARTICLE OR A TV PROGRAMME, YOU DON’T KNOW WHICH WRITER HAS WRITTEN WHAT, AND IT’S ALL GONE THROUGH AN EDITOR. WITH AN AUDIO CREATOR, YOU KNOW WHERE THE OPINION IS COMING FROM, SO YOU CAN GAUGE IT.”

▶ —Max, 15, Petersfield, U.K.

What It Means For Brands



The intimate nature of podcasts makes them an ideal medium for advertisers to reach engaged listeners. Both Host-Read and Voice Talent ads help advertisers connect with podcast listeners, drive significant mid-funnel lift, and win over new audiences.

ENGAGE EMOTIONALLY WITH MILLENNIALS THROUGH PODCAST HOSTS

Host-Read ads show a significant increase in emotional connection compared to Voice Talent ads, because they lean on the trust a listener has to that host. That emotional trust makes Host-Read ads ideal for introducing a new brand or product for the first time.

DRIVE AWARENESS AND SCALE WITH VOICE TALENT ADS

We found that Voice Talent ads under 30 seconds produce significant lifts across metrics. To scale your podcast buy, run Voice Talent ads across Spotify Audience Network to reach engaged listeners both on and off Spotify in a highly targeted way.

KEEP IT CONVERSATIONAL

Whether you’re running scripted Host-Read ads or Voice Talent ads, podcast ads should reflect how people talk in real life. Focus on what sounds natural to the listener in order to achieve the authenticity and relatability that your audience expects.

➔ *Gen Z social media influencers are increasingly creating their own podcasts: U.K. influencer JaackMaate launched **Happy Hour**, a Spotify Exclusive, while American digital content creator Addison Rae has her own Spotify Original.*



Nina, 37, Compton, LA



CREATORS: Trend No. 2

New Voices

Millennials and Gen Zs crave representation. That's why creators from both generations are now bypassing traditional gatekeepers of culture to uplift voices and viewpoints that have been historically underrepresented by mainstream media.



New Voices 

AMPLIFYING UNDERHEARD PERSPECTIVES

A wave of new audio creators has been swept to the forefront of culture by the convergence of affordable digital tools and platforms, and the conviction that their songs and stories have been left out of culture for far too long. Through audio, millennial and Gen Z creators are finding a medium ready to embrace projects that represent and empower them and their communities.

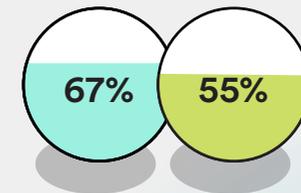
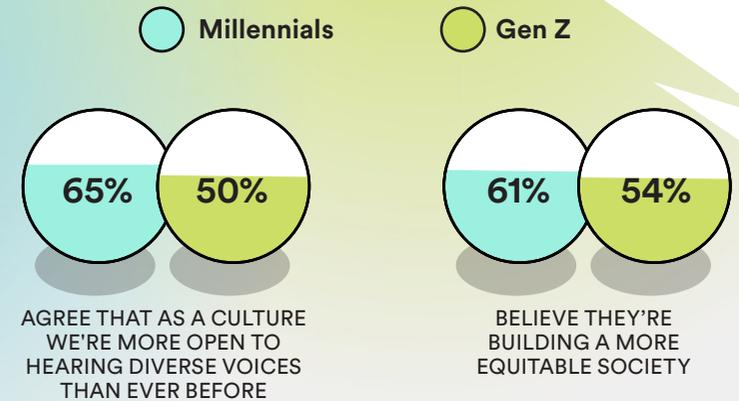


▶ —Nina, 37, Compton, CA

“WITH AUDIO, THERE’S JUST SO MUCH MORE FREEDOM. I GOT A PHONE, I GOT A MIC, WE GOT A CAMERA — **LET’S GO.**”

54%
OF GEN ZS IN THE U.K. BELIEVE THEY HAVE MORE FREEDOM TO BE THEIR AUTHENTIC SELVES THAN PREVIOUS GENERATIONS.²⁵

AMONG MILLENNIALS / GEN ZS IN THE U.K.:



SOURCE: Spotify Culture Next survey, UK, among 507 respondents 15-40, April 2021

➔ Spotify’s podcast recording and distribution software Anchor helped creators launch more than 1 million new podcasts in 2020, and the number of Anchor-licensed shows grew by 210% between March 2020 and March 2021.²⁴



BELIEVE THEY’RE BUILDING A “BETTER NORMAL” OUT OF THE PANDEMIC

DEMOCRATISED CREATION

Unlike some visual media, which require expensive equipment, formal education, or large crews, audio creators face a lower barrier to entry and thus less intrinsic bias. This access and ease is especially essential for Gen Zs, who are most likely to be producing and promoting themselves. Zs even conceived bedroom pop, a music genre known for its indie creative process.

New Voices 

REPRESENTATION, FINALLY!

For both younger millennials and Gen Zs especially, the rise of new voices in the audio space has meant seeing — or hearing — themselves represented (finally!). As voices behind the mic become increasingly diverse, the audio medium is resonating with a wider audience — the fruits of which are already starting to change the industry. In fact, in the U.S. market, podcast listeners who are Black, Latinx, Asian, or who self-identify as some “Other” race all surpassed the growth rate among white listeners, according to Nielsen.²⁶

▶ “THIS PAST YEAR, SPECIFICALLY, I’VE FELT MORE REPRESENTATION IN AUDIO THAN IN ANY OTHER INDUSTRY. I’VE HEARD MORE NARRATIVES THAT I CAN RELATE TO AND HEARD FROM MORE BIPOC ARTISTS.”

▶ —Andrés, 24, Mexico City



What It Means For Brands



Zs are the most racially and culturally diverse generation yet, and they expect brands to reflect, represent, and empower them through their campaigns, talent partnerships, and participation in social justice movements.

SHAKE IT UP WITH NEW SOUNDS

Zs love discovering new voices, music, and brands. Reach Zs who are already in the discovery mindset by sponsoring playlists such as New Music Friday or Discover Weekly, which celebrate finding fresh music that you haven’t heard before.

AMPLIFY THE CONVERSATION

Align your brand with podcast shows that promote representation in audio. Spotify partnered with Higher Ground, a production company formed by the Obamas, to produce powerful stories that entertain, inform, and inspire, and to lift up new, diverse voices in the entertainment industry. Salesforce, and Procter & Gamble brands Dawn and Tide, served as the first season’s presenting sponsors for *The Michelle Obama Podcast*, a Spotify Original.

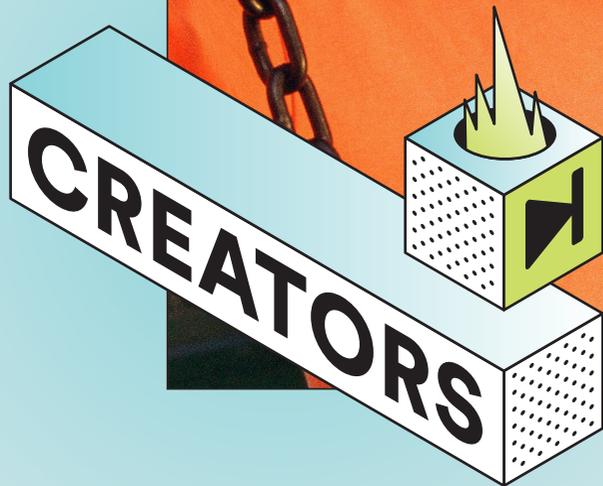
PASS THE MIC

Give underrepresented artists the stage to share your brand message in their own way. For instance, Cinnamon Toast Crunch partnered with Cuco, an emerging Latinx artist, to create custom audio and video spots that share the inspiring ways he continued to grow his music career and live life to the fullest despite challenging times in 2020.

50% OF MILLENNIALS AND 43% OF GEN ZS IN THE U.K. SAID THEY’VE SOUGHT MORE CONTENT FROM MORE DIVERSE CREATORS AND PODCASTS IN THE LAST YEAR.²⁷



Music artist glaive, 16

CREATORS: Trend No. 3 

Generation Curation

For millennial and Gen Z creators, cultural curation has emerged as an essential pillar of artistic expression. Where cultural curation helps Zs carve out their artistic identity, millennial creators curate to keep their audiences interested. With the power to forge connections, set emotional tones, and even launch careers, curation is a critical part of how culture is being shaped today.

Generation Curation 

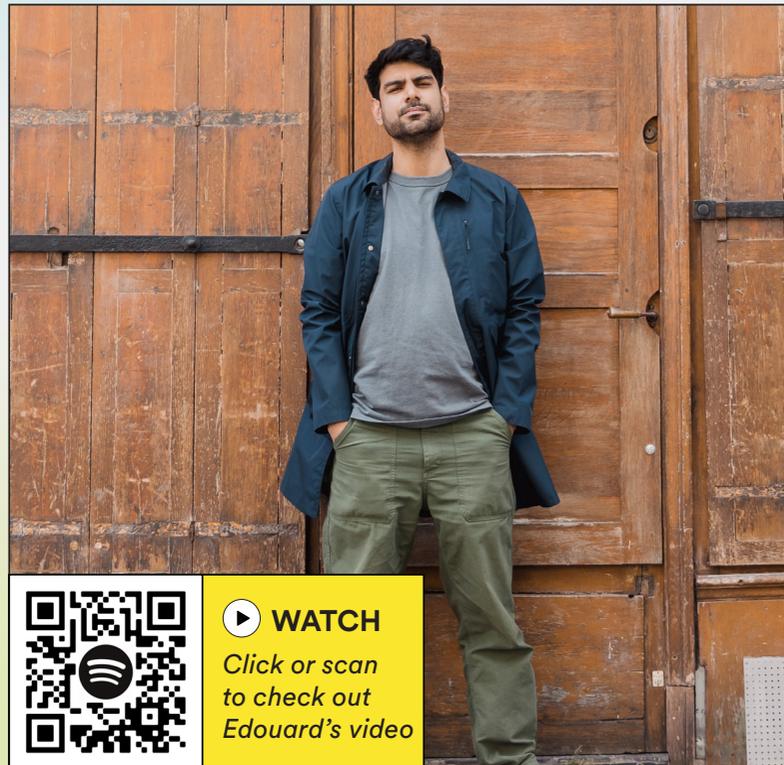
CURATION IS CREATION

Digitally-native Zs especially are thoroughly accustomed to curating their lives and identities. Among Gen Z audio creators today, curation has become much more than just aggregation; it's become creation, pure and simple — and young creators are tapping its generative power as a form of artistic expression.

“GROWING UP ON THE INTERNET AND SEEING SOCIAL MEDIA HAS INFLUENCED MY MUSIC A LOT. UP TO THIS DAY, YOU COULD SEE A PHRASE ON SOMETHING ON SOCIAL MEDIA AND BE LIKE, ‘OH, THAT’D BE COOL TO PUT IN A SONG.’”

▶ —Music artist glaive, 16

- *The hyperpop music genre pulls in sounds from every corner of culture. Among Gen Z listeners in the U.K., Spotify’s hyperpop playlist grew by an impressive 814% between Q1 of 2020 and 2021.²⁹*
- *Gen Z-focused playlist Lorem is so eclectic its name is a Latin word used as a placeholder. Total global followers of Spotify’s Lorem playlist increased 43% between Q1 2020 and Q1 2021.³⁰*



CURATED INPUT, FRESH OUTPUT

Curation is now directly affecting the creative output of millennial and Z audio creators. Whereas a decade ago artists may have stayed in their lanes and continued to make music according to what they’re already known for or good at, young artists today craft new sounds by regularly pulling from different genres, sounds, cultures, and more.



 **WATCH**
Click or scan to check out Edouard’s video

64%

OF GLOBAL GEN Z CREATORS FEEL THAT DIGITAL TECHNOLOGY MAKES IT EASIER THAN EVER TO BE A CULTURAL CURATOR.²⁸

Generation Curation 

CURATING CONNECTION

While playlists have been around for well over a decade, it's only been in recent years that audio creators have fully embraced them as a platform for showcasing their own curatorial chops. Playlist curation has been especially embraced by millennial creators as a way to ensure their place in cultural conversations by highlighting favourite tracks, citing influences, and more.

▶ “FOR ME, CURATION IS **ABSOLUTELY CREATION.**”

▶ —Edouard, 33, Paris, France



67%

OF GLOBAL MILLENNIAL CREATORS SAID THEY FEEL MORE PRESSURE THAN EVER TO BE A CULTURAL CURATOR.³¹

What It Means For Brands



Brands can join in on cultural curation through Spotify's playlist ecosystem: branded playlists, editorial playlists, and user-generated playlists.

PAIR YOUR PRODUCT WITH A PLAYLIST

Branded playlists provide an opportunity to engage and entertain your audience through the music they love. The best branded playlists are supported with a robust marketing strategy. For instance, M&M's brought back their limited-time Messages packaging, which featured Spotify Codes to match their messages to branded playlists. Scanning an M&M's pack that says "Slay Girl" opened an M&M's playlist of songs by powerful female artists.

TARGET MOMENTS CURATED BY ZS

No matter what's happening beyond our headphones, playlists reflect it. Leverage user-generated playlist targeting to reach Zs when they're listening to playlists they've curated for specific contexts, moods, or activities, and match your creative messaging to the moment.

EXTEND EXISTING TALENT PARTNERSHIPS

Treat your talent like the tastemakers they are. For instance, to promote the film *Once Upon A Time... In Hollywood*, Columbia Pictures teamed up with Spotify to take over the TV & Movies hub. Director Quentin Tarantino guest-curated the Spotify editorial playlist Film & TV Favourites and voiced audio annotations to give fans exclusive content throughout the playlist.



ADVERTISERS



—Karamvir, 18, New Delhi

ADVERTISERS: Trend No. 1 

Affinity-hoods

Gen Zs have undone the neat demographic segmentation of marketing past. No longer defined by age, race, gender, or geography, the similarities among young consumers lie in shared cultural tendencies and passions.

AUDIO IS A RICH SPACE FOR REACHING AUDIENCES THROUGH THE CULTURE THEY LOVE: 66% OF MILLENNIALS AND 62% OF GEN ZS IN THE U.K. BELIEVE THAT STREAMING PLATFORMS AT-LARGE, INCLUDING AUDIO, HAVE SIGNIFICANTLY SHAPED HOW THEY DISCOVER AND CONNECT WITH BROADER CULTURE.³²



Affinity-hoods 

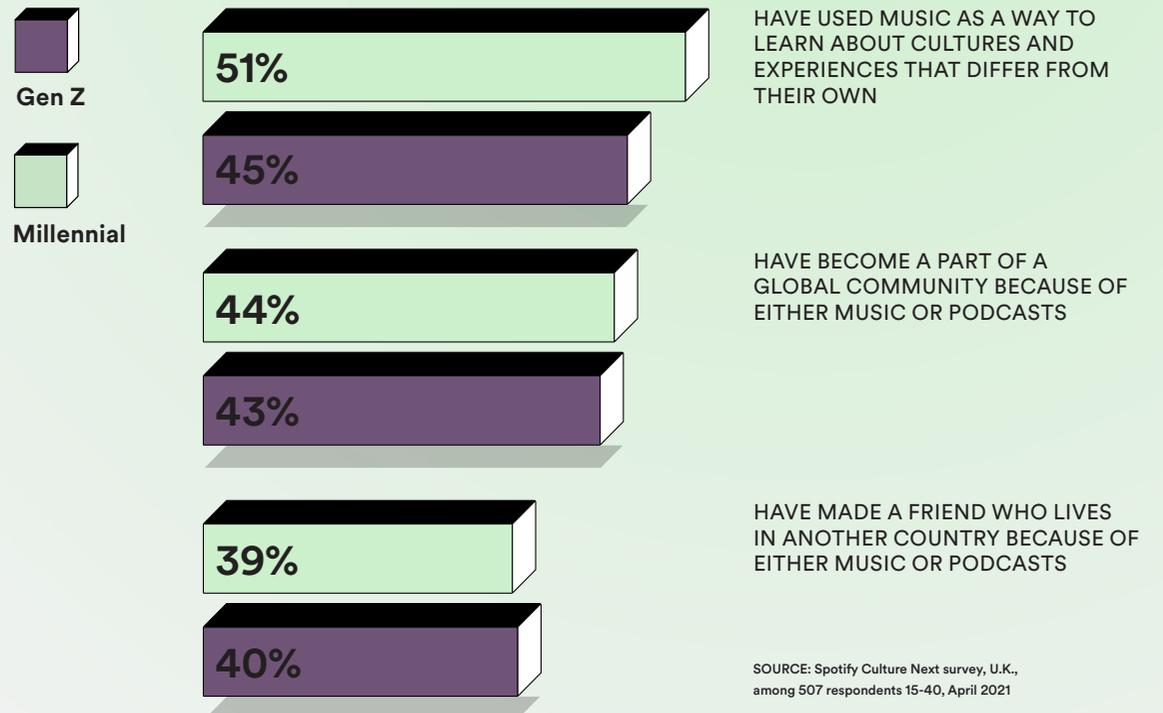
COMMON CHORDS

Young consumers can't be boxed in — to genre, geography, language, or any other passive identifier. Their communities are formed around what really matters: cultural affinities, e.g. shared cultural passions or interests, no matter how niche. For marketers, this has sparked new, innovative approaches for reaching increasingly fragmented consumer groups of Gen Zs and millennials.

AFFINITY MOVEMENTS —AND MOMENTS

Global affinity communities are actually easier for brands to connect with than the monolithic demographic segments that informed marketers in decades past. After all, cultural affinities are transparent — both for millennials, who have driven the mass adoption of social media, and Gen Zs, who were born into a world shaped by the internet. We often see a spike in community-focused streaming pop up around key moments in culture, from Black History Month and the World Cup, to International Women's Day and Oktoberfest.

MILLENNIALS AND GEN ZS IN THE U.K.:

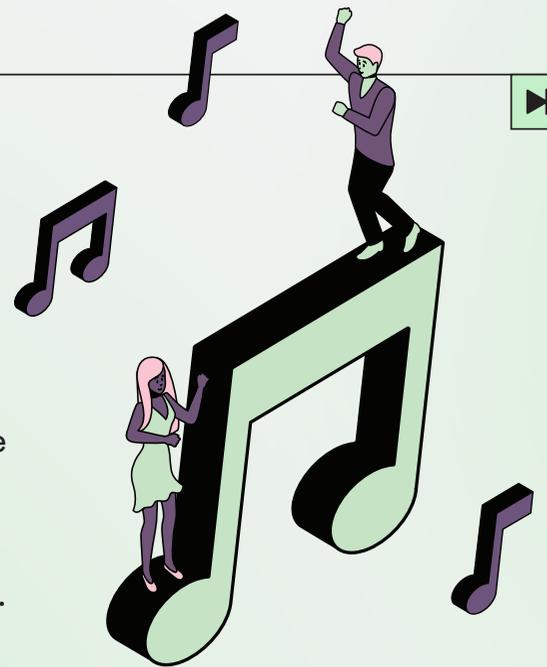


SOURCE: Spotify Culture Next survey, U.K., among 507 respondents 15-40, April 2021

Affinity-hoods 

CULTURAL GENTRIFICATION

Millennials and Zs aren't just trying to be cultural voyeurs — they're looking to participate in the cultural zeitgeist on a deep, authentic level. With this in mind, brands should consider how to not only connect listeners to like-minded communities, but also help them dive deep into the cultural contexts simmering beneath the surface.



What It Means For Brands



To authentically align with millennials and Zs, brands should focus on surrounding the music and podcasts that represent their passions.

TAP INTO GENRES IN A NEW WAY

Whether they're streaming Ann Arbor indie or Polish trap, Zs consider far-flung microgenres as close to home. Sponsor one of our genreless playlists, such as POLLEN or Oyster, or leverage microgenre targeting by creating audio spots in the same musical style of their favourite microgenres.

SAY GOODBYE TO GENDER NORMS

Millennials and Zs dispel the misconceptions about what a woman is supposed to behave like, specialise in, or even what they're supposed to listen to (hint: it's way more than just lifestyle content!). Through custom podcast midrolls, show how your brand is breaking barriers for women by debunking myths that have been making the rounds in your brand's industry.

BE PART OF CULTURE ON SPOTIFY

Cultural Affinity Targeting is a way to target users based on their intentional interactions with content around various cultural moments — primarily tied to the hubs we have in-platform. Reach listeners during moments and themes throughout the year that drive cultural conversations.

▶ —Karamvir, 18, New Delhi

“I ALWAYS TRY TO UNDERSTAND THE CONTEXT BEHIND MUSIC, THE STORY BEHIND MUSIC.”



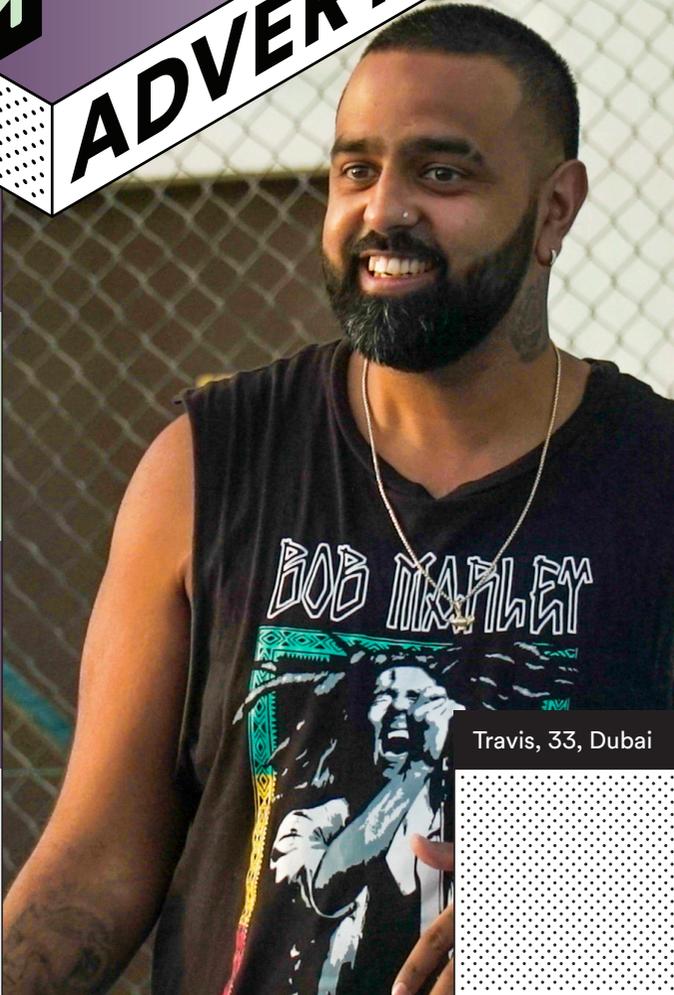
39% OF MILLENNIALS AND 42% OF GEN ZS IN THE U.K. BELIEVE LISTENING TO MUSIC WITHOUT THE BACKGROUND KNOWLEDGE OF THE CULTURE IT CAME FROM IS PROBLEMATIC.³³



▶ WATCH
Click or scan to check out Karamvir's video



ADVERTISERS



Travis, 33, Dubai

ADVERTISERS: Trend No. 2 

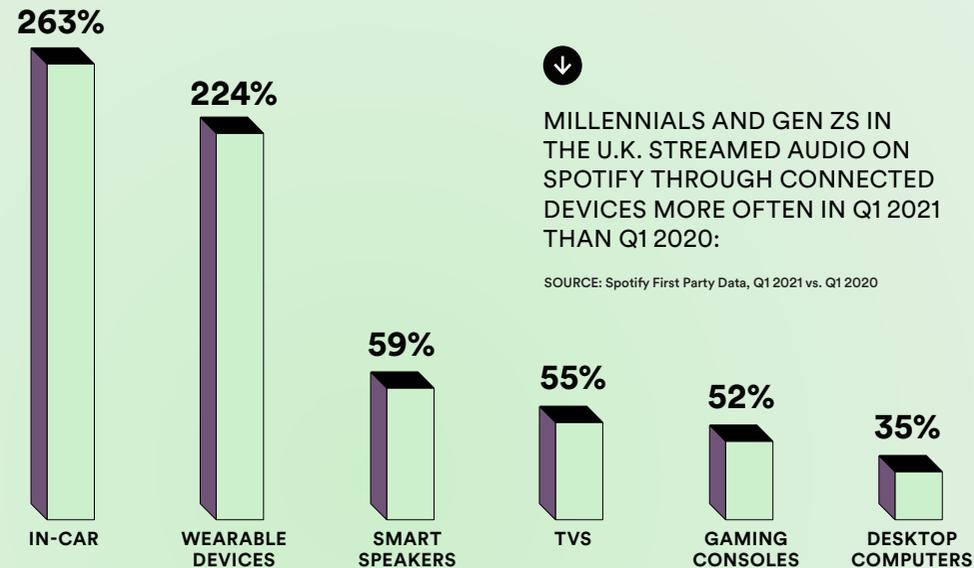
Remote Connections

With millennials' work lives, parenting strategies, habits, and behaviours scrambled by the pandemic, brands are having to adapt to reach a new consumer whose lifestyle has radically shifted.

Remote Connections 

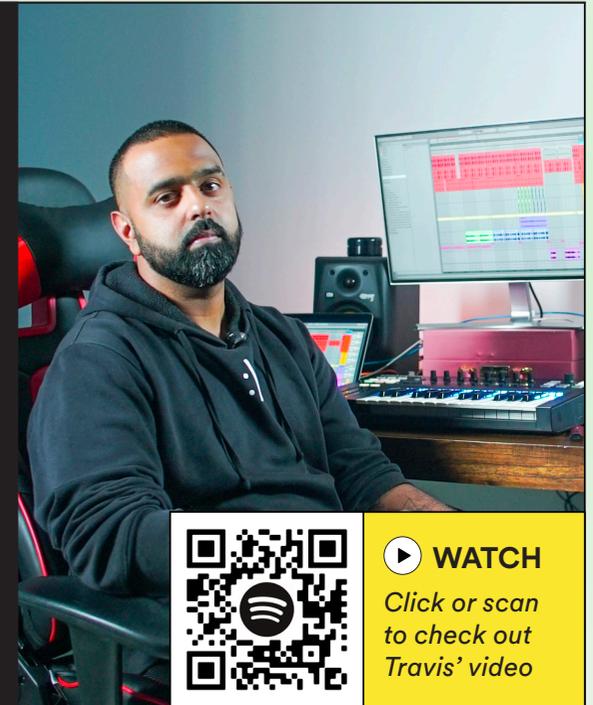
THE ABNORMAL NOW

After more than a year of lockdowns, life for many is still centred around one single location: home. As a result, in the U.K. we've seen an increase in listening to Spotify audio through connected home-based devices including desktop computers (+35%), gaming consoles (+52%), smart speakers (+59%), and TVs (+55%).³⁴ We've also seen a 263% increase in in-car listening on Spotify over the last year in the U.K., as drivers take their social bubbles on the road.³⁵



40% OF MILLENNIALS IN THE U.K. SAID THEY'VE SEEN FEWER ADS THAN THEY WOULD IN A TYPICAL YEAR, WHILE 46% SAID THEY'VE HAD FEWER BRAND INTERACTIONS.³⁶

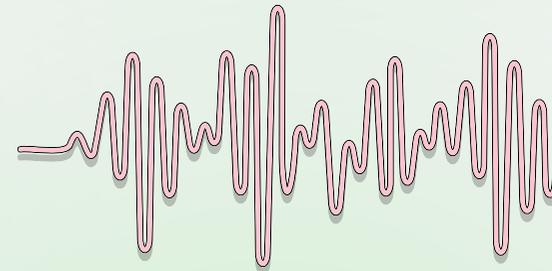
“THE CAR, THE HOME. *THESE ARE THE KILLER PLATFORMS FOR LISTENING...* THE INFRASTRUCTURE HAS BEEN BUILT OUT TO ENABLE THE NEXT GENERATION OF DIGITAL AUDIO TO FLOURISH.”



WATCH
Click or scan to check out Travis' video

—Jay Richman, Spotify's Head of Global Ads Business and Platform, on the *Wharton Tech Toks* podcast³⁷

CONNECTED COMMUNITY



At a time when 51% of millennials in the U.K. say their community or social outlet has grown smaller due to the pandemic (compared with 48% of Gen Zs there),³⁸ connected devices are helping people feel more, well, connected. That's true of their brand connections too. Audio ads, which reach listeners wherever they are, have become an innovative way to reach homebound consumers.

Remote Connections 

“HEY SPOTIFY!”

Here at Spotify, we’re invested in pushing innovation at the forefront of interaction and connectivity. Our new voice-controlled experience, “Hey Spotify,” allows listeners to spark up, navigate, and search for music and podcasts — without ever using their hands. The result is a custom interactive experience, fit for the new realities of juggling work, life, family, personal goals, and more, all in a given moment.



“WE’VE FOUND THAT AUDIO PLATFORMS ARE EVOLVING, AND IT GIVES THE ADVERTISER A LOT OF SPACE TO GROW AS WELL.”

▶ —Aviv Bar Oz, Offline Media Manager at Monday.com

50%

OF MILLENNIALS IN THE U.K. SAID THEY LIKE AUDIO ADVERTISING BECAUSE THEY CAN USE THEIR IMAGINATION TO PICTURE EVERYTHING IN THEIR HEAD.³⁹



What It Means For Brands



As millennials look inward, making their homes their safe havens, Spotify continues to be a primary platform for connecting with friends, family, podcast hosts, and brands.

MATCH THE CALL TO ACTION TO HOW YOUR AUDIENCE LISTENS

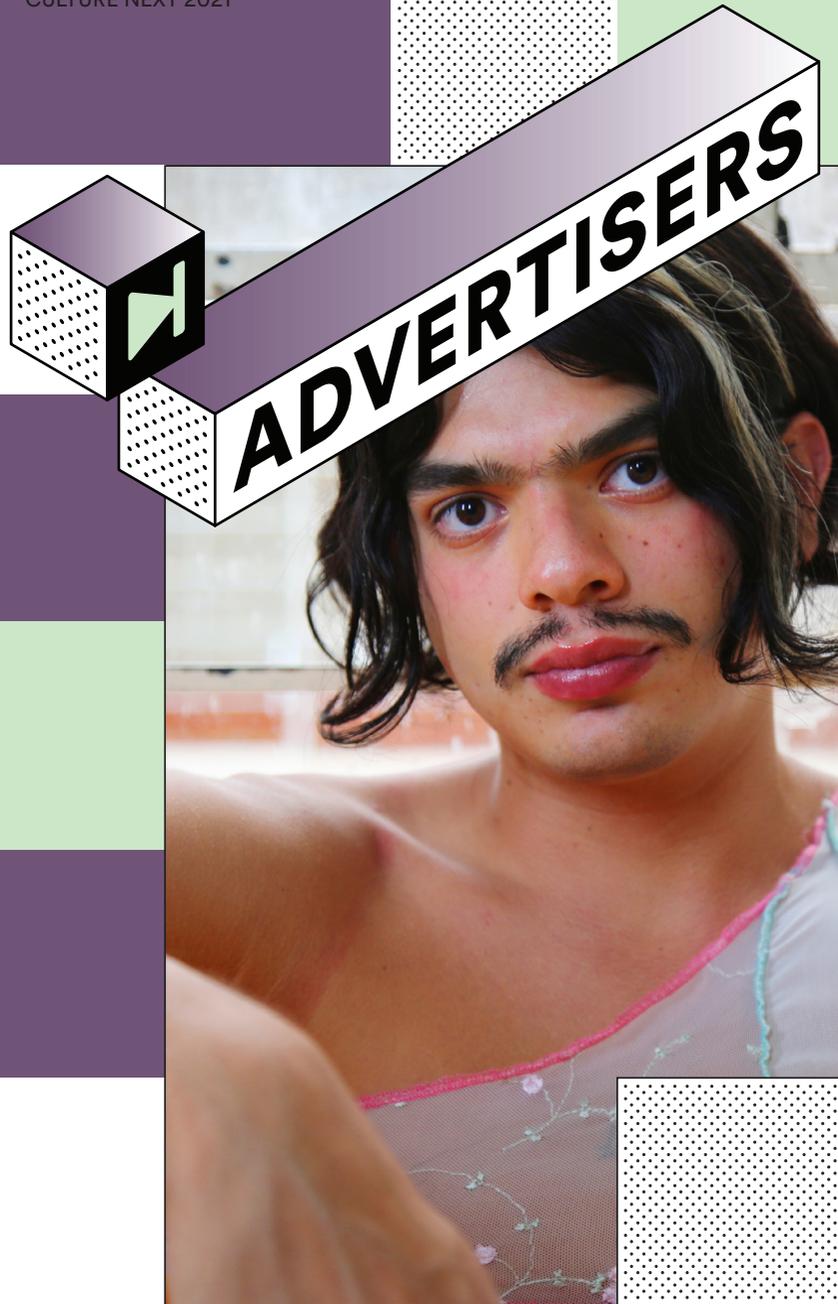
When your audience is listening through connected devices such as speakers, game consoles, or even in-car, they’re most likely pairing their streaming with another activity. If they can’t reach their mobile device while cooking for a crowd, consider another way to encourage a response. For instance, Oasis, a Coca-Cola brand, ran audio spots whose CTA simply asked listeners to buy more of their soft drinks — so the brand could advertise less.

BRING LISTENERS TOGETHER THROUGH YOUR BRAND

Position your brand as the centre of connection for listeners, whether you’re the technology they use for online study groups or virtual hang-outs, or if you’re the product that’s a must-have for IRL interactions. For instance, Miller Lite created a digital experience that allowed users to generate a personalised Spotify playlist based on their musical taste. They were encouraged to share their playlist with friends who could also have their streaming history analysed, combining both sets of songs into a collaborative playlist.

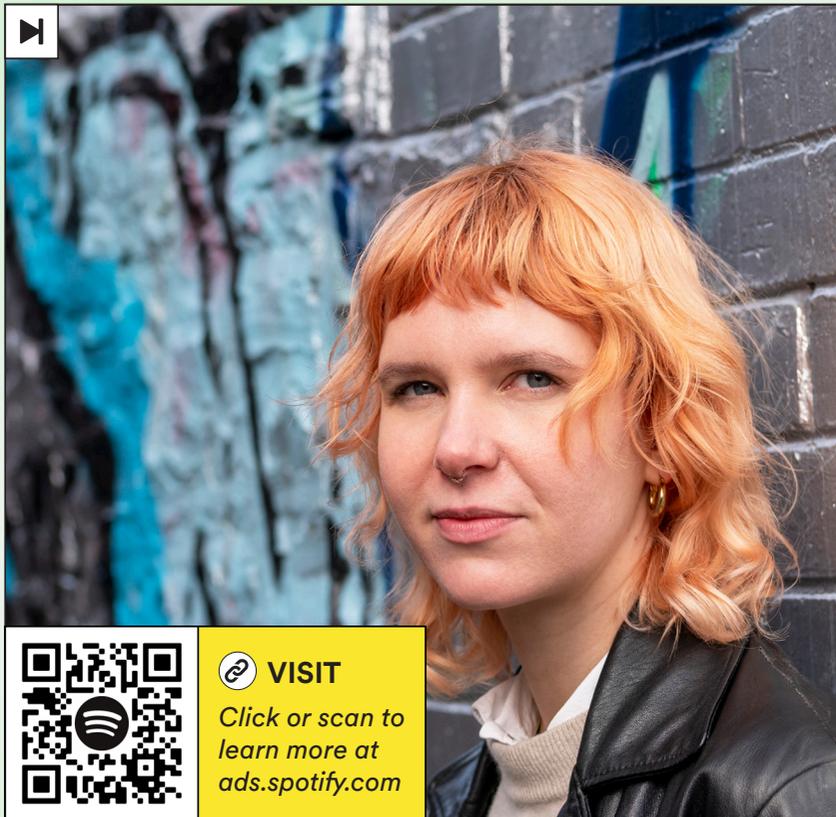
ALIGN YOUR BRAND WITH AUTHENTIC PODCAST PERSONALITIES

As millennials’ social bubbles grew smaller in the pandemic, listeners’ connection with their favourite podcasts grew stronger. Leverage that trust and connection that listeners have with podcast hosts through unscripted endorsement reads.



Working With Spotify Advertising

At a time when the digital marketing landscape is more saturated than ever, how do advertisers harness these trends to reach their target audiences?



GET STARTED INSTANTLY

Spotify's self-serve advertising platform, Ad Studio, makes it easy for businesses to share their message with millions of listeners around the world. It's the best way for brands of all sizes to experiment with incorporating digital audio into their media mix. Our free creative services make it easy to produce professional audio ads in minutes. The best part? Success is measurable. Get real-time reporting on ad delivery, performance, and audience so you can track goals and optimise campaigns.

Working With Spotify Advertising

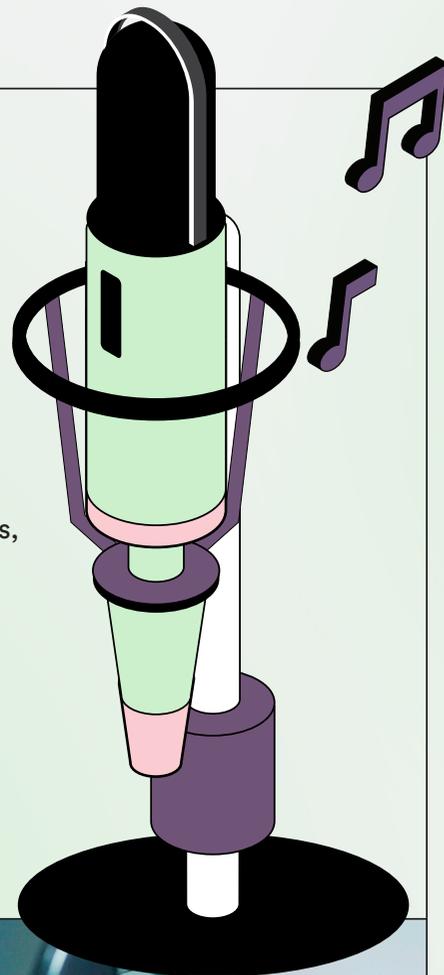
At Spotify, we believe that digital audio offers brands something unique: intimate connection with listeners as they stream what they love, on a platform that elevates the world's most beloved creators alongside emerging up-and-comers. We're constantly working on new ways to deepen that connection, with tools to create digital audio campaigns that are contextual, deep, relevant, and original. In fact, our advertising vision here at Spotify is to connect millions of advertisers with billions of listeners. **Here's how you can work with us to reach your audience.**



Working With Spotify Advertising 

TURN PODCAST FANS INTO YOUR FANS

Two-thirds of millennials and Gen Zs around the globe said they currently listen to podcasts weekly, according to our research.⁴⁰ In short: Your audience is listening to podcasts — and Spotify is the best way to reach them. We're passionate about making podcast ads a better experience all-around for listeners, creators, and advertisers. That's why in early 2021, we introduced the Spotify Audience Network: a brand-new way for advertisers of all sizes to connect with listeners who stream podcasts across our own network and leading third-party podcast publishers like ViacomCBS, Vox, and Condé Nast. Spotify Audience Network gives our advertising partners easy-to-use targeting tools, so they can reach listeners based on demographics (age, gender, and location), audience segment (e.g. fitness enthusiasts, gamers, luxury shoppers), and contextual targeting (e.g. business & tech, lifestyle, gaming).



BE HEARD IN THE MOMENT

Our ad formats are made to engage. That way, listeners get a great experience and advertisers get better results. Spotify's Streaming Intelligence enables advertisers to understand listeners' moods, mindsets, habits, and tastes — all in the moment. Brands can offer motivating messages to listeners while they work out, be an entertaining companion while they cook dinner, and match the vibe at party time. Interest targeting allows brands to reach relevant audiences based on topics they're passionate about, whether it be history, gaming, or literature. And genre targeting helps brands introduce themselves to new listeners by connecting with them through beloved categories from New Age to EDM to Folk. With Spotify, ads connect when, how, and where it makes sense for audiences — resulting in optimal impact for advertisers. Learn even more on ads.spotify.com.





1 Spotify Culture Next survey, Global, among 5,500 respondents, January 2020; 2-5, 11, 14, 19, 28, 31, 40 Spotify Culture Next survey, Global, among 9,000 respondents 15-40, April 2021; 6-7, 10, 12-13, 18, 21-22, 25, 27, 32-33, 36, 38-39 Spotify Culture Next survey, U.K., among 507 respondents 15-40, April 2021; 8-9, 15, 24, 29-30, 34-35 Spotify First Party Data, Q1 2021 vs. Q1 2020; 16 GlobalWebIndex 2019, Spotify Free Users, Global; 17 "Psychologists Say That Belonging To A Fandom Is Amazing For Your Mental Health," *Teen Vogue*, July 2017; 20 2021 Edelman Trust Barometer Survey, December 2020; 23 Spotify & Crowd DNA, "We're All Ears," U.S., 2018; 37 "Ep.8 — The Future of Audio: Spotify Supercharging Creator Tools and Ad Tech," *Wharton Tech Toks*, April 2021

