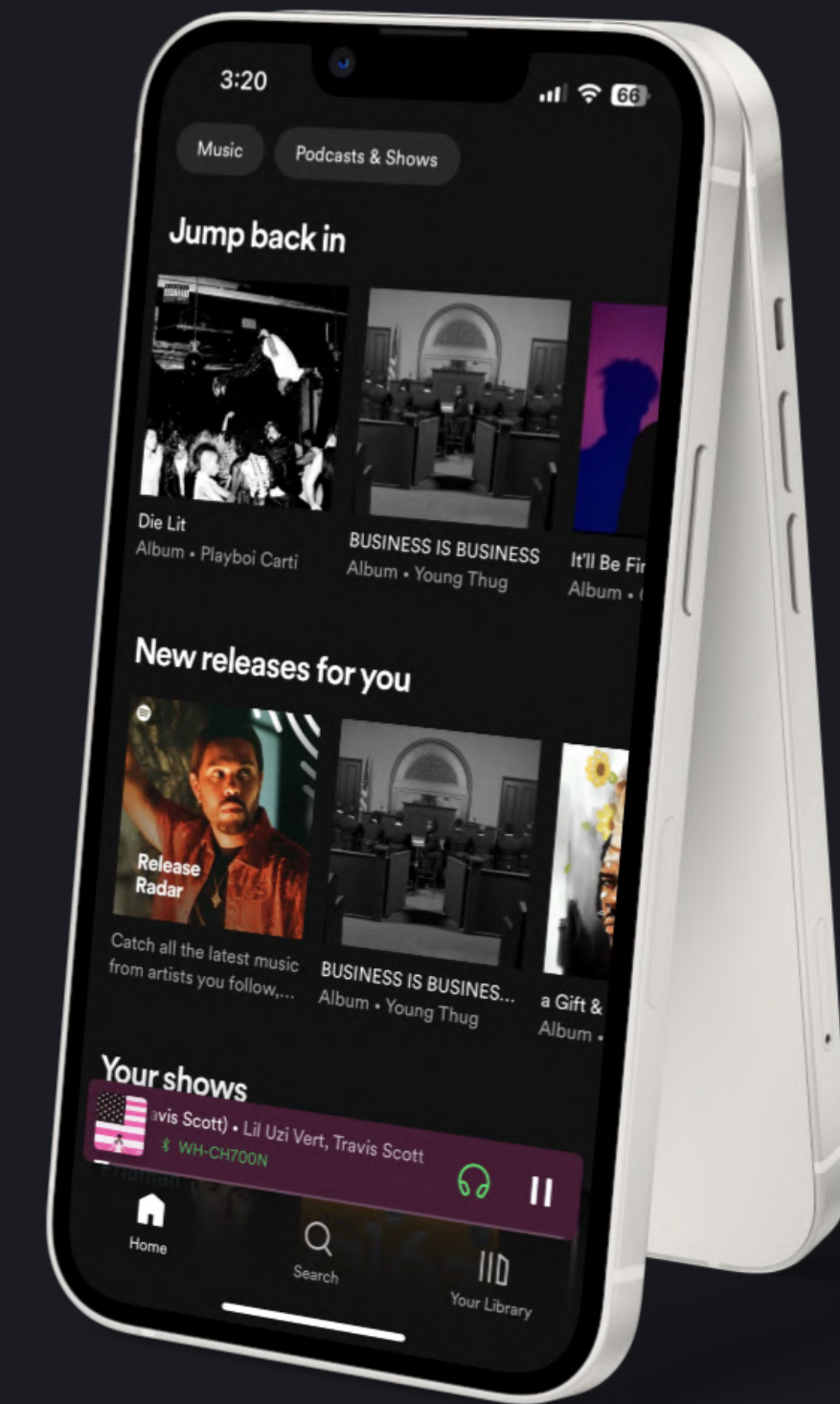




Product Teardown : App Notifications



What is Spotify

Spotify is a digital music, podcast, and video service that gives you access to millions of songs and other content from creators all over the world. Today, Spotify is the world's most popular audio streaming subscription service, with more than 500 million users, including 205 million subscribers in more than 180 markets.

SWOT Analysis

Strengths

- Large User Base
- Personalised Recommendations
- Freemium Model

Weaknesses

- Royalty Costs
- High competition
- Limited Profitability

Opportunities

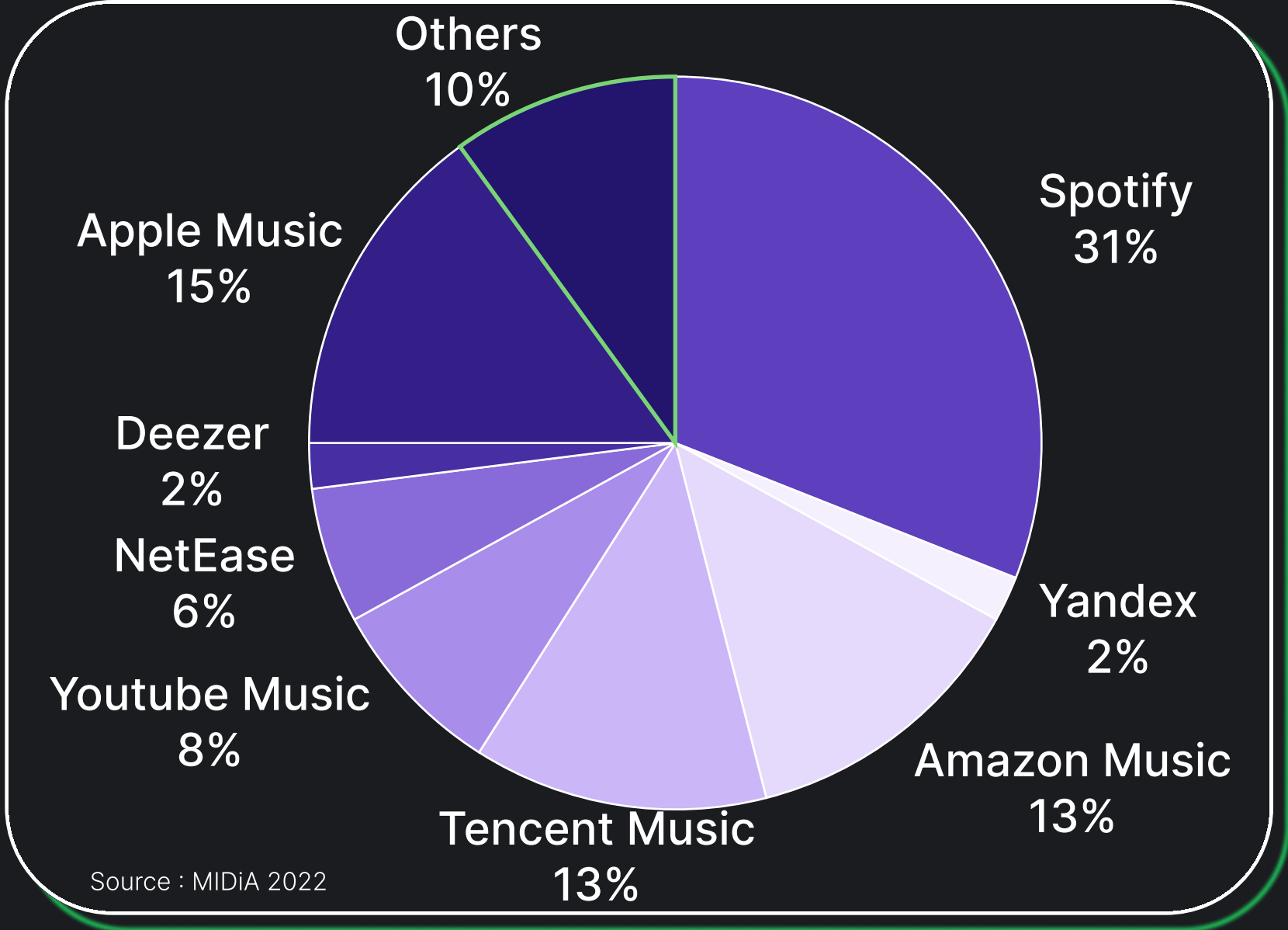
- Investing in Exclusive Content
- Developing new Revenue Streams

Threats

- Shifting consumer preferences
- Dependence on Third-Party Content



Key Competitors



Value proposition

Personalisation

Convenience

Easy Accessibility

Affordable Pricing

High-quality music

User Persona



Arjun

Bio

“Arjun is pursuing a degree in Marketing and has a strong passion for music and his favourite artist is The Weeknd”

Age : 19
Occupation : College Student
Location : Delhi, India

Needs

- Wants to discover new artists similar to his favourite artists
- Would love more personalised recommendations

Pain Points

- Hates how boring and uninteresting Spotify notifications are
- Doesn't have much time for music exploration

Bio

“Naina enjoys listening to music as it helps her unwind from her demanding job. She has a diverse taste in music and loves Olivia Rodrigo”

Age : 28
Occupation : Business Analyst
Location : Delhi, India



Naina

Needs

- Wants to stay updated with her favourite artists
- Wants more good personalised playlists

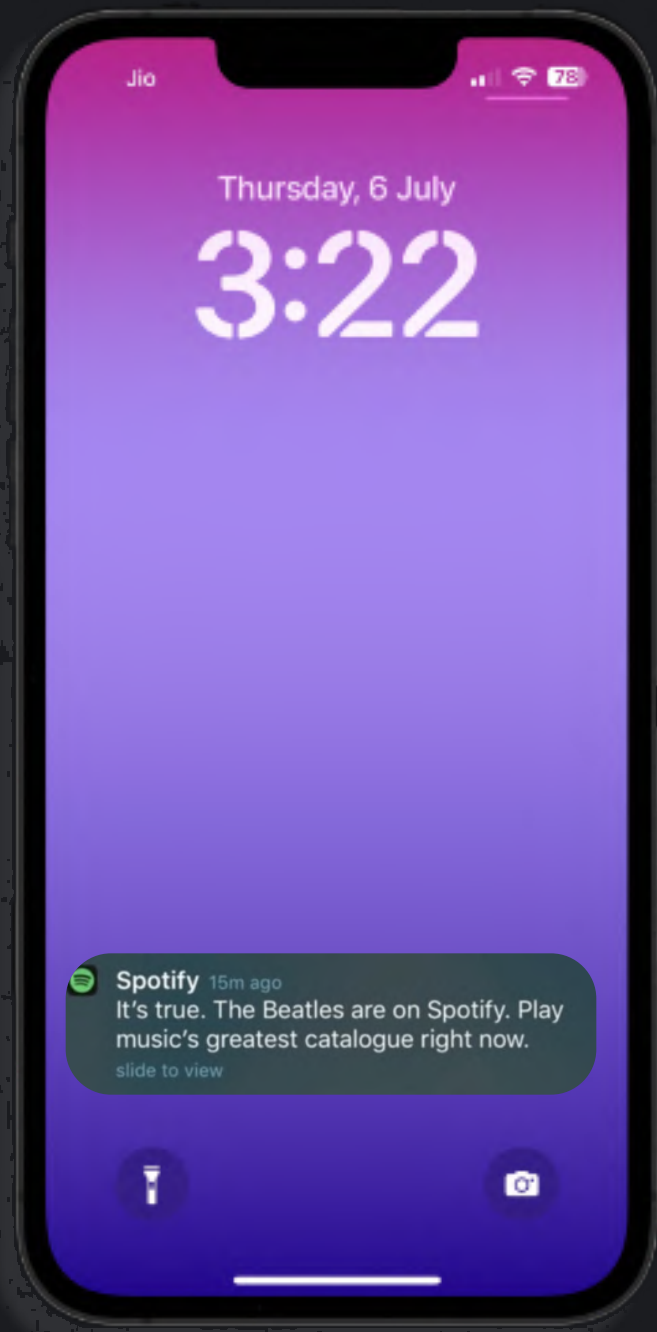
Pain Points

- Misses updates from favourite artists as Spotify notifications are uncommon

Spotify Notifications

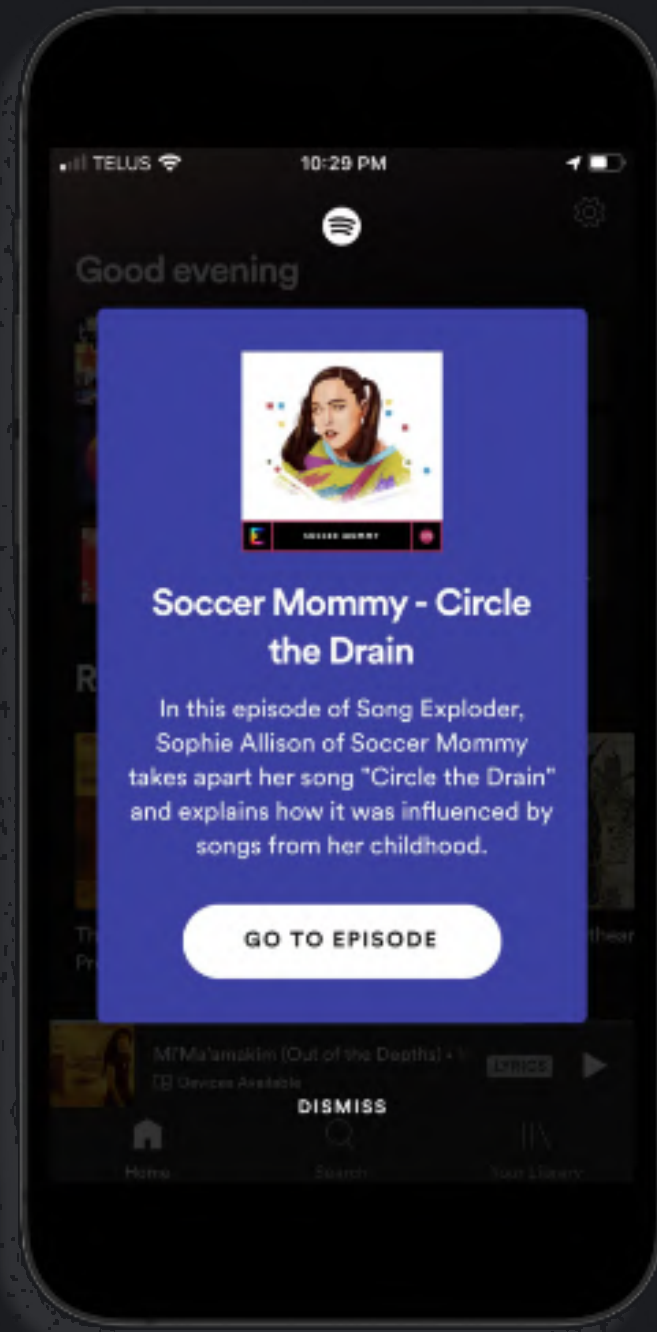
PUSH NOTIFICATIONS

- **New Music Updates** : Spotify sometimes sends a notification when new music is dropped by one of the user's liked artists
- **Recommended Music** : Spotify makes personalised playlists for the user and sends notification for the same
- **Latest Episode Notification** : Spotify updates the user when there is a new episode of a user's liked podcast
- **Concert recommendations** : Spotify informs the user about virtual and live performances by their favourite artists



IN-APP NOTIFICATIONS

- **New Music Updates** : To grab the user's attention, Spotify sends In-app pop up notification about new music while the user is using the app
- **Latest episode notifications** : Just like the push notification, Spotify notifies the user about new podcast episode through pop up notifications
- **Latest episode notifications** : Spotify sometimes sends a pop up notification about Premium Subscription to free plan users



User Research **Survey**

Hypothesis :

To engage user's attention, notifications should be more creative and interesting.
Increasing the **frequency** of notifications and introducing more **personalised notifications** can help increase **Click-Through Rate** (CTR) for Push Notifications and **Conversion Rate** for In-App Notifications

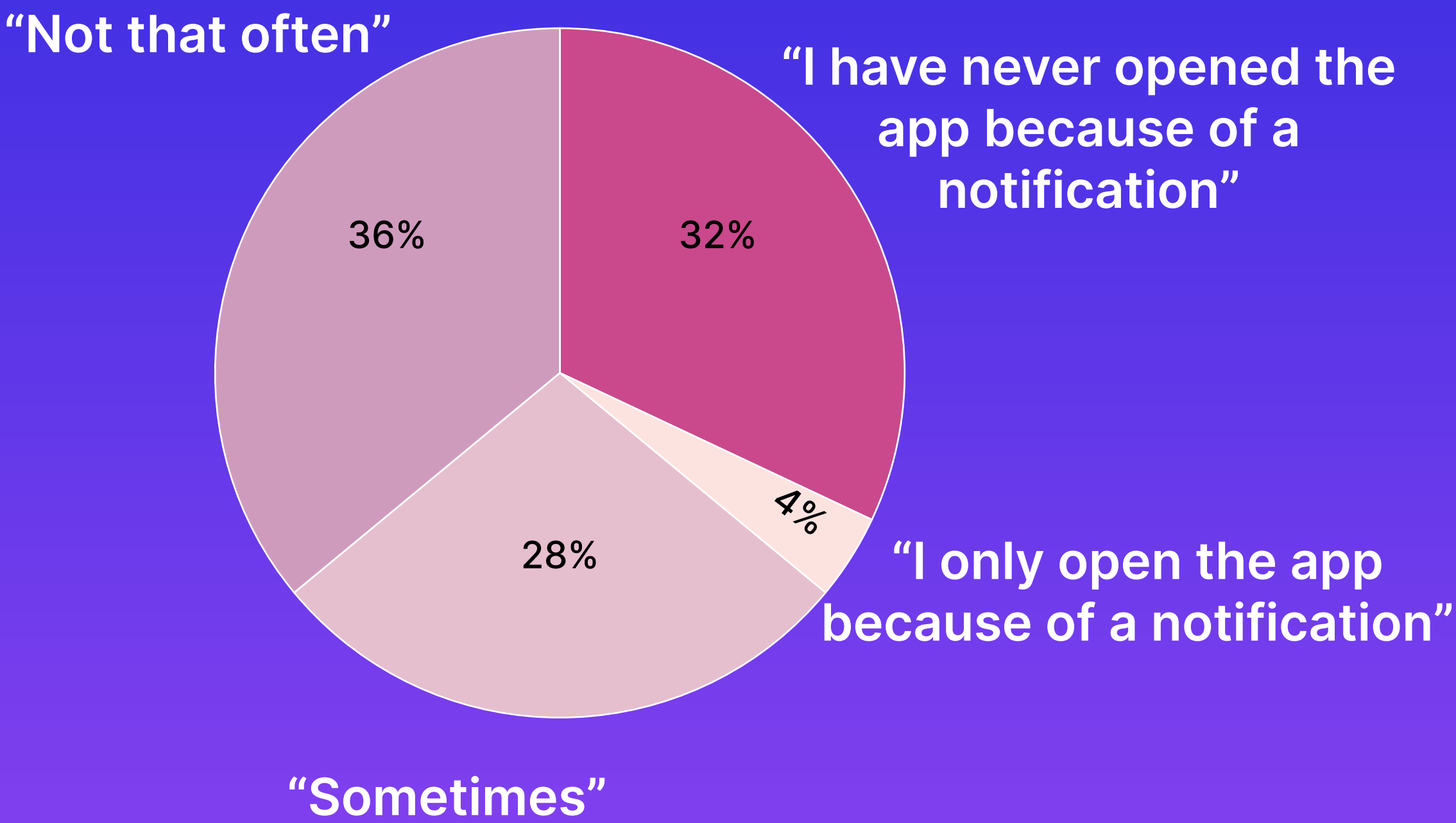
Testing the hypothesis :

A **survey** was conducted to understand what the users think about Spotify Notifications. A group of **25 individuals**, aged between 18 and 30, participated and shared their valuable insights.

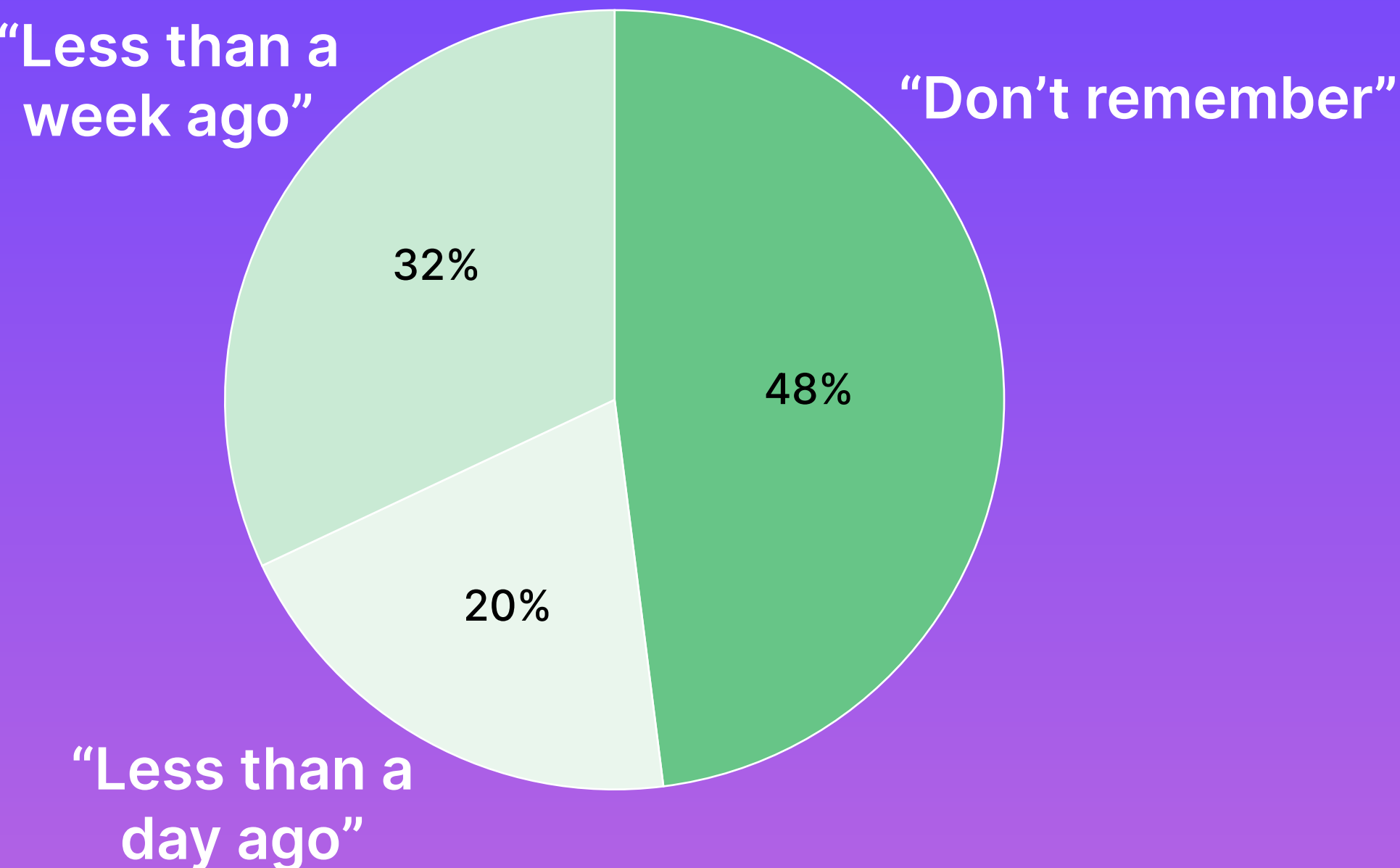
So, what did the users say?

User Insights

“How often do you open Spotify app because of a notification?”

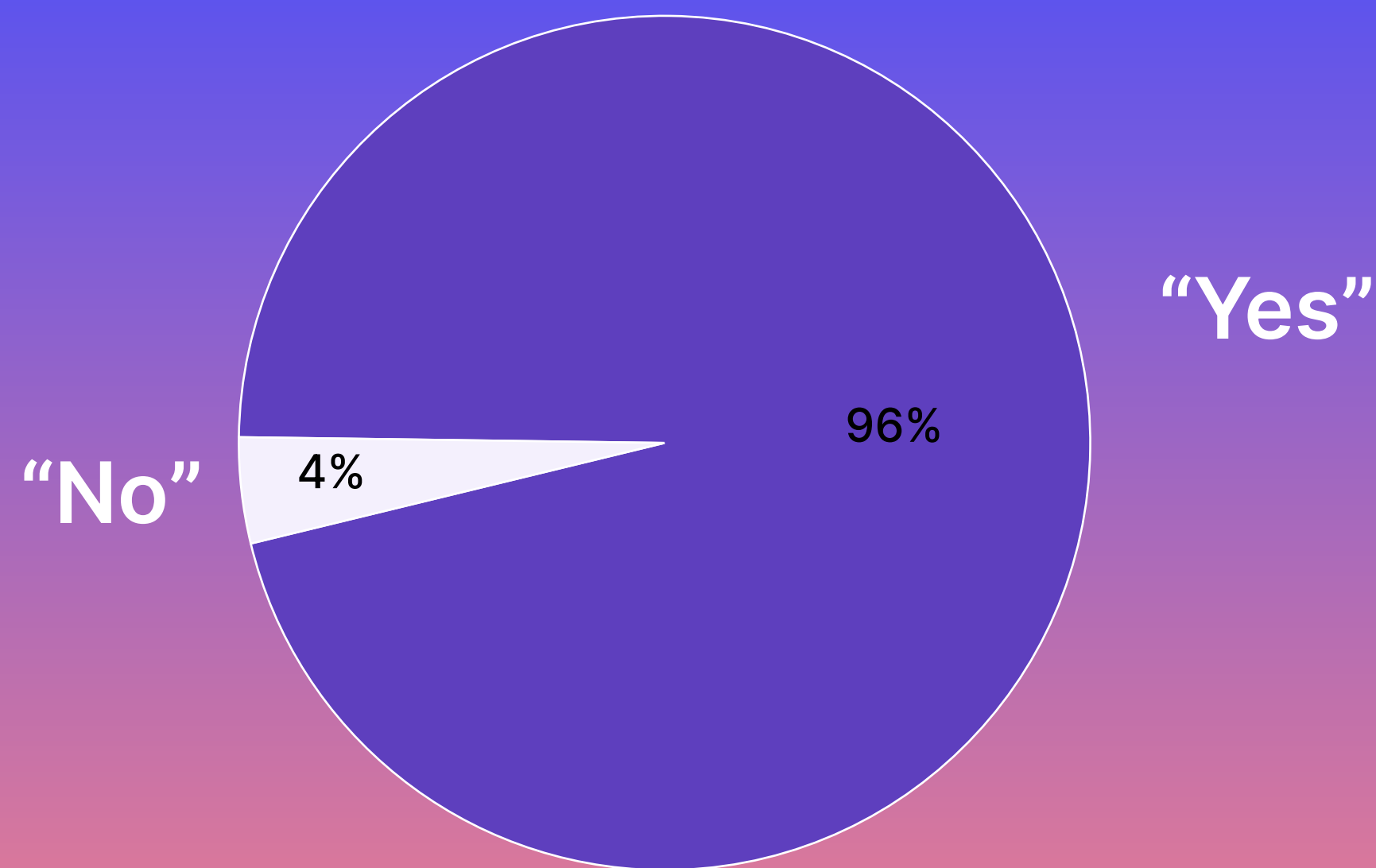


“When did you last receive a notification from the Spotify app?”



User Insights

“Do you think Spotify should make their notifications more interesting?”



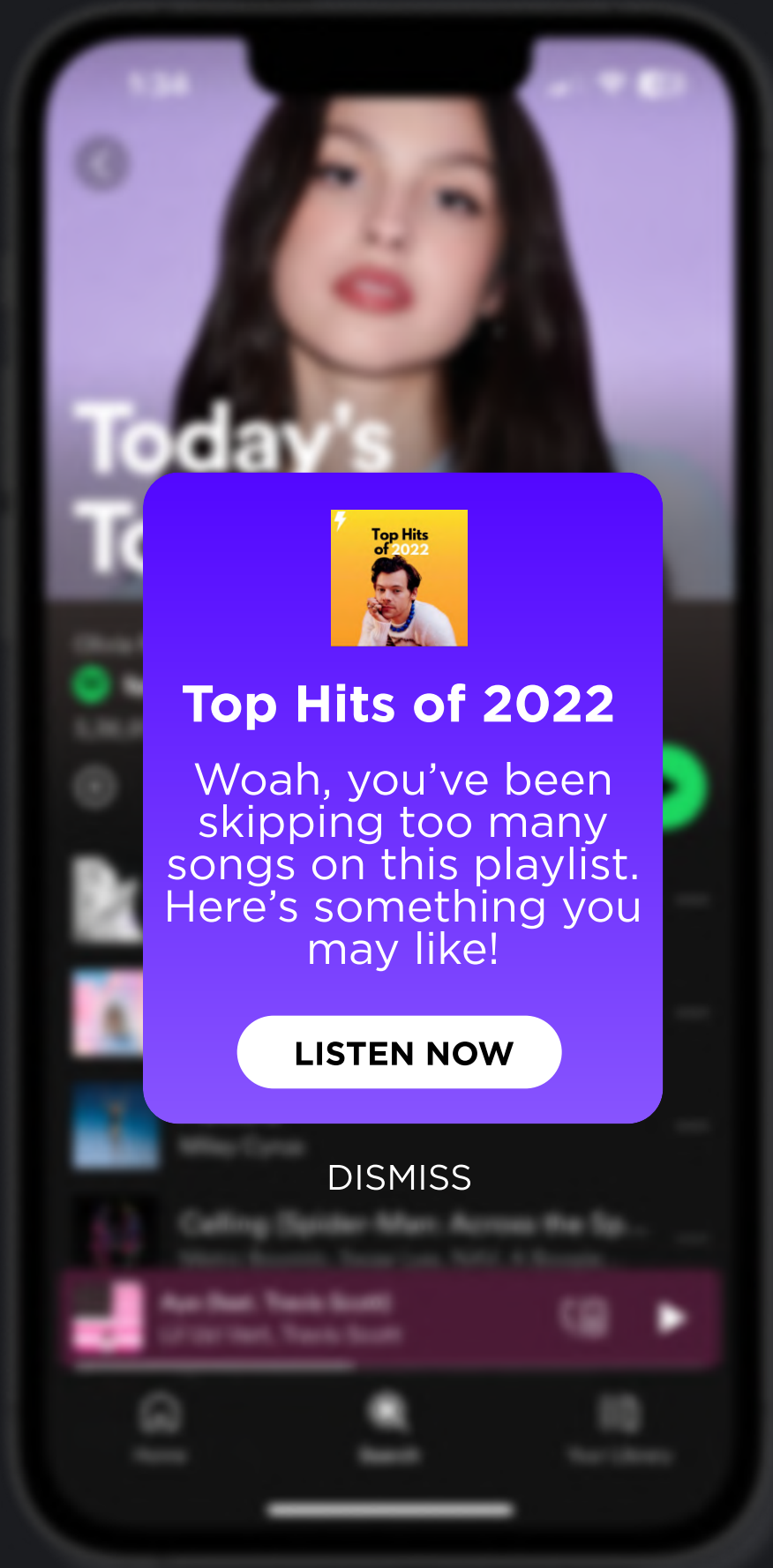
Wants and Needs of Users

From this survey, it's clear that users are not that happy with the current notifications. They would like :

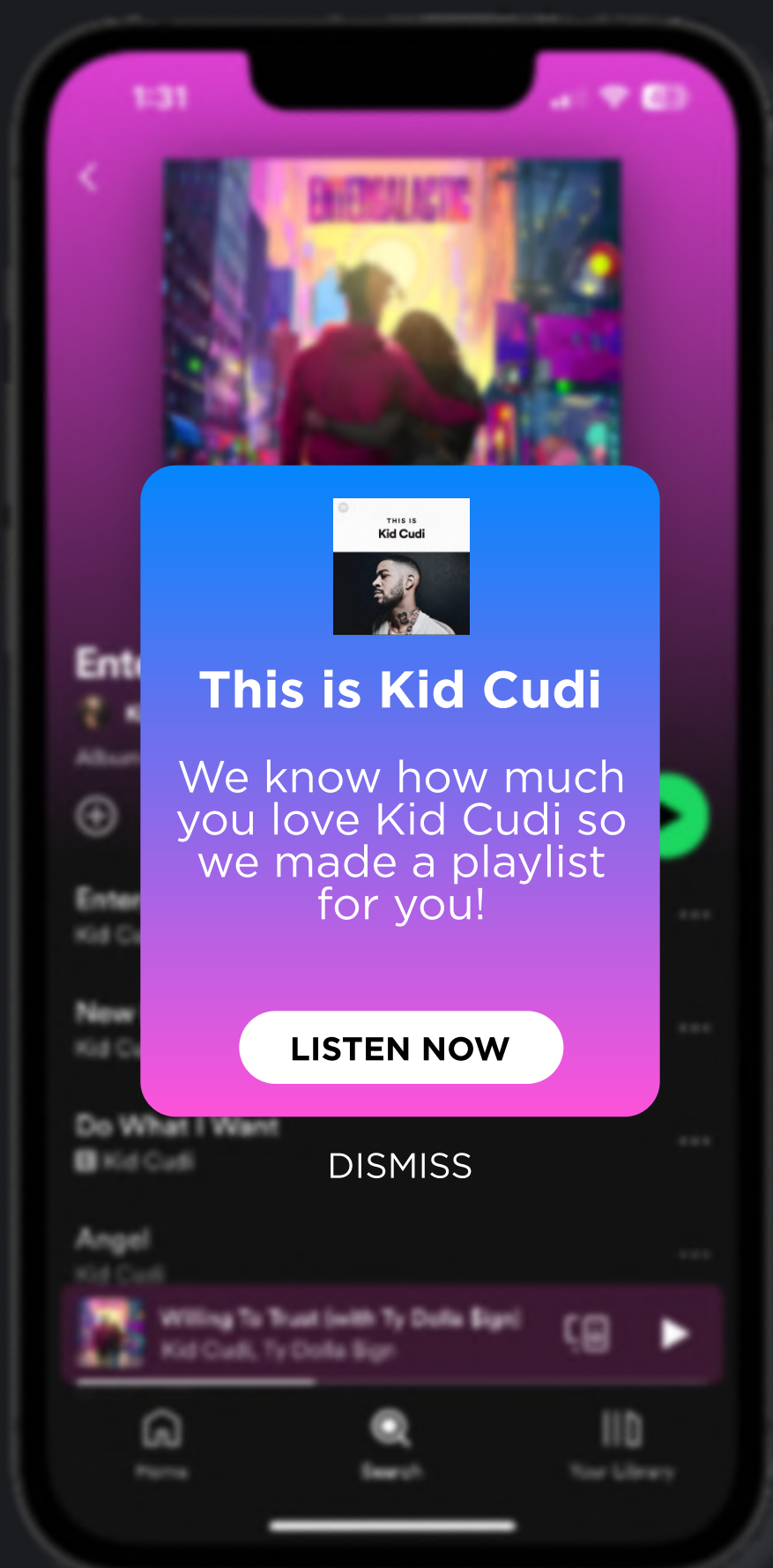
- More personalised creative notifications
- Frequent notifications which are not that forgettable
- Relevant notifications that improve their overall app experience

How can notifications be improved for the user?

Adding more **Personalisation** to Notifications



Analysing user behaviour - how many songs are they listening per playlist, how many skips per playlist etc to recommend better playlist as a pop up notification



Sometimes you just can't get enough of an artist and if Spotify recommended a playlist at that point, well then that would just be amazing



Push notification that reminds the user about their favourite song is a great way to encourage engagement with the notification and thus increasing time spent on Spotify



Incentivising the user with a social reward or something that matters to the user is an effective way to increase the click through rate of the push notifications

Key Metrics : Measure what Matters



North Star



Level 1



Level 2

Click through rate
No. of Spotify users with ON notifications/No. of users who clicked on notification

DAU
Daily Active Users

Avg. time spent
Average time spent on the app per user

Engagement Rate
No. of users who interacted with notification/No. of users to whom notification was shown

Premium DAU
Daily active premium subscribers/Daily active total subscribers

Avg. time spent on recommendations
Avg. time spent on recommended playlists/Avg. time spent on the app

Retention Rate
No. of users listening to music or podcast/No. of users who clicked on notification