

Entrepreneurship Report

on case study company

Shazam Entertainment Ltd.



submitted at

Tileyard Education, London

MA Music Business (MBO0123)

BMTY7001

submitted in April 2023 by

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1. Executive Summary

The following report deals with Shazam Entertainment Limited and the various components of its corporate structure. The company's core service is an application that can recognise a song from short sound recordings and give details about its artist and other contributors. The analysis contains a rough introduction to the business and a description of the four founders, their biggest challenges as well as their approach to generating financial investments. Furthermore, it is pointed out that the market in which Shazam interacts is thriving, but also what opportunities certain competitors in the more specific market – namely, that of music discovery or recognition – are exploiting that are (still) being left out by the analysed business. The report also shows how the underlying service, which the founders created before there was even a market for it, works and how it was or is used by the company to generate revenue. At the same time, the analysis raises the question of the extent to which Apple could or will exploit the potential and strengths of Shazam after its takeover in 2018.

2. Company description

With the application “Shazam”, the company Shazam Entertainment Limited enables its users to identify songs that are played somewhere – for example, in a public place or even in a TV commercial. To do this, users simply must press one button, which activates the audio recording and thus matches a short piece of the played track with Shazam’s database. The respective app can be downloaded for free from the Apple Store or Google Play Store, but the service also works on a tablet, smartwatch, or laptop (Hendelmann, n.d.). From a more technical and data-driven perspective, Hujran *et al.* (2020, pp. 6-7) describe the process behind the app in a sense that it “uses the phone’s microphone to listen to the surrounding environment and try to analyze the captured wave and then use big data technologies to find the song or the advertisement that is being played in the background.”

The company, which was founded by Chris Barton, Philip Inghelbrecht, Dhiraj Mukherjee, and Avery Wang in 1999, is said to have a database of 8 million music tracks or audio files by now and was reportedly acquired by Apple in 2018 for a sum of \$400 million. It was only 17 years after its foundation, i.e., in 2016, that the company is allegedly made profits for the first time. In the meantime, however, the app reportedly counts 200 million monthly active users and over 20 million “Shazams” per day. In 2019, the company also managed to break the one billion mark in the number of app downloads. (Rose, 2021) Even though Shazam is basically understood as a music recognition or discovery app, since only a short part of a piece of music can be heard on the platform itself, it is very often mentioned together with the biggest players in the music streaming industry, such as YouTube Music, Spotify or Soundcloud (Paolillo, 2022). In terms of apps for music identification in specific, SoundHound is often mentioned as a competitor (Block, 2013, p. 26).

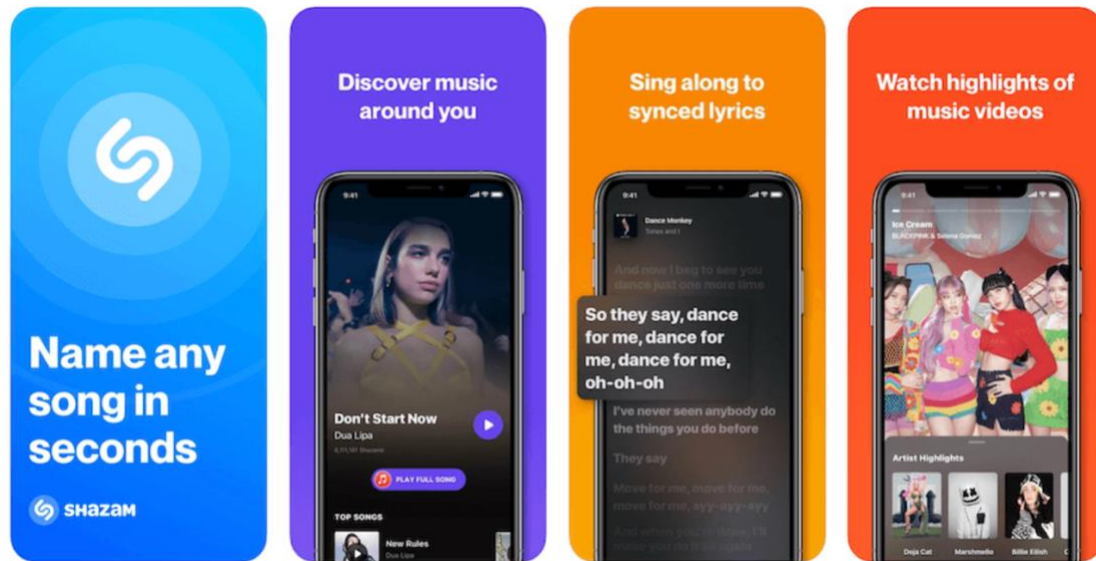


Figure 1: Insights into the Shazam app via the Apple App Store. (Source: Rose, 2021)

In terms of Shazam’s customers, one might assume that pretty much anyone who is interested in what song, artist, or other contributor is behind the music they perceive is a potential user of the app. Music enthusiasts who are actively involved in the industry on a regular basis should be mentioned as another possible customer segment. Other players in and outside of the music, TV, and film industry, who want to generate profits with the help of the app or through possible collaborations, could also be considered in this context.

In the early days of the company, the four founders made it their main goal to find a technical solution to allow people to easily identify the sounds they hear, which had not been possible at that time. By building their huge database of musical works and audio files including the metadata, as well as offering ways to promote artists through the music users would find, they also had in mind to support the music industry as a whole. (Santos, 2012, pp. 26-29) Much later, in the mid-2010s, it was assumed that the company would work its way up to a “global media powerhouse” to become a kind of “Google for audio” (Hendelmann, n.d.). According to Silva (2020, p. 23), the company seems to have succeeded in doing so, describing Shazam as “one of the most recognized services for mobile music recognition” as well as it still being “the most popular and recognized option, to the point of being one of the most downloaded apps of the decade in the music category.” However, whether the company is really future-proof and will remain successful in the future will be elaborated in the next chapters of this report.

3. Company profile

Shazam Entertainment Limited is a limited liability company that was officially established on 22 May 2000 by four different founders. They allegedly chose London or the UK as the starting point for their business for three different reasons. On the one hand, in the USA, for example, it was not yet possible to send text messages over all networks at that time, which was necessary during the early days of the Shazam recognition system. On the other hand, the per capita music market in the UK was supposedly higher than in other countries, and European investors already had the right mindset or understanding for consumer mobile businesses. (Santos, 2012, p. 23)

Two of the four founders, Philip Inghelbrecht and Chris Barton, met during their MBA studies at Berkeley and very soon decided to found a company together. Around 1998, they started brainstorming and came up with many different business ideas. When Shazam began to take shape, the original idea was to build a software for radio stations to track the songs they played. During a strategic innovation course at London Business School, Barton came up with the idea that it would be much better if everyone could just hold up their phone and instantly know what piece of music was playing. To build an actual company around this concept, they brought Dhiraj Mukherjee on board shortly afterwards as another co-founder. They spent the following months looking for a fourth team member who was technically capable of building a tool to detect music in a noisy environment, often being sent away. Dan Elis, an advisor Inghelbrecht and Barton knew from Berkeley, networked them with Stanford professor Julius Smith. The latter agreed to suggest people who were very well versed in electric engineering and, more specifically, acoustics signal processing. This search eventually led them to the fourth co-founder, Avery Wang, who did not believe in a realistic implementation for a while either, until he finally found the solution – the idea that every sound recording had a unique pattern that had to be checked against a database. From there, it was on to finalising the business plan and fundraising. (Santos, 2012, pp. 16-21)

The latter turned out to be a difficult task at the time. To date, the company has nevertheless managed to raise a total funding amount of 143.5 million US dollars with the last funding round having been Series F (Crunchbase, 2023). Especially in the early days of the company, the four founders concentrated on getting well-known investors on board to make themselves attractive to venture capitalists and to validate their business model. Among the first angel investors were

former chairmen of the major labels of the time, EMI and BMG, as well as the founder of Amazon Europe and the former chief technology officer of the British Telecom. What really helped the founders find investors was a demo version of the system Avery had built. (Santos, 2012, p. 25)

Another challenge was to convince other key groups of the profitability and feasibility of the service. As there were no apps at the time of the launch of the first version of the Shazam system, users still had to dial a number, which was then used to record a short audio segment and send the information about the song back via SMS. It was therefore essential to get all the mobile phone providers in the UK on board. They had to be convinced that it was worthwhile to set up a separate number for reverse text charge – which the four co-founders managed to do. (Santos, 2012, p. 22) So it can be said that – although the chances of implementing such a new and uncertain project were quite low at the beginning – the founders seemed to have a concept that was watertight enough to convince all relevant stakeholders.

4. Market analysis

When it comes to analysing the market in which Shazam operates, the first question that comes up is what category the app falls into. The question stems from the fact that Shazam, on the one hand, often appears in the general music app market, but, more specifically, is an app for music recognition and discovery rather than a typical streaming platform, for example. Some even consider it a predictive analytics company because of the large amounts of data, the app's own charts and the algorithms behind the technology.

4.1. Music app market

In 2020, the entire music app market was worth a whopping 9.28 billion US dollars. Furthermore, it is anticipated to increase at a compound annual growth rate (CAGR) of 8% between 2021 and 2028 (Million Insights, 2022), and at a CAGR of 7.3% over the next five years from 2023 onwards (Mordor Intelligence, n.d.). For example, the “rising demand for on-demand streaming services in China”, the “growing demand for Chrome cast audio services in the Middle East and Africa” or the “soaring demand for OTT music players in the U.K.” are mentioned as possible reasons for the rapid growth (Million Insights, 2022).

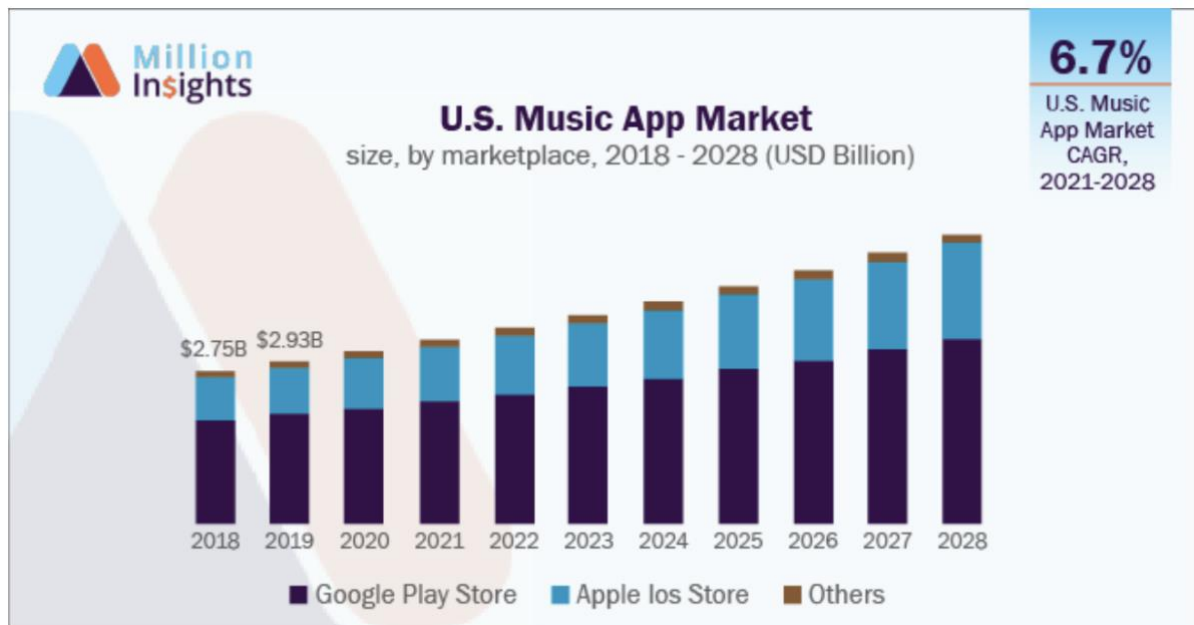


Figure 2: Insights into the development of the U.S. music app market until 2028. (Source: Million Insights, 2022)

Whereas the Asia-Pacific market is allegedly the fastest growing, North America is said to be the world's largest market. In terms of market fragmentation, the market is moderately fragmented, with a few dominant market powers, such as the following:

- Spotify AB
- Apple Inc.
- Google LLC (respectively YouTube Music)
- Pandora
- Deezer

Of course, other providers such as Amazon Music and Soundcloud should not be ignored either. Among these, Shazam apparently held its own last year, as the chart below illustrates that in September 2022, for example, Shazam was the world's third most downloaded music application in the Apple Store, although you can only hear short excerpts of a song on the app itself.

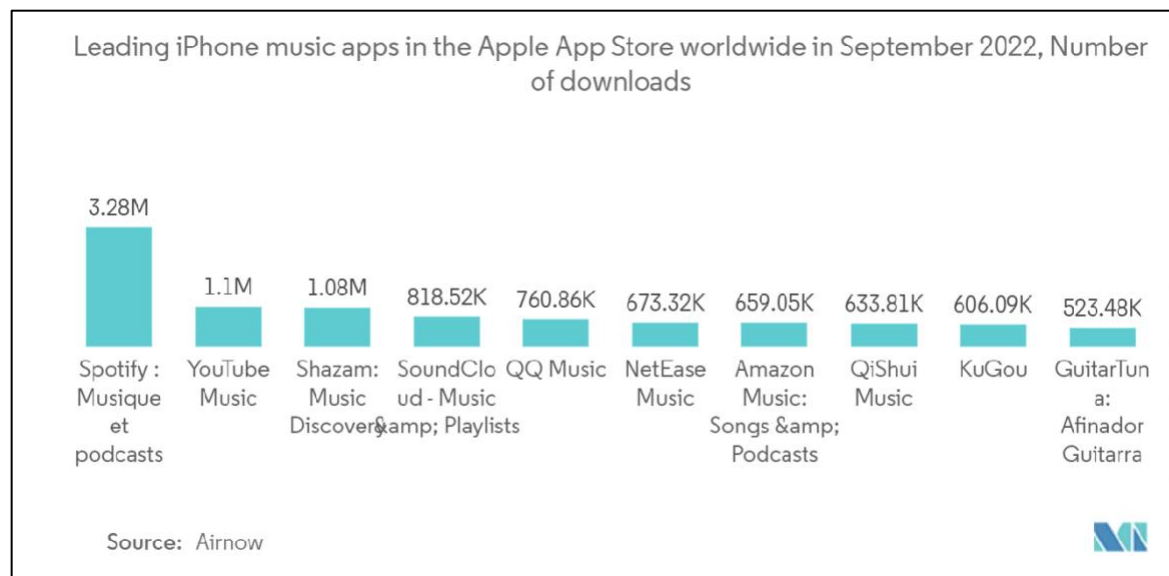


Figure 3: Insights into the September 2022 Apple Store music app download numbers on a global level. (Source: Mordor Intelligence, n.d.)

Looking at the revenue figures of the most popular music streaming services in particular, they came to a total revenue of 43.3 billion US dollars in 2022 (Curry, 2023b). The following table provides an overview of a few key figures of some of the largest streaming services as well as the app Shazam:

Spotify	YouTube (Music)	Apple Music	Shazam
456 million active users in 2022 (Shepherd, 2023)	80+ million YouTube Music & Premium subscribers (Forristal, 2022)	88 million subscribers in June 2022 (Curry, 2023a)	478 million annual active users in 2018 (Goetting, 2021)
€9.67 billion in revenues in 2022 (Shepherd, 2023)	2 billion users on YouTube (Curry, 2023b)	\$8.3 billion in revenues in 2022 (Curry, 2023a)	2 billion lifetime installs & 70 billion song recognitions (Apple, 2020)

Figure 4: Comparison of user numbers, generated revenues and other key figures of Spotify, Youtube (Music), Apple Music and Shazam. (Source: own representation)

Unfortunately, Shazam's latest revenue figures are from 2018, before its acquisition by Apple. These amounted to a turnover of 38.3 million US dollars (Rose, 2021).

4.2. Music discovery / recognition app market

Looking at the figures of Shazam's supposedly biggest competitor, the voice AI startup SoundHound, it seems that the app fits more into its league in terms of sales and user figures. In 2022, SoundHound is said to have generated around 31 million US dollars in revenue. Although the company had to get rid of 40% of its employees towards the beginning of 2023, it was able to raise 25 million US dollars in equity shortly after. (Lunden, 2023) In 2021, SoundHound had a user base of 175 million, and the total amount of investment the company had received by 2018 was 215 million US dollars (DMR, 2023b). Two other possible competitors of Shazam reportedly show estimated revenues of 66.3 million US dollars (Musixmatch) and 7.5 million (Lyricfind), according to Growjo (n.d.). Hence, it looks as if Shazam's user numbers can keep up with today's streaming giants, which, in turn, speaks for its high relevance on the market. However, the revenues generated by Shazam alone, independently of its parent company Apple, are more in the realm of the more specific market, namely music discovery / recognition apps.

5. Competitor analysis

In the case of Shazam, the popular music apps already mentioned can probably serve as indirect competitors. Their strength – and this is again particularly true of the powerful streaming platforms – often lies in the fact that a huge corporation with many resources is behind them. However, this can be just as much of a threat if the large corporation is criticised for whatever reason (for example, because of negligent handling of large amounts of data, unfair payment of royalties to artists, etc.). At the same time, the corporate structure of large businesses might partially limit the room for manoeuvre for short-term, experimental, or risky adjustments if innovation is not really part of the corporate philosophy. On the contrary, it is precisely this innovative, “outside of the box” mentality that is often present in start-ups, of which there are some that could be seen as direct competitors to Shazam.

The first example for this would be HotDrop, whose platform provides users with short excerpts of a song in a TikTok-like feed in order to discover and share new music as easily as possible. Recently, the company released new features for users, such as the ability to save entire songs in a library, as well as for artists, such as more detailed analytics or the ability to make changes to tracks on their own or even delete them. (Edney, 2023) This shows that they are continuously working to improve their platform for the benefit of multiple stakeholders.

A second example of a promising competitor to Shazam is the startup Audoo. Audoo’s mission is to aid performing right organisations and collective management organisations in tracking music played in public performance places as accurately as possible and in real time using technology they have developed. This is to ensure that the artists and creators behind the music are rewarded properly. (Audoo, 2023) The basic way it works is very similar to Shazam, except that Audoo has designed it for other target groups that are indispensable in the music industry.

As already indicated in the previous chapter, companies such as SoundHound, Musixmatch, or Lyricfind can also be perceived as competitors for Shazam. However, the Shazam can boast three major strengths that make it unique:

- the app’s enormously user-friendly design and functionality (one button leads to the desired solution)

- the large database (over 20 years on the market)
- the pioneer work in the field of music identification technology

However, these strengths should not be a reason for the company to rest and not develop and improve its service according to the latest technologies and developments in the music industry. It is precisely the increased use of new technologies, such as blockchain or artificial intelligence, for example, or the involvement of other relevant stakeholder groups, such as collection societies or performance right organizations, that could prove to be strategically wise steps.

6. Products and services

As explained briefly at the beginning, Shazam Entertainment offers an application, which reveals extended information about a song being played with the help of a short audio recording. The app is available for iPhones, Android smartphones as well as Windows phones and can filter out soundtracks from commercials, films, and other TV programmes. As early as 2008, the app was known, as it still is today, for providing the desired information very quickly. Today, users only need to press a single button and have internet access. (Hurjan *et al.*, 2020, p.7) However, before it was technologically feasible to make this system available as an app, users had to call a phone number, make the audio recording of the corresponding soundtrack with the phone, and then wait for an SMS containing the information in question (Cuofano, 2022).

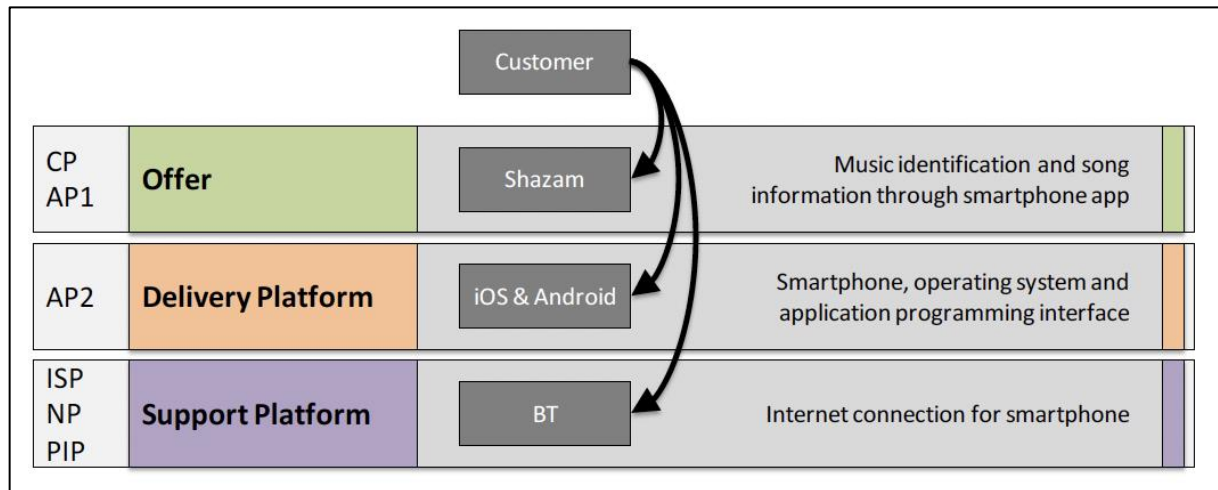


Figure 5: A graphic representation of how the Shazam application works. (Source: Evenepoel *et al.*, 2013, p. 6)

As of 2014, Shazam had reportedly collected 200 patents (DMR, 2023a), and Apple is said to have just recently filed another one. The latter would be about making the song recognition system available for other end devices, allegedly including MR headsets. (Patently Apple, n.d.) It should be mentioned here that Shazam Entertainment was sued for alleged copyright infringement of one of its patents in 2009. However, as early as 2010, an out-of-court settlement was reached between Shazam and the accuser, named Tune Hunter. (TechCrunch, 2010) In 2004, the company also had to sell all its technical resources including its patents to the music publisher BMI, from which it was finally able to buy it back in 2011 (Hendelmann, n.d.).

Generally speaking, the company's service fulfils its users' need to recognize, identify, and interact with the music around them, and accordingly brings them closer to their (potential) favourite artists. What might be exciting, however, would be to make this originally one-sided interaction more reciprocal in the future. This is exactly what Shazam seems to have realised a few years ago. According to an article (*Tuned Global*, 2016), one of the company's goals was to increase user engagement on the platform itself. A new feature that allowed app users to see what their favourite artists were listening to themselves, for example, supposedly contributed to this. The platform was thus said to be moving from an "discovery only" platform more in the direction of "shared discovery". (ibid.)

Another point of improvement could be to make the functioning of the app even easier and, for example, make the step of opening the app unnecessary. The company also seems to have already recognised this opportunity for improvement last year. On iPhones with iOs 14.6 or a higher operating system, the app is neatly embedded and no longer has to be opened by the user (Paolillo, 2022). Finally, the proposal to bring other interest groups on board in addition to the end users and the artists themselves, as the start-up Audoo does with performing right organisations and collective management organisations, for example, should be mentioned again in this context.

7. Pricing

The Shazam app can be downloaded free of charge from the respective stores on smartphones; there are currently no restrictions or paid subscription models.

In 2009, however, the company experimentally released a paid app called “Shazam Encore”, which was first available for purchase at 5 US dollars, and a short time later at 6.99 US dollars. With the free app, users could then only “shazam” a maximum of five songs per month. However, this premium version was discontinued with the takeover by Apple and the entire service has since been available again for free. (Rose, 2021)

Hence, it remains questionable whether the paid model was simply not profitable because the price sensitivity of the users was too high or because five tags per month were sufficient. On the general question of why such a popular system remains free, Hujran *et al.* (2020, p.7) have stated the following: “Some may argue that developing a free app that can detect a song for occasional users may not be the best idea for a business. However, Shazam is not as simple as that. The company made sure to make the app a very convenient marketing port.” The extent to which this is the case will be discussed in the following chapter.

8. Marketing and Sales

Over the more than 20 years of its existence, Shazam Entertainment has experimented with many different business models and marketing strategies to increase their revenues.

8.1. Reverse text charge

At the beginning, the founders had to convince two important entities of their idea so that they could implement it. On the one hand, they approached the largest music wholesaler at the time, UK Entertainment, so that they could start building the music database with their CDs. On the other hand, in an interview with Santos (2012, p. 27), co-founder Inghelbrecht talked about how they only succeeded in convincing all the mobile operators in the UK to work with them because his co-founder Barton pitched the business idea so well. After all, they had to convince the operators that they needed a reverse text charge as well as a share in revenues. (ibid., pp. 26 – 27) Hence, the service was not completely free at the beginning, as users had to pay 50 pence per SMS, of which Shazam got a share. The sales strategy was reportedly to give every single mobile phone provider the feeling that they would not want to be the only one not to offer this cool new service. (ibid., p. 30) However, the popularity of the service really took off when the iPhone and the corresponding Apple Store came on the market, and they were able to make the app available for free. Therefore, the product was ready even before the market was, which in turn gave the founders a “first mover” advantage. (ibid., p. 34)

8.2. Advertisements / paid subscriptions

What turned out to be a profitable business model at the beginning of Shazam as an application for smartphones was the sale of in-app advertisements to other companies. According to Block (2013, p. 7), “marketers and advertisers alike have become very interested in Shazam as a top second screen application” due to the app’s high download numbers. However, in the mid-2010s, user engagement in the app itself became more important to the company than download numbers. They worked to provide users with an even more personal and exclusive experience to position themselves more attractively for advertisers. Allegedly, they succeeded and were able to boost their advertising revenue. (*Tuned Global*, 2016) As already indicated in a previous chapter, the company also provided a paid app for a while. However, with the takeover by Apple in 2018, both app versions became free of charge and advertising, so the business models just described were also a thing of the past. (Rose, 2021)

8.3. Tv advances and strategic partnerships

Part of the company's marketing and sales strategy, which should arguably increase the visibility of Shazam, has included collaborations with companies outside the music industry. Most notably, TV campaigns are said to have been very successful. According to Shazam (2011b, cited in Block, 2013, p. 7), one of them “drove 20% more traffic to a micro site than all other sources used” whereas it also stated that “tagging audio from a commercial with Shazam occurred three times more on average than clicking-through an advertisement”. Additionally, nearly a third of users who tagged a song from a TV commercial with Shazam were reported to have either purchased the advertised product, downloaded the full piece of music, or explored additional content (ibid.). Over the years, the company has generally been able to attract very prominent brands for partnerships, such as the following:

- The Walt Disney Company
- Target
- Snapchat
- Spotify
- The Wall Street Journal
- Warner Bros. Inc.

This list is said to be far from complete. (Rose, 2021) Nevertheless, advancements in the television sector reportedly have been very important for Shazam, especially around 2012. These included collaborations with specific TV shows, such as the Major Baseball League or American Idol. (Hendelmann, n.d.)

8.4. Referral fees / commissions

What has also provided important revenue for the Shazam app since its inception is the so-called affiliate marketing business model. Here, the profits for Shazam are generated by referring its own users to third-party platforms (in the case of Shazam, for example, to music streaming providers) and thereby receiving a portion of their profits as a commission. According to Hujran *et al.* (2020, p. 7), by connecting the app's users “with Amazon's music library and following affiliative marketing strategies and ads supporting, insured a steady revenue flow for the company and gave it a strong competitive edge in the market.” Around 2016, before the Apple acquisition, Shazam was reportedly referring over a million users per

day to third-party platforms (including most notably Spotify), generating six-figure, if not seven-figure, revenues via digital sales (Cuofano, 2022). For the third-party service providers, such as iTunes or Amazon, this referral-strategy is said to have generated revenues of around 300 million US dollars in 2013 and of the more than 20 million “Shazams” per day, about five to ten percent allegedly have led to actual purchases (Rose, 2021). After the Apple takeover, however, users were supposedly to be redirected to iTunes only and no other streaming platform (Cuofano 2022). Whether it is actually more profitable to disregard all third-party services that Apple does not own remains questionable. Supposedly, you can still get to Spotify or Tidal within the app, for example, but Apple Music is always presented very prominently as the default setting (Paolillo, 2022). However, since the tech giant has not provided any specific data on the revenue generated only by Shazam since the takeover, it is probably not possible to prove the eventual profitability with figures.

8.5. (Predictive) data

Thanks to its long existence, Shazam Entertainment has been able to generate vast amounts of data on music preferences and user behaviour. However, there are many different answers to the question of how this data could lead to revenue. On the one hand, it is possible that Apple is trying to find out which content would work best for their streaming service AppleTV. On the other hand, they might simply sell the data on to interested parties, such as labels or other companies in the TV, music and film sectors. (Cuofano, 2022) An important consideration here could be the app’s “predictive analytics” capabilities. According to Hujran *et al.* (2020, p. 7), these were already proven in 2013 and 2014 when Shazam correctly predicted the winners in certain categories such as best album or song of the year. This functionality might become particularly exciting if it can be determined early on which emerging artists are likely to have their breakthrough next (Rutherford, 2017, cited in Hujran *et al.*, 2020, p. 7). On the other hand, Paolillo (2022) argues that Shazam’s predictive analytics capabilities could be particularly relevant to the live concert industry, stating the following: “By leveraging Shazam data concert promoters can determine where artists should tour, how large audiences are likely to be, and what demographic they are likely to attract.” With the concert industry expected to have worked its way back to a market value of 29 billion US dollars by as early as 2023 after the pandemic-induced slump in 2020, using the data in this area would make sense.

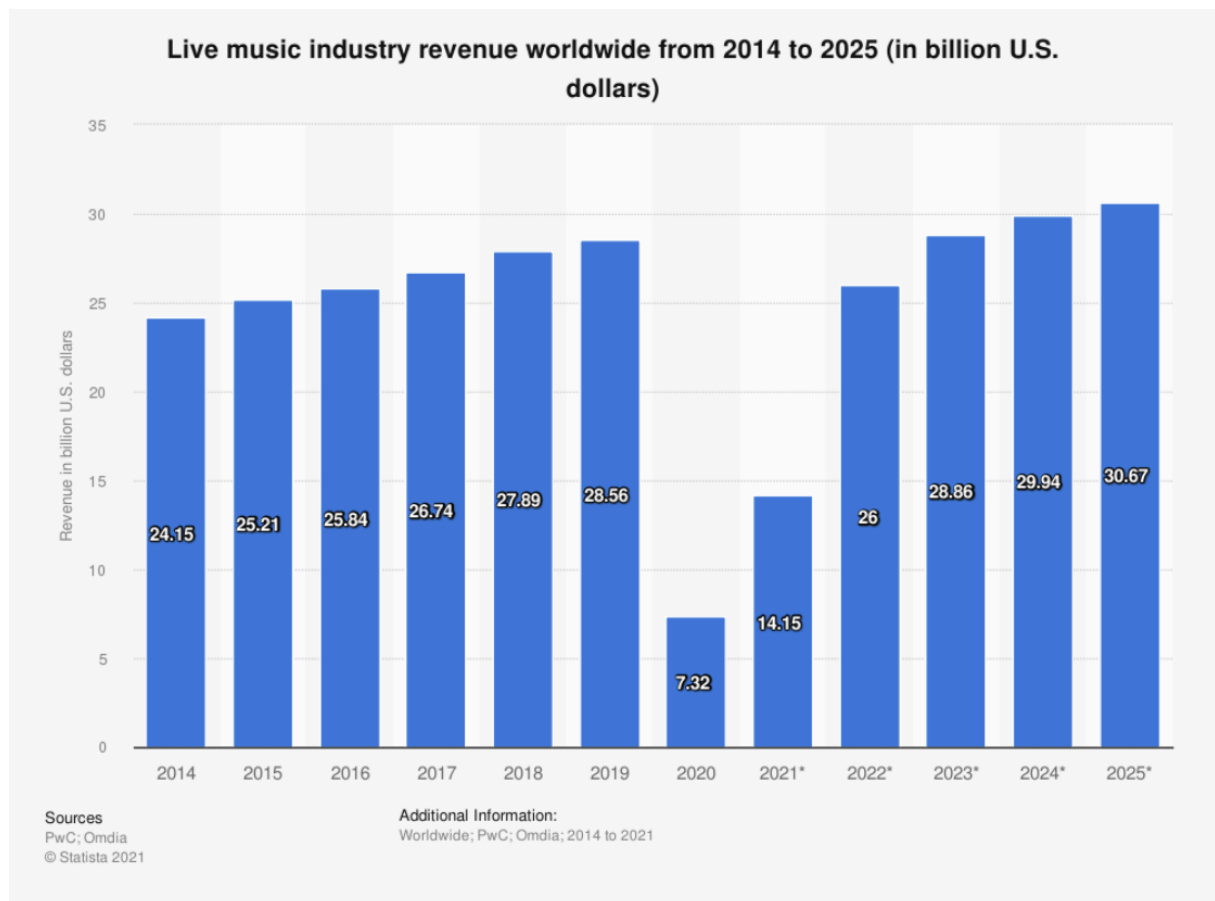


Figure 6: Insights into the projected revenues of the live music industry up to the year 2025 (Source: Statista, 2021, cited in Paolillo, 2022).

8.6. General remarks

Finally, what makes the sales idea behind Shazam clever is, among other things, the fact that the user himself is responsible for buying everything necessary for the app to function separately. This applies to the hardware on which it runs, including the corresponding operating software, internet access, the download of the app and, in the last step, access to the full music itself. (Evenepoel *et al.*, 2013, p. 7) Nevertheless, it now seems that Shazam is more of a marketing tool to generate sales for iTunes or Apple Music rather than Apple developing Shazam as an independent brand. Shazam has maintained its own corporate identity to date, but any further development or innovation seems to be lacking.

9. Fund raising

When the four founders started looking for investors, it was right around the time of the “dot-com bubble burst”, which is why in the beginning, it was difficult to find someone who would not turn them down immediately (Hendelmann, n.d.).

9.1. Year 1 – 3

The first funding round in summer 2000, which consisted of angel investors who contributed a total of one million dollars, enabled the founders to complete the development of the product until it was ready to be launched (ibid.). Later in 2000, they were able to raise a second funding round from the same investors (350,000 US dollars) and a third in early 2001 (1 million US dollars). In the summer of 2001, the founders finally managed to get three venture capitalists on board, namely IDG Ventures Europe, Lynx Capital Partners, and FLV Fund, who invested another 7.5 million US dollars (Series A). This was followed by the launch of the Shazam system in the UK in summer 2002. In the autumn of the same year, another 2 million US dollars were added in a Series B funding round from investors not publicly named. (Silva, 2020, pp. 21-21)

9.2. Year 3 – 5

As mobile penetration remained low back then, the founders were still dependent on external investments around 2003 (Hendelmann, n.d.). Fortunately, they managed to raise a further 4 million US dollars in a series C funding round in summer 2003 (Silva, 2020, p. 22) as well as another 5 million US dollars – still coming from the same investors – in April 2004. Of the original founding team, only Avery Wang was still active in the company at that time. (Hendelmann, n.d.)

9.3. Year 5 and beyond

Shazam Entertainment managed to raise 5 million US dollars in a series D funding round in 2009 as well as 32 million in another series D funding round two years later, which was co-directed by world-class investors Kleiner Perkins and IVP (Silva, 2020, p. 22). In the same year, Shazam acquired another company for the first time, namely a startup called Tunezee (Hendelmann, n.d.). Shazam’s third series D funding round consisted of 40 million US dollars and was driven by Carlos Slim. Before the Apple acquisition in 2018, the company managed to

raise another 50 million US dollars in a series E funding round in 2014. (Silva, 2020, p. 22) Towards the end of 2014 and the beginning of 2015, the company Shazam Entertainment was said to have finally reached unicorn status and there were also rumours of a possible takeover by Snapchat. Nevertheless, the sum of 400 million US dollars for which Shazam finally was taken over by Apple did not quite reach the billion mark. In addition, the acquisition was subject to a review by the European Commission in early 2018, as this was demanded by seven European states. The release took place in the early autumn of the same year. (Hendelmann, n.d.)

10. Financial projections

Since Apple has not provided any insight into the revenues of its subsidiary Shazam Entertainment alone since the acquisition, only estimates can be made for the financial outlook. However, considering that the company's revenue in 2018, even before the takeover, fell by 23% to a sum of 31.4 million pounds and the company had already taken a loss totalling 17.7 million pounds in 2017 as well (*Music Ally*, 2019), one might argue that it will not bring in too significant a profit for a tech giant like Apple. The different approaches and changes since the acquisition towards the promotion of iTunes or Apple Music (see Chapter 8) also suggest that the large corporation is more concerned with the strategic rather than the financial value of Shazam as a business. What should not be ignored is the value of the intellectual property that Shazam owns. At the time of the Apple acquisition, this was reportedly worth about 193 million US dollars. (*Music Ally*, 2019)

Considering that the music app market, for example, was worth 9.28 billion US dollars in 2020 and is expected to grow further in the next few years (Million Insights, 2020), and that the live music industry, on the other hand, is expected to grow to around 30.67 billion US dollars by 2025 (*Statista*, 2021, cited in Paolillo, 2022), there is potential for revenue growth. The only question here is to what extent Apple will realise the potential behind Shazam's extensive user data, intellectual property, partnerships or the increasing popularity of music apps on one side and the not yet exhausted possibilities through new technological developments (e.g. blockchain, VR/AR etc.) or not involved stakeholder groups (e.g. performing rights societies) on the other side.

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