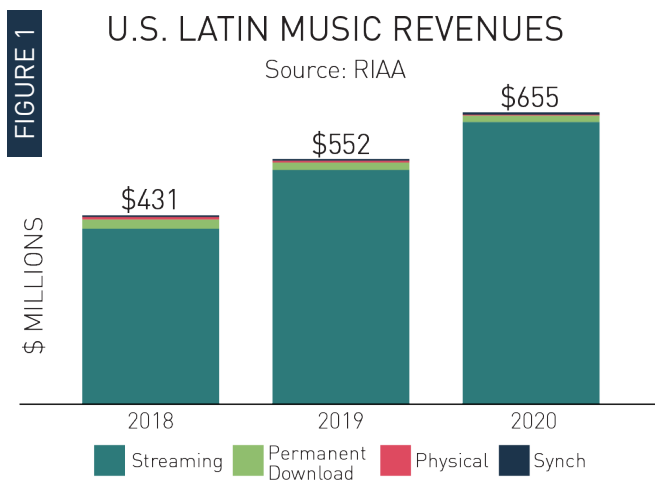


# YEAR-END 2020 RIAA U.S. LATIN MUSIC REVENUE REPORT

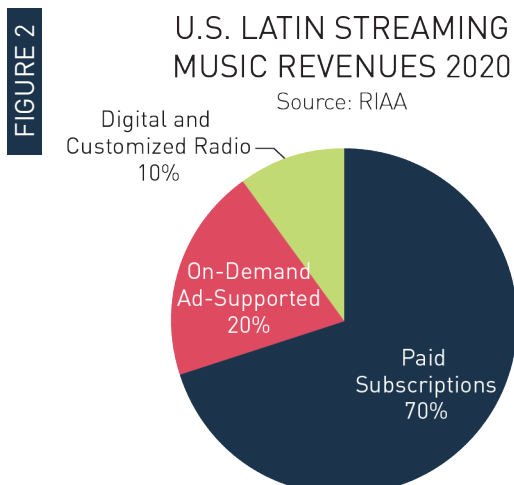
Joshua P. Friedlander | Senior Vice President, Research and Economics, RIAA  
Matthew Bass | Research Manager

**Latin music revenues in the U.S. continued to grow for a fifth consecutive year in 2020. Despite the Covid-19 challenges of cancelled live shows and limitations on physical retail outlets, U.S. Latin music revenues grew 19% in 2020 to \$655 million at estimated retail value – a significantly higher growth rate than for overall U.S. music revenues. Streaming formats grew 20% to \$630 million, comprising 96% of total Latin music revenues in 2020.**

In 2020, Latin music accounted for 5.4% of the total \$12.2 billion U.S. recorded music revenues, up from 5.0% in 2019. Driven by continued growth in streaming, Latin music revenues are at their highest level since 2005.



Paid subscriptions continued to be by far the biggest driver of revenue growth for Latin music in the U.S., contributing 70% of streaming revenues in 2020. The category (which includes services like Apple Music, Spotify Premium, and Amazon Unlimited, among others) grew 28% to \$439 million, and accounted for the vast majority of the total dollar growth in Latin Music in 2020.



Revenues from on-demand ad-supported services grew 6% to \$128 million. This category includes services like YouTube, Vevo and ad-supported Spotify. Similar to the broader U.S. revenue trends, this category experienced slower growth in the period after Covid-19 caused declines in advertising revenues across many forms of media. This category made up 20% of Latin streaming music revenues, a significantly larger proportion than the 12% it contributed to overall U.S. music streaming revenues in 2020.

Digital and customized radio revenues (including services like Pandora, SiriusXM, and internet radio services) were down slightly versus the prior year. Revenues from SoundExchange distributions and royalties from similar directly licensed services decreased 2% to \$63 million, accounting for 10% of streaming revenues.

For the first time, vinyl records are included in the Latin year-end report (including data for 2019 as well). Growth in revenues from vinyl more than offset declines in CDs, resulting in 3% growth of physical product to \$4.5 million in 2020. Digital download sales fell 14% versus the prior year to \$14.5 million. Combined, these unit-based formats accounted for just 2.9% of U.S. Latin music revenues in 2020.

**PLEASE READ THE COMMENTARY OF MICHELE BALLANTYNE, COO OF RIAA HERE: [MEDIUM.COM/@RIAA](https://medium.com/@RIAA)**

**Note:** RIAA data for U.S. Latin market includes estimates for both major record label and indie-distributed Latin music. Formats with no retail value equivalent included at wholesale value. Historical data updated for 2018 and 2019.

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# YEAR-END 2020 RIAA U.S. LATIN MUSIC REVENUE STATISTICS

United States Estimated Retail Dollar Value (In Millions, net after returns)

## DIGITAL STREAMING

|   | 2019           | 2020           | % CHANGE<br>2019-2020 |
|---|----------------|----------------|-----------------------|
| (Units)<br>(Dollar Value) <b>Paid Subscription</b>    | \$342.2        | \$439.0        | 28.3%                 |
| <b>On-Demand Streaming (Ad-Supported)<sup>1</sup></b> | \$120.8        | \$128.3        | 6.2%                  |
| <b>SoundExchange Distributions<sup>2</sup></b>        | \$38.8         | \$37.5         | -3.2%                 |
| <b>Other Ad-Supported Streaming<sup>3</sup></b>       | \$25.1         | \$25.3         | 1.0%                  |
| <b>Total Streaming Revenues</b>                       | <b>\$526.9</b> | <b>\$630.1</b> | <b>19.6%</b>          |

## PERMANENT DOWNLOAD

|  |               |               |                  |
|--|---------------|---------------|------------------|
| (Units)<br>(Dollar Value) <b>Download Single</b> | 9.5<br>\$11.1 | 8.0<br>\$9.3  | -16.5%<br>-16.4% |
| <b>Download Album</b>                            | 0.5<br>\$4.7  | 0.5<br>\$4.4  | -3.9%<br>-5.3%   |
| <b>Other Downloads<sup>4</sup></b>               | 0.1<br>\$0.2  | 0.1<br>\$0.2  | -8.4%<br>-6.2%   |
| <b>Ringtones &amp; Ringbacks<sup>5</sup></b>     | 0.3<br>\$0.8  | 0.2<br>\$0.6  | -23.6%<br>-23.6% |
| <b>Total Permanent Download Units</b>            | <b>10.5</b>   | <b>8.8</b>    | <b>-16.0%</b>    |
| <b>Total Permanent Download Value</b>            | <b>\$16.8</b> | <b>\$14.5</b> | <b>-13.6%</b>    |

## TOTAL DIGITAL VALUE

|  |         |         |       |
|--|---------|---------|-------|
|  | \$543.6 | \$644.6 | 18.6% |
| <b>Synchronization Royalties<sup>6</sup></b> | \$4.1   | \$5.5   | 36.0% |

## PHYSICAL

|   |              |               |                    |
|---|--------------|---------------|--------------------|
| (Units Shipped)<br>(Dollar Value) <b>CD</b> | 0.4<br>\$3.5 | 0.1<br>\$1.4  | -66.0%<br>-61.0%   |
| <b>LP</b>                                   | 0.0<br>\$0.6 | 0.1<br>\$3.3  | 339.3%<br>423.7%   |
| <b>Music Video<sup>7</sup></b>              | 0.0<br>\$0.2 | 0.0<br>-\$0.1 | -158.7%<br>-158.9% |
| <b>Total Physical Units</b>                 | <b>0.4</b>   | <b>0.2</b>    | <b>-46.2%</b>      |
| <b>Total Physical Value</b>                 | <b>\$4.4</b> | <b>\$4.5</b>  | <b>3.3%</b>        |

## TOTAL U.S. LATIN MUSIC REVENUES

|                                  |                |                |               |
|----------------------------------|----------------|----------------|---------------|
| <b>Total Units</b>               | <b>10.9</b>    | <b>9.0</b>     | <b>-17.1%</b> |
| <b>Total Value</b>               | <b>\$552.1</b> | <b>\$654.6</b> | <b>18.6%</b>  |
| <b>% of Revenues<sup>8</sup></b> | <b>2019</b>    | <b>2020</b>    |               |
| Physical                         | 0.8%           | 0.7%           |               |
| Digital                          | 99.2%          | 99.3%          |               |

Retail Value is the value of shipments at recommended or estimated list price  
Formats with no retail value equivalent included at wholesale value

**Note: Historical data updated for 2019, including updated revenue accounting standards**

<sup>1</sup> Ad-supported audio and music video services not operating under statutory licenses

<sup>2</sup> Estimated payments in dollars to performers and copyright holders for digital radio services under statutory licenses

<sup>3</sup> Revenues from services that are not distributed by SoundExchange and not included in other streaming categories

<sup>4</sup> Includes Kiosk singles and albums, and Digital Music Videos

<sup>5</sup> Includes Master Ringtones, Ringbacks, and Other Mobile

<sup>6</sup> Includes fees and royalties from synchronization of sound recordings with other media

<sup>7</sup> Includes DVD music video

<sup>8</sup> Synchronization royalties excluded from calculation

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