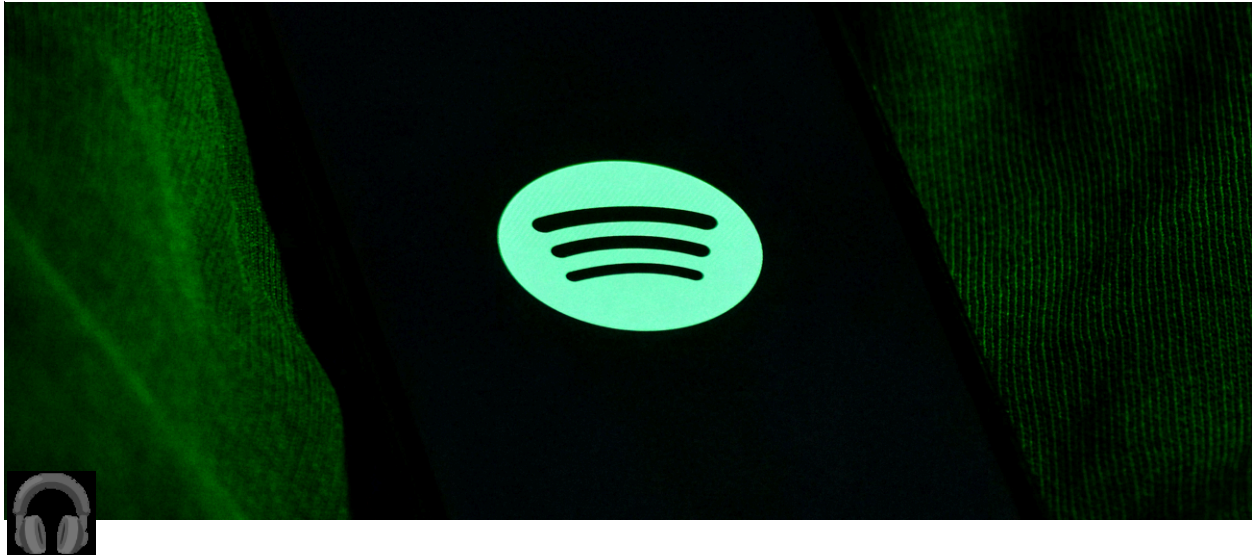




# Product Sense Assignment 1 - Spotify

## Product Analysis — Flows & Frictions

### Core User Flows

|  Flow/Touchpoints |  What Works Well                                                                                                                                                                                                                           |  Confusion/Friction                                  |
|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
|  Sign Up          | <ul style="list-style-type: none"> <li>• Easy signup → one question per page</li> <li>• Simple fields → Email, Password, DOB, Name</li> </ul>                                                                                                                                                                                 | <ul style="list-style-type: none"> <li>• Lacks clarity → no indication that users are choosing the free ad-supported version</li> </ul> |
|  Personalization  | <ul style="list-style-type: none"> <li>• Choose 3+ artists and podcasts for personalization</li> <li>• Taste-based playlist created instantly</li> <li>• Music starts playing immediately → seamless onboarding</li> </ul>                                                                                                    |                                                                                                                                         |
|  Home Tab         | <ul style="list-style-type: none"> <li>• Top songs from favorite artists → automatically suggested</li> <li>• Universal search → songs, artists, podcasts in one place</li> <li>• Curated playlists → organized by genre and popularity</li> </ul>                                                                            | <ul style="list-style-type: none"> <li>• Logout button hidden deep in settings → poor discoverability</li> </ul>                        |
|  Playing Music    | <ul style="list-style-type: none"> <li>• Background playback → continues while browsing app</li> <li>• Swipe gestures → quick track changes without interruption</li> <li>• Intuitive controls → back, next, pause, shuffle</li> <li>• Music video snippets → enhanced engagement</li> <li>• Synchronized lyrics →</li> </ul> | <ul style="list-style-type: none"> <li>• Unexpected ads → new users surprised by 30-60 second interruptions</li> </ul>                  |

|                                                                                                               |                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                               | displayed on the same page                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                      |
|                                                                                                               | <ul style="list-style-type: none"> <li>• Artist exploration → discover more songs seamlessly</li> </ul>                                                                                                                                                                                          |                                                                                                                                                                                                                                                                      |
|  <b>Upgrading to Premium</b> | <ul style="list-style-type: none"> <li>• Free month trial → risk-free premium experience for new users</li> <li>• Ad-free listening → uninterrupted music enjoyment</li> <li>• Offline downloads → listen anywhere, anytime</li> <li>• High-quality audio → superior sound experience</li> </ul> | <ul style="list-style-type: none"> <li>• Forced redirect → must use website to upgrade (breaks app experience)</li> <li>• No in-app cancellation → inconvenient for users</li> <li>• Website-only cancellation → requires separate login (friction point)</li> </ul> |

## Company Context — Strategy Snapshot

| Field                                                                                                                               | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Mission</b>                                    | The ultimate home for music, videos, fans, artists and live events. With Spotify, it's easy to find the right music or podcast for every moment on your choice of devices.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|  <b>Revenue Streams</b>                            | <ul style="list-style-type: none"> <li>• Subscriptions</li> <li>• Advertising &amp; ad campaign contracts</li> <li>• Commission through ticket sales</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|  <b>User Value</b>                               | Spotify delivers value through effortless listening and personalized recommendations → helping users feel connected to every moment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|  <b>Business Value</b>                           | Spotify drives business growth through its freemium model → high adoption and user acquisition. Daily updated library of music, podcasts, and live events + engaging visuals + deep personalization → creates stickiness as users build their playlists.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|  <b>Key Differentiators vs Top 3 Competitors</b> | <p> <b>Apple Music</b> → Focuses on premium sound quality with spatial and lossless audio<br/> <i>Spotify differentiates with → superior personalization, extensive podcast/audiobook library, and free ad-supported tier</i></p> <p> <b>YouTube Music</b> → Hub for maximum song variety, versions, and music videos<br/> <i>Spotify differentiates with → expertly curated playlists, social features, podcast integration, and premium 320 kbps audio quality</i></p> <p> <b>Amazon Music</b> → Free for Prime members with ad-free access to select content<br/> <i>Spotify differentiates with → AI-powered personalization, superior playlist curation, and unique social features like Jam</i></p> |

## Feature Reverse Engineering

|  Feature                              |  Problem It Solves |  How It Works                                                                                                                                                           |  Why It Works                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Download &amp; Listen Offline</b> | "I want to continue listening to my favorite music even when I don't have an internet connection"   | <ul style="list-style-type: none"> <li>• Premium users → download songs to device</li> <li>• Offline playback → listen on demand without connection</li> <li>• Smart sync → automatically updates over Wi-Fi</li> </ul>                                  | <p><b>For Users:</b> Peace of mind → listen anywhere without connectivity concerns</p> <p><b>For Business:</b> Premium-exclusive feature → drives subscription conversions and revenue growth</p>                                                                                         |
|  <b>Jam with Friends</b>              | "I want to jam with distant friends and listen to the same music together in real-time"             | <ul style="list-style-type: none"> <li>• Premium user → initiates a Jam session</li> <li>• Anyone joins → free or premium members welcome</li> <li>• Collaborative queue → everyone contributes songs</li> </ul>                                         | <p><b>For Users:</b> Strengthen connections → bond with distant friends through shared music; party guests contribute songs seamlessly</p> <p><b>For Business:</b> Premium-only hosting → boosts engagement and converts free users to paid tier</p>                                      |
|  <b>Spotify Wrapped</b>             | "I want to see a summary of my most listened-to songs, top artists, and genres"                     | <ul style="list-style-type: none"> <li>• Tracks yearly listening habits → comprehensive data collection</li> <li>• Auto-generates personalized stories → unique year-end summary</li> <li>• Built-in sharing → easy social media distribution</li> </ul> | <p><b>For Users:</b> Creates excitement → fun, surprising reflection on listening habits</p> <p><b>For Business:</b> Viral marketing powerhouse since 2016 → generates curiosity among potential users via social media, driving massive organic acquisition</p> <p>User Segmentation</p> |

|  Primary Segment          |  Sub-Segment                                                                                            |  Key Needs/Use Cases                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  User Problems                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Content Consumers</b> | <ul style="list-style-type: none"> <li>• Music listeners</li> <li>• Podcast listeners</li> <li>• Audiobook listeners</li> <li>• Occasional listeners</li> <li>• Group listeners</li> </ul> | <p> <b>Audiobook Listeners</b><br/>(underserved segment)</p> <ul style="list-style-type: none"> <li>• Easy discovery → find audiobooks quickly</li> <li>• Genre browsing → organized by category</li> <li>• New releases → stay updated on latest titles</li> <li>• Chapter navigation → skip to relevant sections</li> <li>• Time efficiency → consume more content faster</li> <li>• Quick summaries → preview before committing</li> <li>• Motivation tracking →</li> </ul> | <p> <b>Audiobook Listener Pain Points:</b></p> <ul style="list-style-type: none"> <li>• Time commitment → difficult to consume books with busy schedules (10+ hour books)</li> <li>• Generic interface → hard to stay motivated when it looks identical to music player</li> <li>• Limited language options → can't listen in preferred language</li> <li>• AI voice quality → fails to meet listener expectations for engagement</li> <li>• Limited technical content → specialized/technical books not available</li> </ul> |

|                                                                                                           |                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                           |                                                          | stay encouraged to finish<br>• Bookmarking → save favorites for later<br><br> <b>Podcast Listeners</b><br>• Easy discovery → find podcasts quickly<br>• Genre browsing → organized by category<br>• New releases → stay updated on latest podcasts<br>• Ability to listen to podcast at faster speeds (1.25x, 1.5x, 2x etc)<br>• Reviews and ratings → save time to filter good content | • Progress tracking → only shows hours remaining, not percentage completed<br>• 15-hour monthly cap → creates frustrating interruptions mid-book<br>• Forced pause → listening experience halted until next month or add-on purchase<br>• Purchase friction → must exit app and login to website to buy additional hours<br><br> <b>Podcast Listeners</b><br>• Length of some podcasts is too long → leads to user preferring shorter form content<br>• Distractive interface → users switch to another app<br>• Lack of reviews or ratings → decision paralysis |
|  <b>Content Creators</b> | • Music creators<br>• Podcast creators<br>• Book authors |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## Problem Hypotheses

|  Priority |  Problem Hypothesis                                                                                                                                                       |  Why I Picked It                                                                                                                                                                           |  Gut Confidence |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| P1                                                                                           | I believe <b>audiobook listeners</b> struggle with <b>low engagement and connection to content</b> when <b>listening to books narrated by default AI voices</b> , which leads to <b>dissatisfaction and early drop-off</b> .                                 | • Emotional connection → critical for audiobook engagement and completion<br>• User feedback → widespread social media complaints about AI voice quality reducing interest<br>• Impact → directly correlates with low satisfaction scores, decreased engagement and retention | High 🔥                                                                                               |
| P2                                                                                           | I believe <b>audiobook listeners</b> struggle with <b>completing books at their desired pace</b> in the <b>context of lengthy audiobooks (12+ hours)</b> and <b>busy schedules</b> , which leads to <b>lost motivation and increased abandonment rates</b> . | • Time scarcity → book lovers increasingly busy with limited daily listening windows<br>• Commitment barrier → 12+ hour books feel overwhelming and unfinishable<br>• Competitive threat → drives higher churn to book summary apps like Blinkist                             | Medium ⚡                                                                                             |
| P3                                                                                           | I believe <b>audiobook listeners</b> struggle with <b>maintaining their listening momentum</b> when <b>they hit the 15-hour monthly limit and must exit the app to purchase</b>                                                                              | • Flow disruption → significant friction breaks the immersive listening experience<br>• Re-entry burden → users must manually enter account and payment                                                                                                                       | Medium ⚡                                                                                             |

**additional hours via the website,** which leads to **user frustration, abandoned purchases, and lost revenue.**

details again on website

- Drop-off → many users abandon purchase due to excessive friction
- Revenue leakage → missed monetization opportunity at peak engagement moment

## Spotify Audiobooks — User Research Report

### From Page to Play: Understanding Audiobook Users



#### Purpose

Understand how users discover, consume, and evaluate audiobooks on Spotify in order to identify behavioral patterns, motivations, and structural barriers affecting adoption, engagement, and retention.



### Executive Summary



Audiobook users on Spotify are primarily motivated by learning and self-improvement and listen in highly fragmented, multitasking contexts. While Spotify benefits from existing subscription relationships, users experience friction due to hour-based access limits, unclear entitlement rules, weak context recovery, and strong lock-in to competing platforms. These factors reduce completion rates and limit Spotify's ability to become a primary audiobook platform.

### Key Takeaways

- 75% users listen while commuting, exercising, or doing chores, which increases interruption and cognitive load.
- Learning and professional development are stronger drivers than pure entertainment.
- Pricing models and time limits are the cited by 90% user reviews.
- Users struggle with losing narrative or informational context after breaks.
- Existing libraries on Audible and similar platforms create high psychological and financial switching costs.
- Users express consistent interest in summaries, reviews, and organizational tools.
- Spotify audiobooks are often perceived as a secondary benefit rather than a core product.



### Research Overview

## Methods

- Interview of audiobook listeners (n = 3)
- Online survey of audiobook listeners (n = 10)
- Analysis of Reddit discussions
- Review of Spotify official documentation and public announcements
- Review of publicly available community discussions

## Target Audience

- Active audiobook listeners
- Knowledge-oriented and self-improvement-focused users
- Current or former users of Audible, Libby, and Spotify

## User Motivations & Goals

### Primary Motivations

- **Learning and self-education**  
Users view audiobooks as a way to acquire knowledge while saving time.
- **Professional development**  
Many users choose books related to communication, leadership, and technical skills.
- **Entertainment and relaxation**  
Fiction and narrative content are secondary but important for stress relief.
- **Perceived subscription value**  
Users are motivated to “get more” from an existing Spotify plan.

### Core User Goals

- Complete books without interruption
- Maintain learning momentum across busy schedules
- Minimize financial surprises
- Preserve access to purchased or saved content
- Reduce cognitive effort required to resume listening

## Pain Points

### Pricing & Access Constraints

- Hour-based limits disrupt natural listening behavior
- Long books frequently exceed monthly allowances
- Top-ups are perceived as add-on costs rather than value

### Rules & Entitlement Confusion

- Unclear distinction between runtime and listening time
- Limited transparency around resets and expiration
- Creates cognitive and emotional friction

### Platform Lock-In

- Large existing Audible libraries
- Emotional attachment to past purchases
- Fear of losing long-term access
- Switching perceived as risky and expensive



### Context Loss & Cognitive Load

- Frequent interruptions fragment comprehension
- No strong support for memory reinforcement
- Users must manually reconstruct context
- Especially problematic for nonfiction and complex narratives



### Organization & Knowledge Management Gaps

- Weak support for categorization and collections
- Limited bookmarking functionality
- Lack of integrated note-taking
- No systematic way to capture learning outcomes



## Unexpected Insights

### Audiobook Usage Mirrors Podcast Expectations

Users approach audiobooks with expectations shaped by podcasts and music: unlimited, continuous, and frictionless. Metered access violates these expectations and creates dissatisfaction.

### Speed Listeners Experience Hidden Penalties

Users who increase playback speed believe they are optimizing time, yet their usage is still counted by full runtime, leading to perceived unfairness.

### Learning-Oriented Users Demand More Than Playback

For knowledge-driven users, playback alone is insufficient. They implicitly expect tools for reflection, retention, and application of content

### Spotify Audiobooks Are Framed as a "Bonus," Not a Core Service

Many users treat audiobooks as an extra benefit of Premium rather than a primary reason to subscribe, limiting emotional investment in the product.



## SWOT Analysis - Audiobooks Market

The SWOT analysis is based on 3 user interviews, 10 survey responses, reddit reviews, Spotify's community page, analysis of top 3 audiobook competitors and other market reports



### Strengths

1. Direct access to an already large customer base of over 751 million monthly active users, including 290 million Premium subscribers, enables rapid adoption



### Weaknesses

1. Spotify limits audiobook listening to 15 hours per month for Premium and audiobook-only subscribers. User research, App Store reviews, and

of audiobooks on Spotify. Existing subscribers can start listening with no additional upfront cost, lowering entry barriers and accelerating trial.

2. A discovery-driven recommendation model connects users to relevant audiobooks, contributing to a reported 30% year-over-year increase in listeners in the U.K., U.S., and Australia. This strengthens engagement by leveraging Spotify's existing personalization infrastructure.
3. A unified platform for all audio allows users to access over 100 million music tracks, 7 million podcast titles, and 500K audiobooks within a single subscription, reinforcing convenience and reducing the need to switch between multiple apps.
4. The introduction of a publisher-backed audiobook offering positions Spotify as one of the first major streaming platforms to directly integrate publisher-supported content at scale, strengthening industry partnerships and expanding its role in the audiobook ecosystem.

Reddit threads consistently highlight frustration when users hit this cap and are forced to wait for the next cycle or purchase add-on hours. In contrast, competitors like Audible, Everand, and Apple Books offer unrestricted listening, positioning Spotify as less flexible and lower value for heavy listeners.

2. Spotify's audiobook catalog (~500K titles) is smaller than competitor platforms, which offer over one million titles. This limits discovery, reduces perceived value, and increases the likelihood that users will switch platforms to access niche, academic, or specialized content.
3. Audiobook purchases can only be completed via browser, forcing users to leave the app and disrupting the listening flow. This extra step introduces unnecessary friction and abandonment risk, while competitors enable seamless in-app purchasing that supports faster and more intuitive conversion.
4. New users receive limited curated recommendations due to insufficient onboarding and initial personalization. Reddit discussions indicate that first-time listeners struggle to find relevant content, leading to early disengagement and reduced long-term retention.
5. Purchased audiobooks are not owned and users have to be subscribed to reuse them

## Opportunities

1. Recap feature beta launch in late 2025 that generates short, personalized, spoiler-free audio summaries, helping users quickly regain context after breaks in listening. User interviews consistently highlight context loss and cognitive overload as major pain points, making this a strong differentiator that improves completion rates and long-term engagement.
2. Introduce a dedicated audiobook library separate from music and podcasts to organize saved, liked, and completed titles, or offer a standalone audiobook experience. This reduces distraction, improves content discovery, and creates a more focused listening environment, increasing

## Threats

1. Easy in-app purchasing on Audible reduces friction and improves user experience.
2. User surveys and Reddit reviews suggest strong demand for professionally narrated, high-quality content. However, rising narration costs create an opportunity for AI-driven voice technology to increase production speed.
3. Audible's new Harry Potter immersive audiobooks, launching in late 2025, are full-cast productions featuring over 100 actors and 3D Dolby Atmos sound design. Designed for headphones, they deliver immersive sound effects that create a theater-like experience.



- conversion and retention among audiobook-first users.
3. Better organization and knowledge management through bookmarking and note-taking features.
  4. Learning library for multitasking learners and kids to provide better curation of informational audiobooks —non-fiction users are growing at 25.7% annually according to consumer reports.
  4. Competitors like Audible lets users own the purchased book forever and can listen to it without being subscribed. User interviews indicate strong demand for permanent ownership, especially for listeners who want to revisit books over time.

## Goal Setting - Linking User Pain to Business Impact

|  Problems                                       |  Metrics |  Goals |
|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Playback cutoff after 15 hours → users experience interruptions → increases churn                                                | Retention                                                                                 | Increase audiobooks retention from 10% → 40% in 6 months                                |
| Distracting and overwhelming platform without a dedicated audiobook library → users drop off → increases churn                   | Retention                                                                                 | Increase retention 10% → 25% in 6 months for audiobook listeners                        |
| User forget ideas due lack of bookmarking and note taking capabilities → users refuse to convert from Audible → reduces adoption | Adoption                                                                                  | Increase audiobook adoption rate by 10% in 3 months for audiobook listeners             |
| Sub-par taste based personalization → users drop off due to decision fatigue → reduces adoption                                  | Adoption                                                                                  | Improve adoption rate by 25% in 6 months for non-fiction learners                       |

## User Personas

### Persona 1

**Hannah** - The commuting listener

**Age:** 30

**Role:** Social Worker

**Location:** Minneapolis, MN

#### Core Needs

1. Find a personalized list of fiction books based on her mood
2. Ability to see rating and reviews on the book for filter
3. Able to bookmark and write notes
4. Ability to recap what she listened to in her previous session

### Bio

Hannah is a social worker navigating high emotional stress at work. During her daily commute, she seeks escape through fiction audiobooks, craving a personalized library and immersive listening experience that transforms her travel time into a stress-free sanctuary.

**Jobs to be done:** When I am commuting, I want to listen to mind refreshing audiobooks so that I can travel stress free

**Quote:** "My commute is the only quiet time I get for myself. I just want to put on a good story and mentally escape but when I lose my place or run out of hours, it turns something calming into something stressful."

### Frustrations

1. Spotify does not personalize based on taste like it does for music and podcasts
2. Getting lost in the story and being confused where to rewind to
3. Find herself not paying attention
4. Reached monthly limit of listening hours and do not have a strong internet to make an instant purchase

## Persona 2

**Scott** - The fitness learner

**Age:** 30

**Role:** Tech worker

**Location:** Minneapolis, MN

### Bio

Scott is a young professional who prioritizes fitness and mental clarity in his daily routine. During his morning and evening runs in the park, he listens to audiobooks to stay motivated, learn new ideas, and make the most of his workout time. He values hands-free, uninterrupted listening and clear audio that helps him stay focused and energized, turning every run into both a physical and mental reset.

**Jobs to be done:** When I am running, I want to listen to non-fiction audiobooks so that I can grow my professional career

**Quote:** "My runs aren't just about miles they're about growth. With the right audiobook in my ears, every step sharpens my body and my mind. I just want

### Core Needs

1. Find a personalized list of non-fiction books based on his learning interest
2. Ability to see rating and reviews on the book for filter
3. Clear understanding of pricing and entitlements
4. Have a dedicated audiobooks only app or library within an app to see his completed, reading and saved for later lists

### Frustrations

1. Being forced to pause mid-book due to time limits
2. Forgetting key plot points or arguments
3. Feeling financially locked into existing platforms
4. Not being able to find a his book of interest

uninterrupted, high-quality listening that lets me learn, stay focused, and finish what I start."

## Problem Prioritization

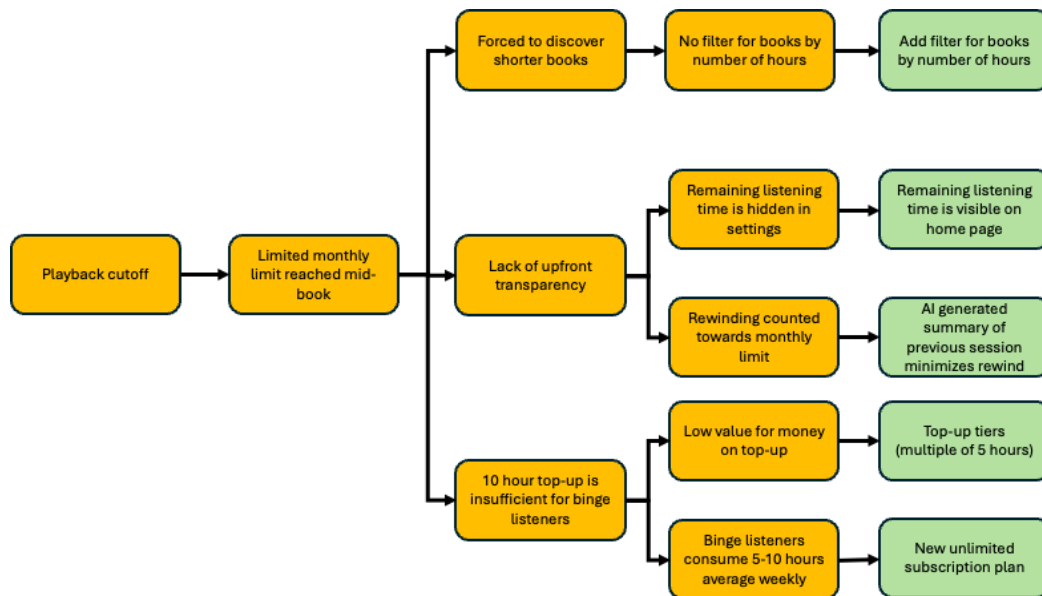
|  Problems |  Population (P) |  Intensity (I) |  Frequency (F) |  Score (P*I*F) |
|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| Interrupted listening                                                                      | 5                                                                                                | 5                                                                                               | 3                                                                                               | 75                                                                                                |
| Minimal personalization                                                                    | 4                                                                                                | 2                                                                                               | 3                                                                                               | 24                                                                                                |
| Distracting platform without dedicated audiobook library experience                        | 3                                                                                                | 4                                                                                               | 4                                                                                               | 48                                                                                                |
| Forgetting ideas                                                                           | 3                                                                                                | 3                                                                                               | 4                                                                                               | 36                                                                                                |

**P0 Problem Statement:** For audiobook listeners who rely on long-form audio during daily routines, hitting listening limits mid-book disrupts immersion and reduces the likelihood they continue on Spotify.

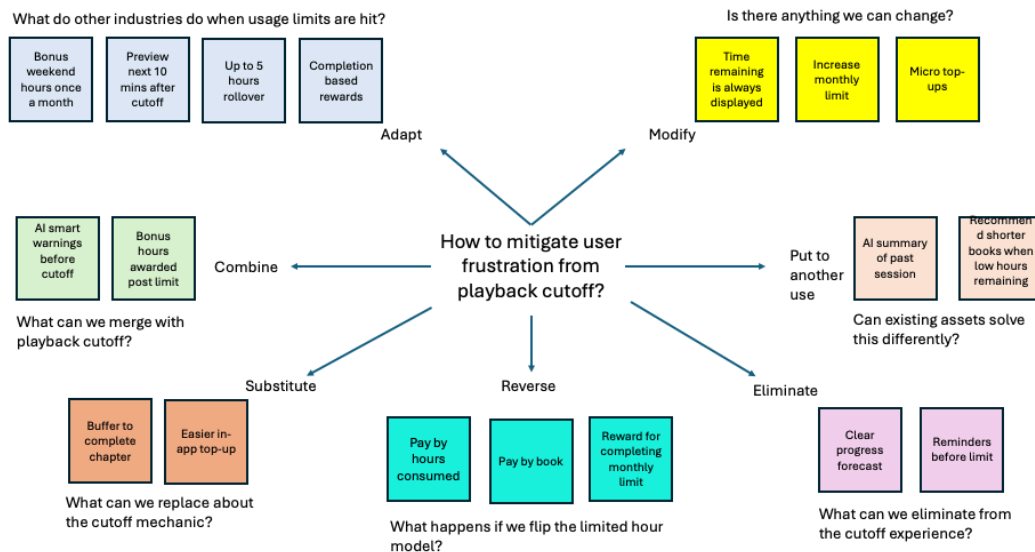
## Solution Brainstorming

P0 Problem: For audiobook listeners who rely on long-form audio during daily routines, hitting listening limits mid-book disrupts immersion and reduces the likelihood they continue on Spotify.

## Issue Tree Analysis



## SCAMPER Brainstorming



## 2026 pricing model comparison in audiobooks market

| Features     | Spotify Premium (Audiobooks only) | Audible Plus | Audible Premium Plus | Everand Standard | Everand Plus | Everand Deluxe |
|--------------|-----------------------------------|--------------|----------------------|------------------|--------------|----------------|
| Listen hours | 15                                | Unlimited    | Unlimited            | Unlimited        | Unlimited    | Unlimited      |

|  Features |  Spotify Premium (Audiobooks only)        |  Audible Plus                                                           |  Audible Premium Plus                                                                        |  Everand Standard                                  |  Everand Plus                                     |  Everand Deluxe                                   |
|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Price paid monthly                                                                         | \$9.99<br>\$12.99 for 10 hour top-ups                                                                                      | \$7.95                                                                                                                                                   | \$14.95 (1 premium)                                                                                                                                                           | \$11.99 (1 premium title)                                                                                                           | \$16.99 (2 premium title)                                                                                                            | \$28.99 (5 premium title)                                                                                                            |
| Price paid annually                                                                        |                                                                                                                            | \$79.5                                                                                                                                                   | <ul style="list-style-type: none"> <li>• \$149.50 (12 premium titles/year)</li> <li>• \$229.50 (24 premium titles/year)</li> </ul>                                            |                                                                                                                                     |                                                                                                                                      |                                                                                                                                      |
| Listening Habits                                                                           | Casual listeners                                                                                                           | Casual listeners                                                                                                                                         | Binge listeners                                                                                                                                                               | Casual listeners                                                                                                                    | Semi-regular listeners                                                                                                               | Binge listeners                                                                                                                      |
| What's included                                                                            | <ul style="list-style-type: none"> <li>• 200k+ subscriber catalog</li> <li>• 300k + premium titles for purchase</li> </ul> | <ul style="list-style-type: none"> <li>• Access to entire plus catalog (15k titles)</li> <li>• 800k premium titles for purchase at a discount</li> </ul> | <ul style="list-style-type: none"> <li>• Entire plus catalog (15k titles) + One/two premium titles/month</li> <li>• 800k premium titles for purchase at a discount</li> </ul> | <ul style="list-style-type: none"> <li>• 20k subscriber catalog</li> <li>• 1 premium title</li> <li>• 1M+ premium titles</li> </ul> | <ul style="list-style-type: none"> <li>• 20k subscriber catalog</li> <li>• 2 premium titles</li> <li>• 1M+ premium titles</li> </ul> | <ul style="list-style-type: none"> <li>• 20k subscriber catalog</li> <li>• 5 premium titles</li> <li>• 1M+ premium titles</li> </ul> |
| Trial Period                                                                               | 30 days                                                                                                                    | 30 days                                                                                                                                                  | 30 days                                                                                                                                                                       | 30 days                                                                                                                             | 30 days                                                                                                                              | 30 days                                                                                                                              |

## Categorization

|  Solution |  Short Description                                          |  Key Assumption                   |  Category |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Book hours filter                                                                            | Filtering books by length in hours                                                                                                             | Casual listeners can listen to smaller books to avoid interruptions                                                  | High Confidence                                                                                |
| Micro and macro hour top-ups                                                                 | Multiple top-up options 5 hours - \$3.99, 10 hours - \$7.99, 20 hours - \$13.99, 40 hours - \$24.99)                                           | Increases flexibility to listening limit with better value for money for both casual and binge listeners             | High Confidence                                                                                |
| Premium Infinite Plan - unlimited audiobook hours                                            | Ultra premium tier for unlimited hours of listening (Audiobooks only plan), \$39.99/month or \$384.99/year. Includes most titles from catalog. | Drive regular/binge listeners from Audible and Everand to Spotify and existing casual listeners with premium upgrade | High Confidence                                                                                |
| In-app top-ups                                                                               | Add additional 10 hours with in-app immediate top-up. Top-up cost added to next month's bill                                                   | Prevents users from exiting the app and continue listening improving experience                                      | High Confidence                                                                                |

|  Solution |  Short Description                 |  Key Assumption |  Category |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| AI smart warning                                                                           | When users are close to monthly limit, they receive warning notifications                                           | Removes surprise interruptions                                                                   | High Confidence                                                                              |
| Monthly limit increased to 30 hours                                                        | Extended monthly limit to 30 hours with an updated premium tier price of \$19.99                                    | Allows users to complete longer books within the same month                                      | High Confidence                                                                              |
| Rollover up to 5 unused hours                                                              | Unused hours are rolled over to next month                                                                          | Casual users will be able to save hours and later completed longer books of choice               | Low Confidence                                                                               |
| Always displayed time remaining                                                            | Time left before limit reached is always displayed                                                                  | Minimizes surprises for users to rewind a lot                                                    | Low Confidence                                                                               |
| AI preview                                                                                 | AI summarizes past session content                                                                                  | Eliminates the need to rewind and losing on listening time                                       | Low Confidence                                                                               |
| Chapter buffer                                                                             | After 15 hour limit reached, Spotify lets the user complete the chapter                                             | Eliminates abrupt ends and reduces frustration of mid-book interruptions                         | Low Confidence                                                                               |
| Next 1 hour AI preview                                                                     | AI preview of next 1 hour                                                                                           | Anxiety from cliffhanger cutoffs is eliminated                                                   | Low Confidence                                                                               |
| Recommendation based on hours left                                                         | Book recommendations are tailored based on hours left                                                               | Prevents abrupt endings by recommending shorter books which can be completed in remaining hours  | Low Confidence                                                                               |
| Pay by hours model                                                                         | Audiobook hours consumed will be billed at the end of billing cycle                                                 | Allows users to pay less in busy months when they are unable to listen more                      | Moonshot                                                                                     |
| Pay by book model                                                                          | Users can pay for each book and own each book                                                                       | Drive Apple books users into Spotify ecosystem                                                   | Moonshot                                                                                     |
| Binge listener reward                                                                      | After monthly limit is reached for 3 consecutive months, users are rewarded with bonus hours in the following month | Improves engagement by habit building and lets users finish longer books with bonus hours        | Moonshot                                                                                     |
| Bonus weekend hours                                                                        | Users get a bonus hours on the selected weekend                                                                     | Allows users to complete longer books during bonus hours                                         | Moonshot                                                                                     |
| Referral for bonus hours                                                                   | Users get 10 bonus listening hours for every referral who signs up                                                  | Binge listeners will refer more potential users to more hours boosting overall adoption          | Moonshot                                                                                     |

## Prioritization

### RICE Method

|  Solution |  Reach (1-3) |  Impact (1-3) |  Confidence (1-3) |  Effort (1-3) |  RICE Score |  Notes |
|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Book hours filter                                                                          | 3                                                                                             | 1                                                                                              | 3                                                                                                  | 1                                                                                              | 9                                                                                              | Strong reach but low impact to binge listeners                                            |
| Micro and macro hour top-ups                                                               | 2                                                                                             | 3                                                                                              | 2                                                                                                  | 1                                                                                              | 12          | Moderate confidence as interruptions still persist                                        |
| Infinite plan with unlimited hours                                                         | 3                                                                                             | 3                                                                                              | 3                                                                                                  | 2                                                                                              | 13.5        | Big bet but high confidence and impact                                                    |
| In-app top-ups                                                                             | 3                                                                                             | 2                                                                                              | 3                                                                                                  | 3                                                                                              | 6                                                                                              | Improve usability but needs large payment infrastructure changes, potential future idea   |
| AI smart warning                                                                           | 2                                                                                             | 2                                                                                              | 2                                                                                                  | 2                                                                                              | 4                                                                                              | Moderate impact and confidence due as core frustration of playback cutoff will persist    |
| Monthly limit increased to 30 hours                                                        | 2                                                                                             | 2                                                                                              | 2                                                                                                  | 1                                                                                              | 8         | Low effort and moderate impact and reach, low hanging fruit                               |
| Rollover up to 5 unused hours                                                              | 1                                                                                             | 2                                                                                              | 1                                                                                                  | 1                                                                                              | 2                                                                                              | Low effort and low impact, needs further user research                                    |
| Always displayed time remaining                                                            | 3                                                                                             | 2                                                                                              | 1                                                                                                  | 1                                                                                              | 6                                                                                              | Resolves hours remaining transparency issue but not core frustration                      |
| Past session AI preview                                                                    | 3                                                                                             | 2                                                                                              | 1                                                                                                  | 2                                                                                              | 6                                                                                              | Moonshot, nice to have in future release                                                  |
| Chapter buffer                                                                             | 3                                                                                             | 2                                                                                              | 1                                                                                                  | 1                                                                                              | 6                                                                                              | Moonshot, nice to have in future release                                                  |
| Next 1 hour AI preview                                                                     | 3                                                                                             | 2                                                                                              | 1                                                                                                  | 2                                                                                              | 3                                                                                              | Moonshot, nice to have in future release                                                  |

|  Solution |  Reach (1-3) |  Impact (1-3) |  Confidence (1-3) |  Effort (1-3) |  RICE Score |  Notes |
|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Recommendation based on hours left                                                         | 3                                                                                             | 2                                                                                              | 1                                                                                                  | 2                                                                                              | 3                                                                                              | High impact as helps about interruption but needs further user validation                 |
| Pay by hours model                                                                         | 2                                                                                             | 1                                                                                              | 1                                                                                                  | 2                                                                                              | 1                                                                                              | Unpredictable revenue growth                                                              |
| Pay by book model                                                                          | 1                                                                                             | 2                                                                                              | 1                                                                                                  | 1                                                                                              | 2                                                                                              | Lacks differentiation, needs further market research                                      |
| Binge listener reward                                                                      | 2                                                                                             | 2                                                                                              | 1                                                                                                  | 1                                                                                              | 4                                                                                              | Needs social data                                                                         |
| Bonus weekend hours                                                                        | 3                                                                                             | 2                                                                                              | 1                                                                                                  | 1                                                                                              | 6                                                                                              | Needs social data                                                                         |
| Referral bonus hours                                                                       | 2                                                                                             | 3                                                                                              | 1                                                                                                  | 2                                                                                              | 3                                                                                              | Moonshot, plan for future release to increase acquisition                                 |

Top 3 ideas chosen according to RICE scores potential for high user and business impact:

1. Infinite plan with unlimited audiobook hours (\$39.99/month and \$384.99/year)
2. Micro and macro hour top-ups (5 hours - \$3.99, 10 hours - \$7.99, 20 hours - \$13.99, 40 hours - \$24.99)
3. Increased monthly listening limit to 30 hours (new audiobook only subscription \$19.99/month)

## Wireframes

### Solution 1: Spotify infinite plan (unlimited audiobook hours)

#### Context:

A new user begins listening to an audiobook and reaches their monthly listening limit. At this friction point, an in-app pop-up appears offering two options: upgrade to the Spotify Infinite plan or add 10 additional listening hours.

If the user selects either option, they are directed to the Available Plans page. This page clearly presents plan comparisons, pricing, benefits, and key details to help the user make an informed decision.

After clicking "Buy Now," the user is redirected to Spotify's secure web payment page to complete the transaction. Once the purchase is successfully processed, the user is automatically redirected back to the Spotify app.



Upon returning to the app, a confirmation pop-up appears notifying the user that they are now a Spotify Infinite member (or that additional hours have been added), reinforcing the upgrade and encouraging them to continue listening.

<https://www.figma.com/design/PZSQJTFiSZYjlzJlk0LcWm/Spotify-Wireframes?node-id=0-1&p=f&t=dcwOU3ZMUwpZ7PNt-0>

## Solution 2: Micro and Macro Top-up hours

### Context:

A new user begins listening to an audiobook and reaches their monthly listening limit. At this friction point, an in-app pop-up appears offering two options: Add Now or Add Later.

If the user selects Add Now, they are directed to the Available Audiobook Top-ups page. User can pick their desired option.

After clicking "Buy Now," the user is redirected to Spotify's secure web payment page to complete the transaction. Once the purchase is successfully processed, the user is automatically redirected back to the Spotify app.

Upon returning to the app, a confirmation pop-up appears notifying the user that additional hours are added, reinforcing the upgrade and encouraging them to continue listening.

<https://www.figma.com/design/PZSQJTFiSZYjlzJlk0LcWm/Spotify-Wireframes?node-id=6-251&p=f&t=dcwOU3ZMUwpZ7PNt-0>



## Success Metrics

P0 Goal: Increase audiobooks retention from 10% → 40% in 6 months

P0 Solution: Spotify infinite plan with unlimited audiobook hours

|  Metric Type |  Metric Name |  Definition |  Why it matters |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Key Metric                                                                                      | Retention rate                                                                                  | % of users who keep coming back                                                                | If the infinite plan truly solves binge friction, users should stay subscribed and form a habit    |
| Secondary Metric                                                                                | Adoption rate: DAU/MAU Ratio                                                                    | DAU/MAU ratio measures days                                                                    | Shows the growth of daily users with binge behavior                                                |

|  Metric Type |  Metric Name |  Definition |  Why it matters                                             |
|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                               |                                                                                               | active users per month                                                                       |                                                                                                                                              |
| Secondary Metric                                                                              | Average listening hours per month                                                             | Measures average listening time per subscriber per month                                     | Indicates behavior building and engagement                                                                                                   |
| Guardrail Metric                                                                              | Average profit margin per Spotify Infinite subscriber                                         | Measures the difference between revenue and cost per subscriber                              | Its a vital to maintain good profit margins by ensuring licensing fees for audiobooks with unlimited streaming does not impact profitability |

## Pitfalls and Mitigation

|  Assumption at risk       |  Failure mode                                                                    |  Impact (H/M/L) |  Likelihood (H/M/L) |  Mitigation (practical)                              |  Detection Signal |
|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Binge users will value unlimited access to 200k+ titles                                                    | New users don't realize Spotify's subscriber catalog is 10x competitors                                                                                           | H                                                                                                | M                                                                                                    | Aggressive marketing campaign on largest audiobook subscriber catalog with unlimited hours                                              | Flat DAU/MAU, negligible change in average listening hours                                           |
| Spotify Premium members who enjoy audiobooks and want to listen more will upgrade to Premium Infinite plan | Spotify Premium users are casually listening to audiobooks with their main preference being music and podcasts and are not concerned with limited listening hours | M                                                                                                | H                                                                                                    | Add gamification by streak building                                                                                                     | Low conversion from Premium to Premium Infinite plan                                                 |
| New binge users will enjoy the in-app experience                                                           | Users find the app distraction and not audiobook dedicated platform resulting in drop-offs                                                                        | H                                                                                                | M                                                                                                    | Add a pop-up for in-app audiobook experience rating (1-5 stars) after users reach 10 hours of listening time                            | Average rating is 2 stars or less                                                                    |
| Users will find the books they are looking for                                                             | User do not find their favorite title and go back to alternate platform                                                                                           | M                                                                                                | L                                                                                                    | Add book request button where users can request for a book and based on total upvotes, Spotify can include it in the subscriber catalog | High number of mutually exclusive book requests                                                      |
| Users will be willing to be pay \$39.99/month for Premium Infinite plan                                    | Users find the price too high and don't upgrade or sign up                                                                                                        | H                                                                                                | M                                                                                                    | Conduct A/B experiments with \$34.99 and \$39.99 pricing tiers for Premium Infinite plan and measure conversion                         | Low conversion from free trial to Premium Infinite                                                   |

|  Assumption at risk |  Failure mode |  Impact (H/M/L) |  Likelihood (H/M/L) |  Mitigation (practical) |  Detection Signal |
|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Sustainable profits with unlimited hours and increased licensing cost                                | Licensing cost agreements could not be renegotiated with Top 5 publishers                      | H                                                                                                | M                                                                                                    | Launch with limited catalog and observe key metrics and user behavior                                      | Margin compression                                                                                   |

## Product Requirements Document (PRD)

|                                  |                                       |
|----------------------------------|---------------------------------------|
| Title/Initiative                 | Introducing new Spotify Infinite Plan |
| Date & Version                   | Feb 17th 2026, Version: 01            |
| Product - Point of Contact (POC) | Anshal Jilka                          |
| Design POC                       | Peter Parker                          |
| Tech POC                         | Kent Clark                            |
| Marketing POC                    | Bruce Wayne                           |

### Objectives

#### 1. Business Objective

The global audiobook market is projected to reach \$10.8 billion in 2025, growing at a strong CAGR of 26.2% and expected to expand to \$35.47 billion in the coming years. Despite this rapid growth, Spotify — as a relatively new entrant — has struggled to gain meaningful traction against mature competitors such as Audible and Everand.

Spotify's current audiobook offering is perceived as supplementary rather than competitive. To strengthen its position, Spotify must become the best value-for-money audiobook platform by targeting high-engagement binge listeners while retaining casual users who are beginning to build an audiobook habit.

Unlike competitors that often focus on limited premium catalogs or credit-based models, Spotify has the opportunity to differentiate through scale, bundled value, and personalization.

The primary objective of this initiative is to increase audiobook retention from 10% to 40% within six months by improving immersion, value perception, and habit formation.

#### 2. User Objective

User interviews and surveys indicate that over 90% of Spotify audiobook listeners experience frustration due to limited monthly listening hours and playback cutoffs. These interruptions break immersion and reduce the likelihood of sustained engagement.

Currently, Spotify audiobooks are perceived as an added benefit to music and podcasts rather than a dedicated, immersive listening platform. This perception weakens user commitment and limits habit formation.

Our goal is to deliver a seamless, uninterrupted audiobook experience that enables users to fully immerse themselves in their content. By leveraging Spotify's extensive subscriber catalog and industry-leading personalization capabilities, we aim to reposition audiobooks as a core, engaging product experience rather than a secondary feature.

### Executive Summary

The global audiobook market is projected to reach \$10.8B in 2025 and grow at a CAGR of 26.2%, expanding to an estimated \$35.47B within the next five years. While Spotify has successfully integrated audiobooks into its broader ecosystem, it has struggled to gain competitive traction against established players such as Audible and Everand. Today, audiobooks are perceived as a secondary benefit within Spotify Premium rather than a core immersive product.

User research reveals a critical friction point: over 90% of audiobook listeners cite limited monthly listening hours and playback cutoffs as the primary source of dissatisfaction. The current 15-hour cap interrupts immersion, weakens habit formation, and limits Spotify's ability to penetrate the high-value binge listener segment.

This initiative aims to reposition Spotify as the best value, immersive audiobook platform by introducing **Spotify Premium Infinite** — a new pricing tier offering unlimited audiobook listening hours bundled with existing Premium music and podcast benefits. The plan will be priced at \$39.99/month or \$384.99 annually.

## How do we measure success?

| Metric Type      | Metric Name                                           | Definition                                                      | Why it matters                                                                                                                              |
|------------------|-------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Key Metric       | Retention rate                                        | % of users who keep coming back                                 | If the infinite plan truly solves binge friction, users should stay subscribed and form a habit                                             |
| Secondary Metric | Adoption rate: DAU/MAU Ratio                          | DAU/MAU ratio measures days active users per month              | Shows the growth of daily users with binge behavior                                                                                         |
| Secondary Metric | Average listening hours per month                     | Measures average listening time per subscriber per month        | Indicates behavior building and engagement                                                                                                  |
| Guardrail Metric | Average profit margin per Spotify Infinite subscriber | Measures the difference between revenue and cost per subscriber | It's vital to maintain good profit margins by ensuring licensing fees for audiobooks with unlimited streaming does not impact profitability |

## Who are the users and what do they need?

### User segments

- **Binge or Daily Audiobook Listeners** - those who love listening to audiobooks regularly while commuting, running or doing chores
- **Casual Audiobook Listeners** - those who listen to audiobooks occasionally but would like to build a daily listening habit

### Needs

- **Functional:** As a user, I want to listen to multiple favorite books of choice from subscriber catalog at a cheaper price than buying books individually.

- Emotional: As a user, when I am commuting or doing my daily chores I want Immersive listening experience to feel good and engaged.

## Problems

- Unclear understanding of Spotify's audiobook pricing and value proposition.
- Playback cutoff after 15 hours is causing the most frustration (over 90% of user reviews cited the issue).

## User research summary

- Pricing models and time limits are the cited by 90% user reviews.
- Users struggle with losing narrative or informational context after breaks.
- Existing libraries on Audible and similar platforms create high psychological and financial switching costs.
- Users express consistent interest in summaries, reviews, and organizational tools.
- Spotify audiobooks are often perceived as a secondary benefit rather than a core product.

## Solution:

### Primary Solution: Spotify Premium Infinite

**Spotify Premium Infinite** is a new pricing tier that offers unlimited audiobook listening hours while retaining all existing Premium benefits, including music and podcasts.

Subscribers gain access to unlimited listening across 250,000+ titles within the subscriber catalog. The plan is priced at \$39.99 per month or \$384.99 annually (20% savings).

This tier is designed to remove listening caps, eliminate playback interruptions, and deliver a fully immersive audiobook experience for high-frequency listeners.

### Rationale for Prioritization

Spotify Premium Infinite is selected as the primary solution for three key reasons:

#### 1. Strong User Validation

User research consistently shows that immersive, uninterrupted listening is the most valued experience among audiobook users. Limited monthly hours are cited as the top friction point. Removing this constraint directly addresses the core problem and is expected to deliver the highest impact on retention and habit formation.

#### 2. Competitive Positioning

Competitive analysis indicates that Spotify is currently the only major platform enforcing strict monthly listening caps, while mature competitors offer models perceived as unlimited or more flexible. Introducing an unlimited tier improves value perception and strengthens Spotify's positioning in the audiobook market.

#### 3. Relatively Low Implementation Complexity

Compared to building new content infrastructure or discovery systems, this solution primarily involves pricing, access control, and entitlement adjustments within existing systems. While licensing and margin modeling require validation, technical effort is comparatively low relative to expected user impact.

### Alternative Solutions Considered

## 1. Micro and Macro Hour Top-Ups

Introduce flexible top-up packages allowing users to purchase additional listening hours:

- 5 hours — \$3.99
- 10 hours — \$7.99
- 20 hours — \$13.99
- 40 hours — \$24.99

Top-up hours roll over and remain valid for three months from the date of purchase.

This option reduces mid-book friction while preserving the capped structure.

## 2. Revised Audiobooks Premium Plan

Launch an updated audiobooks-only plan offering 30 hours of listening per month at \$19.99.

This increases flexibility while maintaining a consumption cap and predictable cost structure.

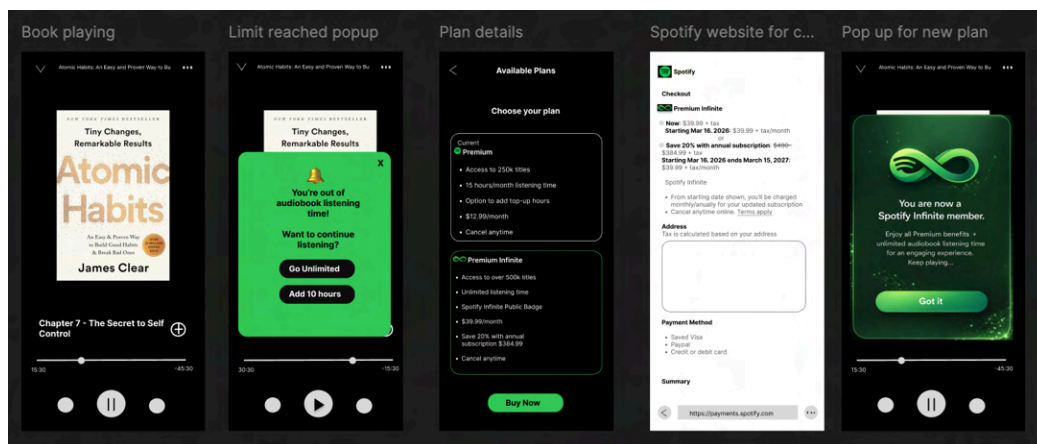
## Prioritization Matrix

| Solution                            | Reach (1-3) | Impact (1-3) | Confidence (1-3) | Effort (1-3) | RICE Score        |
|-------------------------------------|-------------|--------------|------------------|--------------|-------------------|
| Micro and macro hour top-ups        | 2           | 3            | 2                | 1            | 12 <sup>2</sup>   |
| Infinite plan with unlimited hours  | 3           | 3            | 3                | 2            | 13.5 <sup>1</sup> |
| Monthly limit increased to 30 hours | 2           | 2            | 2                | 1            | 8 <sup>3</sup>    |

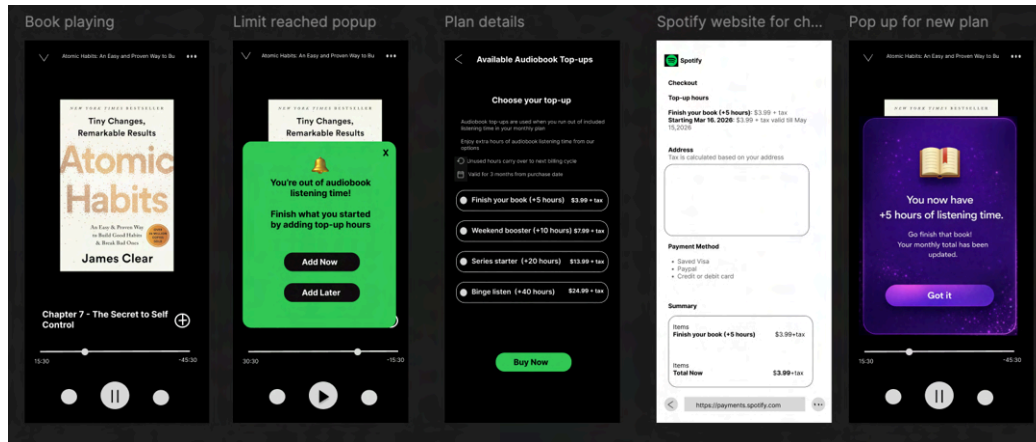
## Product flow:

## Wireframes

### Solution 1 Wireframe: Upgrade option to Spotify Premium Infinite



### Solution 2: Micro and macro listening hours



## Tentative Timelines:

| Task                | Date    |
|---------------------|---------|
| Leadership approval | 2/28/26 |
| Design ready        | 3/15/26 |
| Prototype testing   | 4/1/26  |
| Development starts  | 5/1/26  |
| Beta Launch         | 6/12/26 |

## Dependencies:

### 1. Open Questions

- What is the projected variable royalty cost per listening hour under an unlimited model?
- Should the beta launch include the full catalog or a limited subset (e.g., backlist or independent titles)?
- What is the fair usage threshold (if any) to prevent margin risk from extreme binge behavior?
- What is the projected break-even usage level per Infinite subscriber?

### 2. Infrastructure requirements

- No major infrastructure rebuild required.
- Entitlement logic must be updated to support the Infinite tier.
- Usage tracking and billing systems must support unlimited classification.
- Data instrumentation required to track listening hours, churn, and margin impact.
- Monitoring systems required to flag extreme usage behavior.

### 3. Budget approvals:

- Finance approval required for margin modeling under worst-case binge scenarios.
- Licensing renegotiation budget approval required if royalty structures shift to consumption-based payments.
- Approval for potential short-term margin compression during beta testing.
- Marketing budget approval for Infinite tier launch campaign.

#### 4. Partner Support:

- Strategic alignment required with major publishers (Top 5).
- Potential phased rollout starting with independent publishers to de-risk.
- Negotiation of revenue-share vs per-hour royalty structure.
- Alignment on catalog inclusion rules for beta.

#### 5. Internal Dependencies

| Team             | Dependency                                                                     | Risk   | Owner                    |
|------------------|--------------------------------------------------------------------------------|--------|--------------------------|
| Engineering      | Logic for unlimited access, usage tracking                                     | Low    | Tech Lead                |
| Design           | Upgrade flows to improve value prop                                            | Low    | Design Lead              |
| Finance          | Margin modeling to ensure sustainable margins with unlimited model             | High   | Finance Manager          |
| Legal            | Support with renegotiating licensing agreements                                | High   | Legal counsel            |
| Marketing        | Go-to-market strategy and positioning of new pricing tiers                     | High   | Marketing Manager        |
| Customer support | Training to answer queries and solve billing challenges with new pricing tiers | Medium | Customer Support Manager |