

MID-YEAR 2022 RIAA U.S. LATIN MUSIC REVENUE REPORT

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“Latin music continues to flourish with 23% growth over the first half of 2022, outpacing overall recorded music revenues and reaching an all-time high in share. Bad Bunny’s Un Verano Sin Ti has been the most listened to album released this year across all genres – that is the power of Latin music to reach and connect with fans universally! The dynamic creative partnerships between Latin artists and their label teams drive incredible results year after year.”

– Michèle Ballantyne, COO, RIAA

Building on 35% growth in 2021, U.S. Latin music revenues increased 23% in the first half of 2022 to reach \$510 million. Revenue from streaming formats was the primary growth driver at 24%, and comprised an incredible 97% of total Latin revenues. With growth outpacing overall U.S. music revenues, Latin music grew its share to a record high 6.6% of total revenue.

Digital and customized radio services (such as Pandora, SiriusXM, and internet radio services) were the only streaming format where Latin revenues declined, down 14% versus the prior year.

FIGURE 1 U.S. LATIN MUSIC REVENUES (RETAIL)

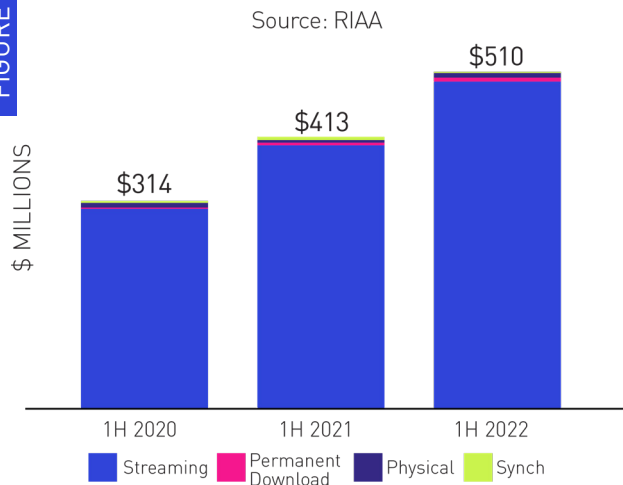
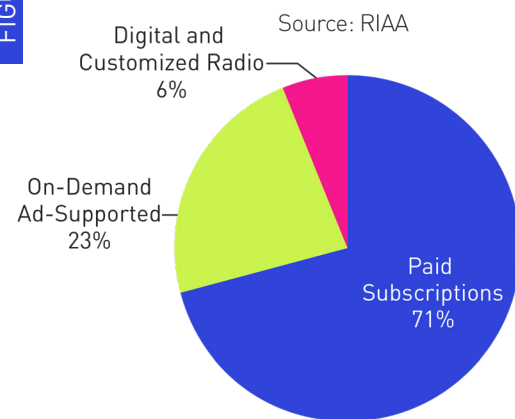


FIGURE 2 U.S. LATIN MUSIC STREAMING REVENUES 1H 2022



Paid music subscriptions made up the majority of Latin revenues, growing 25% to \$350 million and accounting for 71% of streaming revenues (69% of overall Latin revenues). The number of paid subscriptions reached a record 90 million 1H 2022 average (though that figure is not specific to Latin music).

Physical formats of Latin music continued their rebound in 1H 2022, although they make up less than 2% of revenues. Vinyl albums more than doubled (off a small base) to \$6 million in 1H 2022, and CDs grew 21% to \$1.4 million. Permanent downloads continued to fall with revenues down 14% to \$6 million in 1H 2022, making up just 1% of Latin music revenues.

Ad-supported on-demand streams (from services like YouTube, Vevo, and the free version of Spotify) grew 39% to \$112 million, continuing the recovery from last year which was compared to 2020 when Covid-19 had a broad impact. This ad-supported category significantly over-indexes in share at 22% of total Latin music revenues, versus 11% of overall music revenues.

Note: RIAA data for U.S. Latin market includes estimates for both major record label and indie-distributed music. Formats with no retail value equivalent included at wholesale value. Historical data updated for 2020 and 2021.

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MID-YEAR 2022 LATIN MUSIC RIAA REVENUE STATISTICS

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

DIGITAL SUBSCRIPTION & STREAMING		1H 2021	1H 2022	% CHANGE 1H '21 to 1H '22
(Units) (Dollar Value)	Paid Subscription	\$279.8	\$349.8	25.0%
	On-Demand Streaming (Ad-Supported)¹	\$80.6	\$112.2	39.2%
	SoundExchange Distributions²	\$22.5	\$19.3	-14.3%
	Other Ad-Supported Streaming³	\$14.9	\$12.8	-14.0%
	Total Streaming Revenues	\$397.8	\$494.1	24.2%

DIGITAL PERMANENT DOWNLOAD

(Units) (Dollar Value)	Download Single	3.7 \$4.3	3.3 \$3.9	-10.9% -9.4%
	Download Album	0.3 \$2.3	0.2 \$1.7	-23.5% -25.4%
	Other Downloads⁴	0.0 \$0.1	0.1 \$0.1	68.1% 38.1%
	Ringtones & Ringbacks⁵	0.1 \$0.3	0.1 \$0.3	-15.6% -15.6%
	Total Permanent Download Units	4.1	3.7	-11.0%
	Total Permanent Download Value	\$7.1	\$6.0	-14.4%

TOTAL DIGITAL VALUE

		\$404.8	\$500.1	23.5%
	Synchronization Royalties⁶	\$4.5	\$2.1	-54.2%

PHYSICAL

(Units Shipped) (Dollar Value)	CD	0.1 \$1.1	0.1 \$1.4	14.6% 20.8%
	LP/EP	0.1 \$2.9	0.2 \$6.0	118.6% 105.0%
	Music Video⁷	0.0 \$0.0	0.0 \$0.0	-87.5% -87.4%
	Total Physical Units	0.2	0.3	67.3%
	Total Physical Value	\$4.1	\$7.4	81.8%

TOTAL DIGITAL AND PHYSICAL

	Total Units	4.3	4.0	-7.5%
	Total Value	\$413.4	\$509.6	23.3%
	% of Shipments⁸	1H 2021	1H 2022	
	Physical	1.0%	1.5%	
	Digital	99.0%	98.5%	

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

Note: Historical data updated for 2021

¹ Ad-supported audio and music video services not operating under statutory licenses

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

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

⁴ Includes Kiosk singles and albums, and Digital Music Videos

⁵ Includes Master Ringtones, Ringbacks, and Other Mobile

⁶ Includes fees and royalties from synchronization of sound recordings with other media

⁷ Includes DVD music video

⁸ Synchronization royalties excluded from calculation

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