

# Spotify's Rogan problem is a cautionary tale for other tech platforms | Ars Technica

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Spotify probably didn't realize it, but it ceased being a tech company a few years ago.

It was excelling at all the tech startup things—attracting users and losing money—but like most businesses, it eventually wanted to make a profit. The company was having a tough time doing that simply by streaming music, which proved to be expensive since the labels demanded a hefty fee to access their catalogs. Without another product to sell alongside music, Spotify was hemorrhaging money.

So the company started looking afield, searching for a product that would complement its existing music offerings. It found one in podcasts.

Spotify had finally found a path to profitability. Podcasts brought in big ad spends, and they could be made for less than it cost to license music catalogs. Plus, podcasts kept users coming back. After all, the big streaming services all offer most of the music people listen to, which makes switching easier. But exclusive podcasts aren't available anywhere else. They lock fans in.

[...]

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