

From Download Revenue Stream to Trickle

Written by Marco Attard
16 December 2010



Digital download sales slowly slow down as consumers switch to internet radio and video streaming sites, Reuters reports.

In fact, 2010's small gain in track sales (recorded as 5% on November 21st) comes from albums, according to Nielsen Soundscan. On the same day, digital album sales were up 12%-- compared to the same period in 2009's 17%.

There are only a few exceptions in Q4 to 2010's flat track sales trend-- Taylor Swift's "Speak Now" (sold 390000 digital albums and 3 million tracks in its first 4 weeks) and the long awaited Beatles' catalog on iTunes (sold 144000 albums and 1.4 million tracks in its first week).

Nielsen reports even the increasing variety of download stores and their competitive offers (such as Amazon's) fail to slow the download sale shrinkage. Direct-to-fan sites like Bandcamp and Topspin succeed in 2010 (with 1.9 billion-plus sales on November 21st), but not enough to affect shrinking download sales.

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Reuters concludes if download sales are like any other consumer product, the reported slowdown is the start to an irreversible sales and revenue slide. Will the increasing streaming alternatives make up for lost revenue? The jury's yet out on that one.

Go [Reuters: Growth in Sales of Digital Downloads Slows to Trickle](#)