Case Insight 12.1: Spotify

Chug Abramowitz, VP Global Customer Service and Social Media

Hi, my name is Sara Rosengren, I'm a Professor of Marketing at the Stockholm School of Economics, I am also one of the co-authors of *Marketing*,fifth edition by Oxford University Press.

In this interview, we will meet Chug Abramowitz, who is the VP of Customer Service and Social Media at Spotify.

Yes, so Spotify is the greatest music company in the world, I like to say, we’re trying to provide all the music to all the world whenever you want it. Currently we have over 20 million premium users who pay somewhere in the whereabouts of $10, £10 per month and they get access to all the music we have in an ad free format and can really listen to it whenever, wherever they want and then we also have a free product that is ad supported, and we have about 80, over 80 million users on that, 80 million users in total, I'm sorry but again, it’s all about just giving users the music they want, when they want.

I'm the Vice President of Customer Support and Social Media, I’ve been overseeing customer support for coming up on two years and just took over social media about three months ago.

Social media has two roles, one is in our customer support organisation, we have a large team of about 75 advisors that monitor Twitter and Facebook in the community and deal with any customer complaints that we see on those channels. In the marketing organisation, social is our largest marketing channel, you know, we’re on Facebook, Twitter, Snapchat, YouTube, Instagram, we have a blog, and Periscope, and I'm probably missing one or two.

But we try to, you know, be on as many channels as possible and we probably do 75-80% of our marketing through social media channels, you know, social media for customer service is very reactive, it’s focusing on you know, customers’ problems whereas social marketing, we’re trying to do proactive things, whether it be running campaigns or also doing engagement with customers, where we’re really using social listening tools to sort of see what people are talking about, that’s related to Spotify or to the music industry in general and we try to get involved in those conversations and you know, show people interesting content that we may have, that’s related to those conversations.

So you know, my background in customer support has a lot to do with production lines and building production lines and then also content, you know, I started out overseeing the digital space in customer support, which included the website and all the articles and the content on the website and so I'm bringing a lot of that to the social media team, where my feeling is that great social media equals great targeted content and so we’re building a production line to really build great content and then looking at how we can target it best to the right people, so that when they see things on channels, they don’t feel like they’re just getting ads but they feel that they’re getting content directly geared towards them.

Again, it’s targeting, you know, I am not a huge fan of country music, there are a lot of people who are but when I see country music content on my channels, I'm not thrilled about it, I'm not gonna lie, I have a little bit of a visceral reaction to it but at the same time if I see something like hip hop or something that I'm into, then I'm really interested and so you have to get really good at targeting the audience and making sure that they get what they want to see and when that happens, then you know, it ends up being a great experience for them because they feel you're giving them something, you know, an add-on to, to their experience with the brand.

It’s going to be both, I don't know the specific percentages but we want to, we want to highlight our channels but we also want to get people back in the Spotify client and using the client, so we’ll be doing things where we may show a teaser on the channels but then you have to go into the client to actually see all of the content and we’re looking at other ways to engage people and at the end of the day, we want people listening to music so anything we can do to get people more engaged with the product, that’s what we want to do on our social media channels.

So again we have a tool, CRM, that we use to sort of capture, it does bullion searches and we sort of capture when people are talking about Spotify and then also when they’re saying negative and positive things and we search for certain terms that we know usually mean there’s a customer support issue. And then we go in and we try to solve those issues as quickly as we can and we try to sign off what we call RAK, which is a ‘random act of kindness’, you know, the examples of message and playlist titles or maybe sending someone a picture or something that gives them that, you know, special feeling that we did a little extra for them, you know, a lot of other companies do this type of thing and their margins are different so they, they can do something like send the customer a pizza or something crazy like that occasionally but we want to do things that are within the product and within the client and try to highlight music and so we try to come up with RAKs that accomplish that.

Our best RAK is definitely doing messages in the playlist titles, we also have done ones where like someone did a drawing customer contacted us and they were upset that they couldn't play *Frozen* on repeat track mode over and over again before we had repeat track mode and so we gave them a little solution and their boss was like, ‘I can’t believe you did this, he’s gonna be singing *Frozen*, you know, all day long and driving the office nuts’ and, and then we ended up responding back because she had pictures that she had drawn of Disney characters so we have a graphic artist on the team and he took this employee’s head off of his Twitter avatar and put it on a Disney princess thing and, and the guy loved it, he left it as his avatar for six months on both Twitter and Facebook, so trying to find ways like that, that really engage the customers and put a smile on their face.

So I think the key is that our customer support advisors have really built this RAK thing internally and it really comes from you know, their core love of Spotify. Our internal CS team is a bunch of, you know, advisors in their 20s who are all huge Spotify evangelists and like really proud to work for the company and we want to have that same feel in all of our social media channels.

When I took over, I don't think we really had that and we’re working on it, moving towards that by involving more employees who are going to be doing the community engagement work for us and really hiring a layer of community managers that will be internal, as opposed to just having all of that done by agencies. We think that having those people internal and really understanding the Spotify culture and our passion for music, is something that will show in our social media channels very quickly. We’ve actually taken a couple of guys who are on the, the CS team and we’re going to move them into community managers, in the marketing team.

So in customer support, our biggest metric is looking at average time to first response, so we want to respond to people, you know, the goal is under five hours, we’re usually somewhere around two to three hours in response time. Sometimes, you know, if you get slammed, if some album isn’t working or something like that, you can get a lot of people and that time goes up but we have measures in place to try to keep it in check.

We’re still figuring out the social metrics, there are the obvious ones, you know, looking at impressions and likes and retweets and things like that. I'm a little less interested in those to be frank, I want to see how we’re moving usage within the client, you know, I want to, for instance if we have a new feature and we do some campaign on that, I want to directly see how social media is influencing people to use the product and use this new feature and so we’re really focused now on working on deep linking and getting better tools so that we can really see the exact path that somebody takes from a social media channel into the product and see exactly what we’re accomplishing.

Yeah, I mean there’s always going to be trolls, there’s nothing you can do about it, you know I always say that, we have a motto we use in customer support which is positive active and I want all of our advisors always coming at every interaction with a customer from a positive active standpoint, meaning we want to show a positive attitude and an always upbeat, positive attitude and then we want to actively be trying to help people so every single time we go back, if we do those two things in the message, like 99% of the time you can turn people around, I'm not going to lie to you, like 1% of people are just miserable and there’s nothing that you can do about it but 99% of people, you know, realise they’re dealing with other people on the other end and eventually when they have that realisation and they realise that your heart’s in the right place, then they turnaround.

And the same with marketing, you know, again there’s always gonna be people who are unhappy but again if you go at them and you stay positive and you don’t get baited into something, usually you can turn them around and if not, then you just walk away from that conversation, you know, if that’s not the best place to be, we understand, we don’t want to butt in where we’re not wanted.

My key challenge right now is that I have more content than I know what to do with and so what we’re looking at is possibly a, what we’re calling sort of a hub and spoke model, where we’ll basically have the central Spotify channels but then we’ll also have spokes that go out to different genres. So somebody who’s really into hip hop, we may try to create a spoke that is just about hip hop and therefore we can take all the content we have around hip hop and really put it up there and put it out there so like if you're into it, we'll have every single thing you want to know about hip hop up there.

Then we'll take our listening tools and we’ll see what conversations are going on about hip hop and then we can help engage in those conversations by making people aware of things that we have on the service that they may be interested, or on our social media channels.

You know, we’re very fortunate in that we have access to a lot of artists and things and you know, artist managers and the labels and they want us, you know, helping to promote all these different artists so by having more areas that we can put more content on, I think we can actually give our fans a better experience and target them with stuff they really want to see and hear.

I think it’s the music service and then I think it’s like if at some point, you know, this other content becomes something that people are really interested in, then you sort of figure out who do you integrate it into the music service and how do we, we better supply a one stop shop for everything around music? And that would be the dream, you know, that, that people, any time they think ‘music’ they think Spotify and it’s much like ESPN is in the United States for sports, you know, if you're interested in sports, you go to one of ESPN’s properties and some day it would be great if that was true of Spotify too and I’d love it if social media was what sort of got us there, so we’ll see.