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Last.fm

1. The Lowdown.

Last.fm is a music-based social network Web site; it claims to be the world's largest ad-supported on-line music community in the world.



It is a music and internet radio community that connects users with their favorite music and others with similar musical interests

2. Why do I need to know about it?

- a) It has over 21 million users and has hundreds of millions of songs.
- b) Advertising is the source of revenue; current rates are \$90 per 10,000 impressions.
- c) Since selling to CBS Interactive for \$280 million, Last FM has become a streaming site for music. The company signed an agreement with major labels and independents allowing the users to play any full track up to three times. In return, the owner of the recording gets a share of the advertising income.
- d) The heart of Last.fm is the audiscrobbler technology which “scrobbles” everything you play. In other words, the audio scrobbler tracks listening habits and calculates relationships with other users and presents recommendations based on the music people listen to, presented in much the same way as iTunes has a play count.
- e) One of the most-popular features of Last.fm is the weekly chart, which is a record of each user's most-played tracks and artists; this is then replicated for the whole community. One of the most-played artists is Radiohead with, 1,135,841 plays, and one of the top tracks is “Body Snatchers,” also performed by Radiohead, with 34,646 plays.

3. The thing to remember is...

While the Last.fm service is still young, it has been very successful, attracting thousands on a daily basis, selling for a large sum of money and signing a deal with all the major record companies. Fans, artists, record labels, and investors all love Last.fm; its biggest challenge is to ensure that advertisers remain equally enthralled.