

INDUSTRY RADAR | MEGATRENDS

MUSIC — The CD is back: US physical music sales jump 26%, all thanks to K-POP?

Streaming still makes up most of the money, but compact discs are growing fastest, and higher subscription prices are doing much of the work.

By **Manasee Kurlekar** | September 27, 2026



US recorded music revenue rose 6.9% to \$5.97B in H1 2026, per the RIAA. CD sales jumped 58.6% and vinyl 17.7%, while price rises lifted streaming.

The fastest-growing format in American music this year - surprise surprise - is the compact disc!

According to the RIAA's mid-year report, US recorded-music revenue rose 6.9% to \$5.97 billion in the first half of 2026. Physical sales were the standout, up 25.9%, with CDs up 58.6% and vinyl up 17.7%.

Streaming is still the core of the business at \$4.9 billion, up 4.7%. Premium subscriptions brought in \$3.11 billion, up 7.8%, from 111.1 million paid accounts. Part of that growth came from higher prices: Spotify, YouTube Music and Amazon Music Unlimited all raised prices during the half. Subscriber numbers grew too, by 5.5%. Cheaper non-premium tiers fell 9%.

The CD revival was driven mainly by one genre. ***Seven of the ten best-selling CDs in the first half were K-pop releases***, according to Luminate's tracking data. BTS's *Arirang* led with 567,000 copies, about 3.5% of all CDs sold in the US, followed by ENHYPEN's *The Sin: Vanish* (286,400) and ATEEZ's *Golden Hour Part 4* (263,000).

Remove K-pop and the picture changes. Luminate counts 16.3 million CDs sold at retail, up 16%. Without K-pop, that growth falls to just 6.7%. K-pop labels release albums in several versions with collectible photocards, so dedicated fans buy multiple copies. That puts the growth in fandom rather than in listening.

The listening data says the same thing. About half of Gen Z and millennial CD buyers don't own a CD player, so they buy the disc as an object to keep and stream the music anyway.

Physical music by the numbers, H1 2026 (US)

Measure	Figure	Source
CD revenue	\$171.1M, up 58.6%	RIAA
CD units shipped	17.5M, up 45.7%	RIAA (wholesale)
CD units sold at retail	16.3M, up 16%	Luminate

CD growth without K-pop	6.7%	Luminate
K-pop share of top-10 CDs	7 of 10	Luminate
Vinyl revenue growth	up 17.7% (still more than 3× CD revenue)	RIAA
Vinyl units sold at retail	up 2.4%	Luminate

CDs as share of total revenue under 3% (streaming: 82%)

RIAA and Luminate measure different things. The RIAA tracks what labels ship to stores, and Luminate tracks what customers buy at the till. That explains why RIAA shows 45.7% unit growth and Luminate shows 16%.

What people are streaming: genre shifts (Luminate, H1 2026)

- **R&B/hip-hop** is still the largest genre, at about one in four US streams, but its share fell 1.6 percentage points.
- **Dance/electronic** is growing fastest, with on-demand audio streams up 18.9%.
- **Country and Latin** both gained share.
- **Rock** is now mostly older music: 75% of rock listening is to tracks more than five years old.
- **K-pop crossed into the mainstream.** "Golden", from the *K-Pop Demon Hunters* soundtrack, is the most-streamed song of 2026 so far, with 1.12 billion on-demand streams.

Across formats, fans buy CDs and vinyl to own, while everyday listening happens on streaming. K-pop does well on both.

WBW angle: Streaming now grows mainly by charging more. Superfans are paying for collectibles, and the physical product has become merchandise. Streaming covers the listening, and the CD is something fans buy to own.

Read online: <https://worldbusinesswatch.com/industry-radar/12/176/music-the-cd-is-back-us-physical-music-sales-jump-26-all-thanks-to-k-pop.html>

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