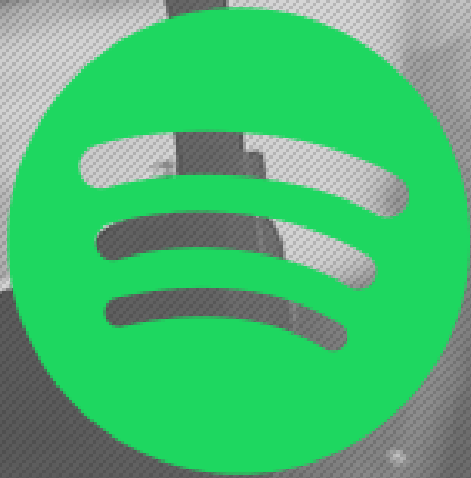


ROLLINS COLLEGE
NEW MEDIA AND PUBLIC RELATIONS



Spotify®

FINAL PROJECT

2018 Campaign Plan

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**Music for
everyone.**



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Situation Analysis



Spotify®



WHO ARE WE?

Spotify is a digital streaming music service that provides access to songs, podcasts, and videos world-wide through your computers, phones, and tablets. You can choose what you want to listen to, or let Spotify “surprise you”.

It allows you to create playlists, browse through collections of your friends, artists, celebrities, or any other person in the world on Spotify (Music for Everyone, 2017).



HISTORY

Spotify was created in 2005 by Daniel Ek and Martin Lorentzon, who came up with the idea of Spotify from their apartment in Sweden. They launched Spotify in 2006 in Stockholm, and by the end of 2007, they launched the sharing playlist option on the app, spiking their viral growth. Two years later, word got out in the US about Spotify. Facebook owner Mark Zuckerberg made “Spotify is so good” his Facebook status, gaining major popularity and raising over 50 million dollars to win over record labels and have a strong artist library. By 2011, Spotify was available for Android and iOS, launched in the US, and integrated with Facebook which was the entry way for Spotify to become the major competitor in the music streaming market. At the end of 2016, they had 75,000,000 overall users; 20,000,000 of which are paying premium service (Crook and Tepper, 2015).



MISSION

Spotify's philosophy and mission are not available on their website, but in a Twitter publication from their official website, they posted their mission statement is to "Give people access to all the music they want all the time- in a completely legal and accessible way." (Spotify Mission, 2011). Their goals and objectives though, are plenty. Short term goals include increasing Premium users, artists and labels signed, and profits and revenue to pay better royalties to the already signed artists. Additionally, they are focused on promoting different music tastes and genres (No Guts, No Glory, 2013). Their long term goals, aside from moving their market around the world, are to end illegal file-sharing of music and to seek large partnerships with other companies. (Carroll, 2015)



PRODUCTS & SERVICES

Spotify's services are targeted to two distinct groups. The first is to music listening users and the second is for artists. Spotify offers artists a platform to get their music out and grow their reach. If you are a music maker, Spotify allows you to create an account as an official musician where you can add your songs. With Spotify's extensive audience, it allows new artists to reach a large audience and gain popularity. They use technology that discovers what listeners are interested in similar music taste than the new artists, and delivers the artist's music to the right set of listeners. Finally, Spotify provides a 'Fan Insight' option that allows the artist to track data of his listening audience in order to know what his or her global reach is. (Music for Everyone, 2017)



For services regarding the everyday user, Spotify provides songs, podcasts, and videos. Their song library has over 30 million songs. With these songs, the users can create, share and follow other people's playlists as well as be on top of new releases. (Music for Everyone, 2017) Podcasts are available on Androids and iPhones, allowing users to follow lifestyle, news, sports, and many other categories. You can save a specific podcast offline to be able to access it even without a connection. (Podcasts, n.d. Spotify) Spotify's video service work on all desktops and smartphones.

Through Spotify, users can opt for the premium service where they pay \$9.99 a month. You get better quality, offline streaming, on demand listening, and more importantly no advertisements between your plays. For people who choose not to pay, Spotify is available for free with all the same characteristics with the added ads and limited skips and shuffles on songs. (Spotify Free, n.d. Spotify)

SWOT Analysis



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STRENGTHS

User Friendly
Running'
Free
Continuous updates
Partner with:
Uber
Rap Genius
Playstation
Shazam
Tinder

50% discount to college
students

WEAKNESSES

Ads are intrusive/
annoying
Draws away
potential premium
users

Limit to skips &
shuffles

Can't make
sustainable profit
70% of profits paid
to artists/labels

Low royalties
\$0.006-\$0.0084/
stream

OPPORTUNITIES

Expand lyrics pop-
up
International
expansion/reach

Increase exclusivity
deals
Non-streaming
artists on board

THREATS

Low Royalties
Exclusive deals with
competitors

Not all major artists

Draws away
audience

Attacks credibility

SMART Objectives



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- **Increase Premium users by 40%**
- This will bolster Spotify's user base and increase profit margins. By adding more Premium users to the service, there will be a greater incentive for potential Spotify users to upgrade.
- **Increase positive outlook on music streaming by 40%**
- Improving the overall perception of music streaming will strengthen Spotify's presence as the industry leader. This will subsequently attract new users to the platform.
- **25,000 attendees for music festival and 1,000,000 online streams**
- This number is lower than the amount of attendees at bigger festivals such as Coachella, but it is easily attainable considering that this would be Spotify's first major music festival. The festival would also not be as long. This number would be used to measure our influence on our target audience.

Target Audience



Spotify®



We want to continue to target the millennial generation and college students between the ages of 18-22. This campaign is aimed at our current free users so that they will be motivated to upgrade to premium. With over 100 million users and only 30 million using premium, the campaign will target that other 70 million (9to5Mac). However, in the process, getting new users to go straight to premium is a good goal to strive for. In this audience we want to target music enthusiasts who are hip and trendy who love the experience of listening to music and going to concerts and music festivals.

PERSONA PROFILE



Kyle (male)

Age: 25 years old

Occupation: Graduate School & part time job

Commute time: 20 mins

Living: lives with two roommates

Lifestyle: likes to jog and workout, parties on weekends

Musical Interest: likes multiple genres and has attended music festivals & concerts

Kyle can afford premium service through his job income as an intern at a tech company



**Soundtrack your life with
Spotify.**

Creative Platform





Music connects us. We can create communities and networks of people through our love of music. We want to put the connection back into music through Spotify and engage its users through our premium service and care.

Media Platforms



Billboard In Times Square, NY

- Promoting Spotify Premium
- High Traffic Area



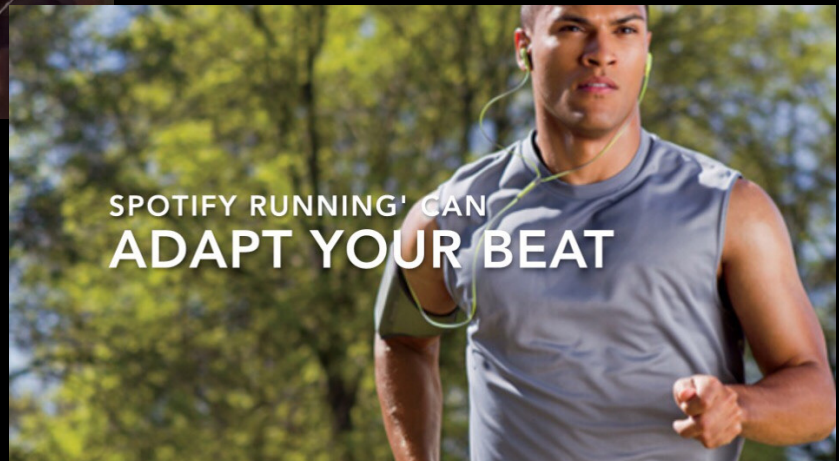
The Spotify billboard in Times Square will be beneficial in attracting new users to the platform. With nearly 50,000 daily visitors, Times Square is an ideal location for this billboard. In addition, the national television coverage during New Year's Eve will further increase the brand's visibility.

YouTube Ads

- Showing emotional benefits of music, music creating community
- Promoting Spotify Run App
- Encourage people to sign up for Spotify Premium



Clicking on these ads will take you to a link to sign up for Spotify Premium



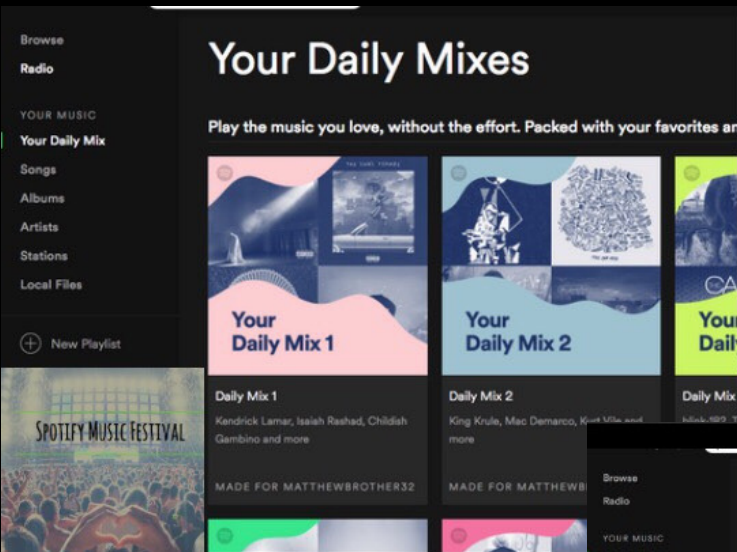
Youtube can be a great way to reach our demographic. On average people aged 13-24 spend around 12.1 hours per week watching online videos according to a study done by digital media firm Defy Media. In addition, ads on Youtube have been linked to higher brand recognition and overall more effective in reaching the consumer (Sweeney, 2016).

Sample Audio Ad

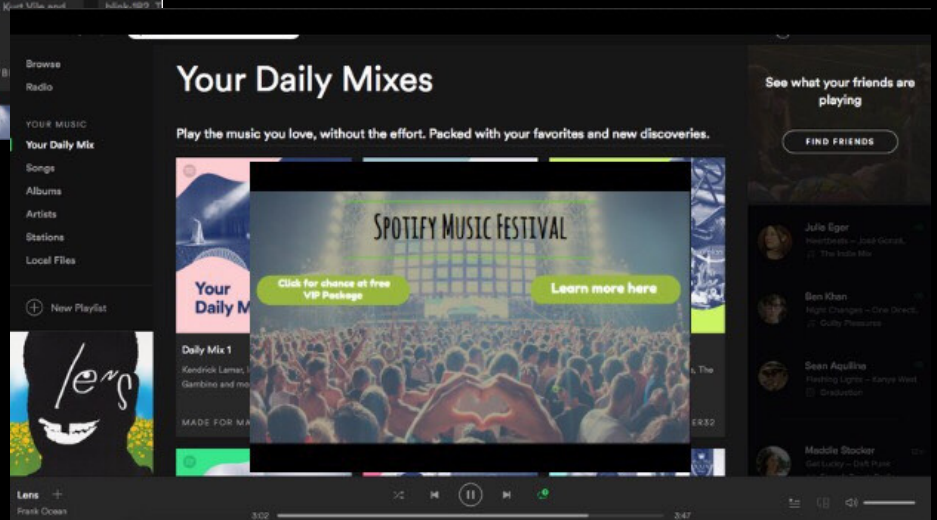
SOUND: 1 UPBEAT DANCE MUSIC

ANNOUNCER: 2 Spotify is finally bringing its family together in the real world! Who said streaming isn't physical? Let's
3 bring it to life this summer. Come together, build bonds, and dance the night away with your
4 favorite artists. Sign up for premium today to be entered for a chance to win free VIP tickets to the first
5 ever Spotify Music Festival. Can't make it? Well Premium users get free streaming access during the whole
6 festival. Experience the thrill from anywhere! Click the banner for more details.

SOUND: 7 AUDIENCE APPLAUSE AND LAUGHTER



Clickable link on the App allows you to get tickets, learn about the festival, and how to get Spotify premium



Social Media Ads

- Posts reflecting community spirit
- Promotional Ads for Spotify Run
 - Spotify Music Festival Ads
- Funnel Ads to Spotify Premium sign up page



Social media ads are cost-effective!
Without Sponsored ads our organic posts are NOT
being seen
Advanced Targeting

Spotify Squad

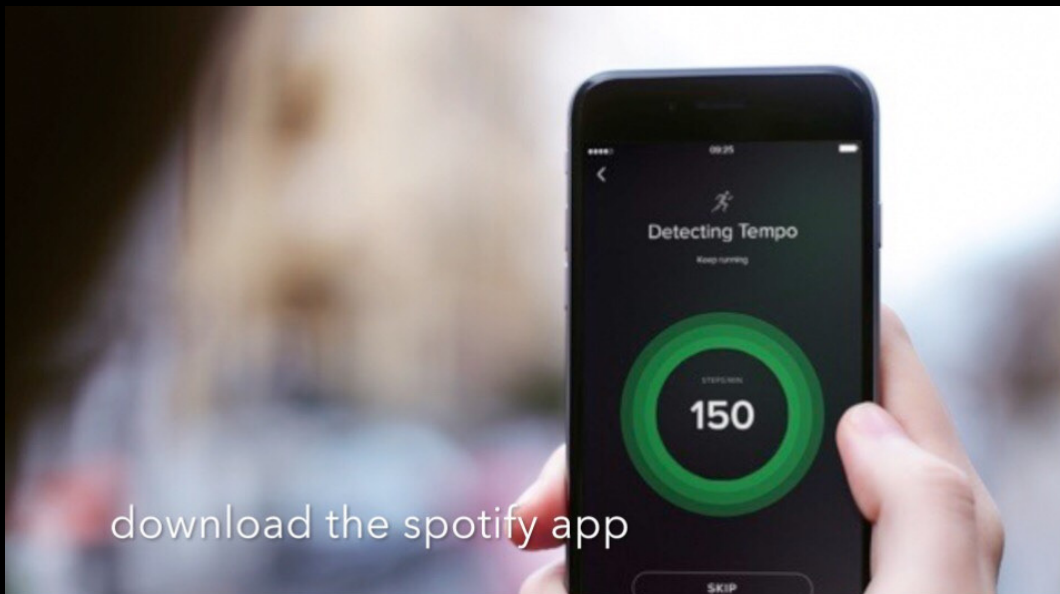
- College Students as Brand Ambassadors receive kits with promotional materials, free merchandise
- Create events for College campuses promoting Spotify Premium
- Discount codes through referrals
- Snapchat takeovers every month
- Community of Brand Ambassadors can connect with each other using #SpotifySquad

-



Spotify Run

- Allows you to pick the tempo of the music according to your pace
- Create playlists and share with friends
- Challenge your friends and send individual songs
- Promote a fit lifestyle, get in shape for Summer
- Only available for premium users



download the spotify app



Did you know that running to music can boost your performance by up to 15%? (Inside Sports Technology)

Spotify Music Festival

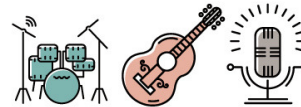
- Summer music festival 2-3 days
- Premium users get early access to tickets and free streaming of music festival
- Spotify Squad promoting the festival on college campuses



Live Music Festivals



Nearly half (45%) of music festival fans are millennials



Live Music Fans: 82% have attended at least one live music event in a typical year, compared to 53% of general music listeners

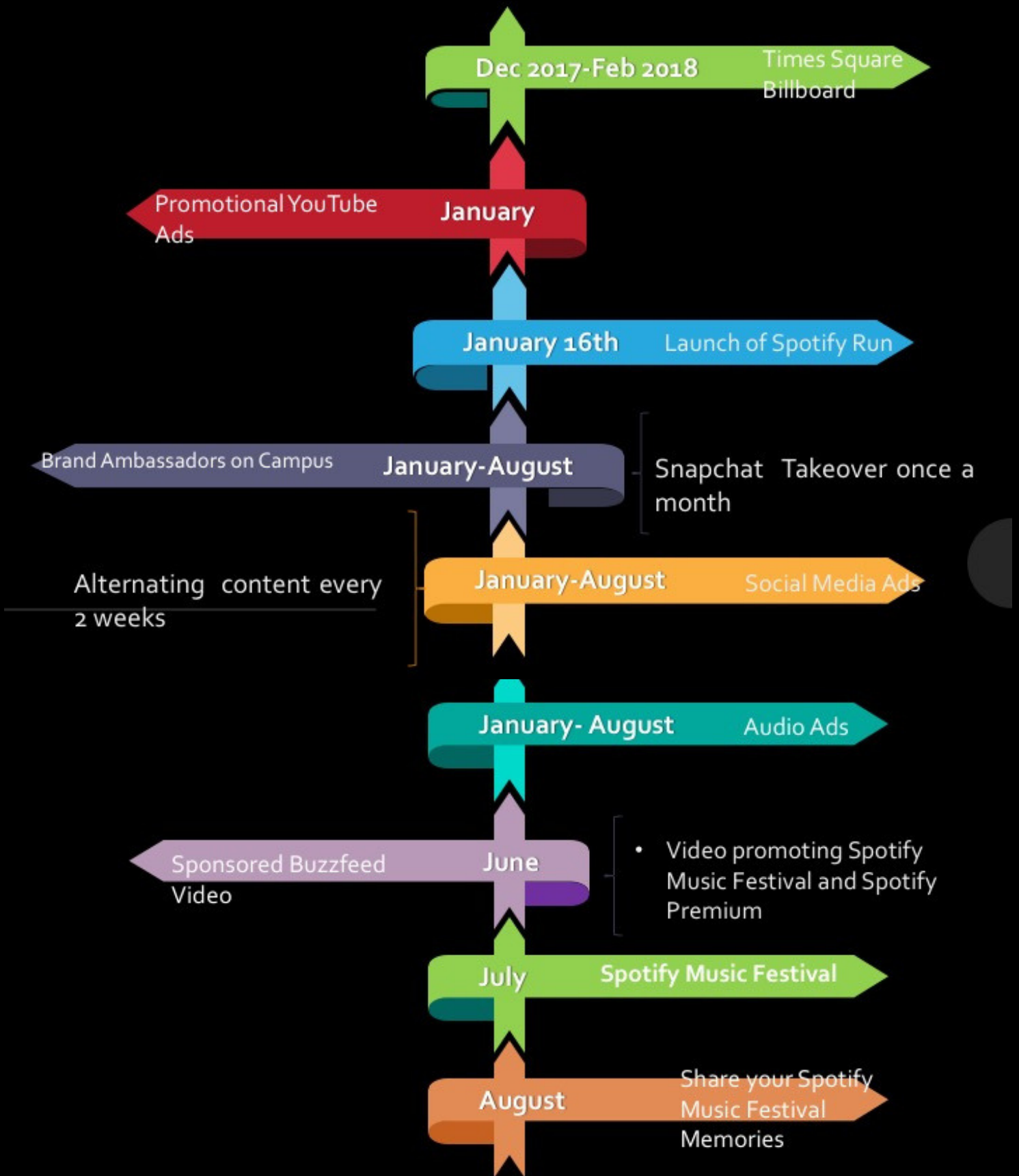


38% more likely to drink craft beer than the average music listener

Source: The Nielson Company via Gemba Marketing



Our target audience is all about experiences. We want to keep connected with them and encourage them to seek community among those who love music. This festival is also a way for Spotify to profit and gain exposure.



For all of the individual campaigns being executed we will evaluate them in terms of our three smart objectives. We will use our in-depth data and algorithms to see if consumers are gravitating towards the artists and concepts being presented in our campaigns. The team will also use KPI's to measure our social media presence beyond the Spotify platform itself. Here are the ways that we will evaluate each individual objective within every campaign we run throughout our timeline.

Our first objective was to increase premium Spotify users by 40%. After every campaign we run that is designed to gain more premium users, the team will have checkpoints to evaluate the data towards consumers converting from free users to premium users. Spotify will compare every campaign to the previous to see what is working, what can be improved, and what the team can stop funding. Evaluating the increase in premium users is a simply process of looking at increased number of sales.

Our second objective was to increase the positive outlook on music streaming in general. Spotify will use quantitative research to evaluate the second objective. After we release campaigns over the course of our timeline, we will team up with one of the best researching companies to distribute surveys to people after they have watched our ads about community, unity, and family coming together through music.

These surveys will ask about their feelings towards music streaming compared to buying albums online, buying CD's, and buying vinyl before and after the campaigns we run.

The surveys will support if the campaigns successfully boosted the image of music streaming in a positive way, and what things we can change about our platform to make it more appealing to the consumer.

The third objective was to have 25,000 people attend the music festival and to have at least one million total online streams of the festival. In our first year doing the festival, having a 25,000 sold out festival would be more beneficial than having a bigger festival that did not sell out. Only Premium users are allowed to stream the festival at home, so the one million mark will be dependable on how many new premium users we gain leading up to the festival through our campaigns. After every campaign we launch over the timeline scheduled, the company will look at its daily active users that have viewed, shared, entered contest, and purchased tickets to the Spotify Music Festival. We will announce the festival before we have the lineup fully finalized and booked. This will allow us to see which artists that the purchasers like most. Early pre-sale purchasers will be able to influence which artists we try to book. This data will allow us to build the best line-up for our demographic of buyers. After evaluating our streaming traffic, ticket sales, and how the individuals enjoyed the event itself, Spotify will make goals and adjustments for the next year.