

Strategic Message Planner: Apple Music Student Subscription

Advertising Goal

To help make Apple Music more appealing to college-age music listeners in order to generate more student subscriptions to Apple Music.

Client/key facts:

1. Apple Music is a media player app made and owned by Apple Inc.
2. Headquartered in Cupertino California, Apple music launched in 2015 is available in 110 countries.
3. As a subsidiary of Apple Inc., Apple Music is a publicly traded company.
4. Since its launch in 2015, Apple Music has shown steady and exponential growth in its subscriber count, and as of February 2020, Apple Music has over 40 Million paid subscribers.
5. Apple Music was developed as a combination of Apple's two music platforms, iTunes and Beats Music, in order to compete in the music streaming market.

Product: Key Features:

What Is the Product?

1. The product being advertised is the Apple Music Student Subscription.
2. Students enrolled in degree-granting universities and colleges can join Apple Music at a discounted monthly rate of \$4.99 (50% off original price) for up to 48 months.
3. To qualify for an Apple Music student subscription, users must be a student studying a bachelor's degree, post-graduate degree, or equivalent Higher Education course at a University, College (U.S. only) or Post-Secondary School (Canada only). Junior, technical colleges, and special courses are also eligible in Japan.
4. The Apple Music student subscription comes with free Apple Originals with Apple TV+ for for a limited time.
5. Once a user buys the Student Subscription, they can pause and re-activate the subscription off and on to stop and restart their 48-month long subscription period.
6. Existing Apple Music subscribers can migrate to the cheaper student tier if they qualify.
7. Apple Music's three-month service trial applies to the Student Subscription as well as the regular Individual Subscription.
8. Apple Music is available on Macs, iPhone, iPad, Apple Watches, Apple TV, and most non-apple devices, including Androids.

What Is the Purpose of the Product?

1. The purpose of the Apple Music Student Subscription is to give students a less expensive option for access to Apple Music.
2. The Student Subscription was launched in order to compete against Spotify in a young market, and specifically to compete with Spotify's student pricing, also \$4.99 a month.

Target audience: Demographics and Psychographics

The target audience for this advertisement is students of all genders ages 18 to 25, who care about getting the best music streaming service they can afford on a low to moderate budget. The

majority of the target audience are college students, but this advertisement is also targeting students who may be in trade school, graduate school, or another form of higher/technical education, under the age of 25. Nearly all of the target audience graduated high school.

The average age of the target demographic is 21.5 years old. These users are generally low to middle income, as they must be enrolled in school at least part time in order to qualify for the subscription. Although these students may be low income, they have enough spending money to want to pay for ad-free listening.

This target audience is somewhat technologically literate, and many of them are either iPhone owners, or are present or past owners of other Apple products. Members of the target audience care an average to above average amount about music and pop culture. They want a personalized music experience, and an expansive amount of song options. Special features matter to them, but not as much as the music selection on and usability of the platform.

Product benefits:

1. Apple Music can satisfy the needs of all music listeners who care about the quality of their music experience.
2. Apple Music allows users to personalize the way they experience music, through features like curated playlists, lyric search, and music shareability.
3. Apple Music's three-month free trial allows potential customers to get a taste of what they're paying for before committing to the streaming service.
4. The pricing of Apple Music's Student subscriptions is very competitive and offers a holistic and unique experience of media consumption to subscribers.
5. Apple Music offers simplicity and ease of use to users and is more compatible with Apple products than any other platform.

Direct competitors:

Spotify

- Spotify, a music + podcast streaming service, is Apple Music's #1 competitor.
- Spotify's student subscription is \$4.99 per month for students and includes Hulu with limited ads.
- The target age group has historically gravitated towards Spotify, and Spotify continues to beat out Apple Music in users 25 and under by a higher margin than other age groups.
- Spotify offers a free option with ads.
- The target audience is very aware of Spotify's reputation as the leading and most innovative music streaming service, however, they prefer the features provided by Apple Music, and prefer it's simple user interface and it's generally uncomplicated approach to music streaming.

YouTube Music:

- YouTube Music is free with ads. YouTube Music Premium, which is ad-free, costs \$10 per month for individuals, and YouTube Premium offers these services plus ad-free videos and original video content.
- A free three-month trial is available and discounts are available for students.

- The target demographic views this service as more cumbersome and busy, and less relevant in the music industry since it's geared towards heavy Google users.

Tidal:

- Tidal has many tiers. It starts at \$10 per month for standard audio quality; \$20 per month unlocks high-resolution audio. The student discount is for \$4.99 a month for standard audio quality.
- Although Tidal's features and exclusive content may be appealing to the target demographic, they also view Tidal as more niche and inaccessible, as it's content and interface are geared toward Music fanatics, and especially for hip-hop and R&B fans.

Indirect competitors:

Pandora

- The streaming radio feature is free with ads or \$5 per month without ads. For \$10 per month, you get ad-free streaming radio and access to an on-demand library. Discounts are available for students and members of the military.
- Pandora's maximum audio quality isn't as high as some of its competitors.
- The demographic of this ad prefers a more hands-on, personalized listening experience than Pandora offers. They would rather have their own music library than play radio station style playlists.

Product brand image:

This is what people currently think of your product

- Apple Music is one of the leading forces in music streaming, but still is not as innovative and relevant as Spotify
- We want users to view Apple Music as the leading and most relevant streaming service in music streaming.
- People should think that it's cool to have Apple Music, because it means they are more selective music listeners than the average person.

Strategic Message: The Promise

Apple Music's student subscription is the cheapest option for accessing a high quality, personalized media consumption experience.

Supporting Evidence: The Proof

- Statista confirms the dominance of Spotify on the younger generations: 33% of Spotify's monthly active users are 18-24-year old's, whereas only 17% of Apple Music's users are.
- Music Streaming services attempt to gain access to more customer groups by offering different pricing models such as student subscriptions (Marcos 6).
- The 18-25 age demographic is ripe for growth in user subscriptions on Apple Music. The student subscription price is a good incentive to get music listeners to convert to Apple Music.

- Apple Music is seen as second tier to Spotify in the streaming world. Apple needs to focus its brand on being perceived as innovative, high quality, and high value in order to attract a new, young user base.

Sources:

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