# ACQUISITION AND ENGAGEMENT FEATURE FOR AMAZON MUSIC

-DHRUVI MUNDRA

https://www.linkedin.com/in/dhruvimundra/

dhruvimundra2205@gmail.com

# PROBLEM STATEMENT

- You've joined Amazon as Head of Product for Amazon Music.

- Customer research has revealed that most of the Amazon Music subscribers are those whose primary intention was to purchase Prime Subscription for Amazon delivery and Prime Video, and have been using Amazon Music services just as an add-on.

- Every day, users prefer Spotify and Apple Music for their music services and feel Amazon Music lags miles behind its competitors

# STRUCTURE

- **Product Overview**
  - About the product
  - Different product offerings
- **Competitor Analysis**
- **User Personas**
- **Proposed Solutions**
  - Building a strong music community
  - Availability of concert and music videos
  - Private mode
  - Expanding availability of Amazon Unlimited Music
- **Success Metrics**
- **Prioritization of Features**
- **Go to Market Strategy**

music

# AMAZON MUSIC

**About the company**

- Amazon Music is a music streaming platform and online music store operated by Amazon.

- Amazon Music had 55 million subscribers worldwide in January 2020.

- Amazon Music has 3 tiers– Amazon Music Free, Amazon Music Prime and Amazon Music Unlimited.

- A user pays $14.99 / month to get Amazon Prime benefits which include shopping, OTT and Amazon Prime music benefits.

- In addition to 2 million songs, Amazon Prime users can stream over 15 million podcast episodes on the platform.

# COMPARISON BETWEEN THE TIERS OF AMAZON MUSIC

| Feature | Amazon Music Free | Amazon Music Prime | Amazon Music Unlimited |
|---|---|---|---|
| Price | Free | $14.99/month (Prime Subscription) | $8.99/month (for prime users) ; $9.99/ month (non-prime users) |
| Songs | Select music and playlists | 2 million | 90 million |
| Offline downloads | ❌ | ✅ | ✅ |
| Sound Quality | SD only | SD only | SD, HD, Ultra HD, and Spatial Audio |
| Ad- free | ❌ | ✅ | ✅ |
| Number of countries | 27 | 12 | 49 |

Note: For parity in comparison, membership fees are in USD

# AMAZON PRIME MUSIC SWOT ANALYSIS

**S**

**STRENGTHS**

1) Ad free experience at no additional cost, if prime member
2) Strong trust on the Amazon brand
3) Good music quality

**W**

**WEAKNESSES**

1) Limited songs availability
2) Limited to a few countries alone
3) Different offerings in different countries

**O**

**OPPORTUNITIES**

1) Expanding music library in all countries
2) New features to set the platform apart
3) Charge subscription fee for larger music library

**T**

**THREATS**

1) Competitors available in most countries
2) Competitors have 80 million+ song offerings
3) Loyal users of competitors

# COMPETITOR ANALYSIS

| Feature | Amazon Prime Music | Spotify Premium | Apple Music |
|---|---|---|---|
| Price | $14.99/month (Prime subscription) | $9.99/month | $9.99/month |
| Market Share (Global) | 13% | 32% | 16% |
| Songs | 2 million | 82 million | 90 million |
| Sound Quality | SD only | 320kbit/s | 24-bit/192 kHz |
| Free Version | ✅ | ✅ | ❌ |
| Countries | 12 | 180 | 167 |

Note: Only Amazon Prime Music tier has been considered

# USER PERSONAS

## Persona 1
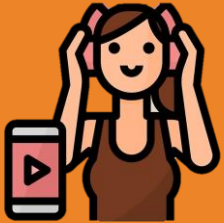
Kat, the music geek

## Behaviour

- Listens to music every day
- Elevated and international music knowledge
- Attends concerts frequently
- Designated DJs of parties

## Persona 11

Dan, wants to learns about global music

## Behaviour

- Notices fellow athletes listening to international songs
- Searching online to expand music knowledge

## Demographic

- 24 years old
- Lives in New York City
- Works at an MNC

## Needs and Goals

- Wants a myriad of high quality song tracks
- Build a close knit community of music lovers
- Wants personalised playlist recommendations

## Demographic

- 30 years old
- Lives in Kanpur
- Athlete

## Needs and Goals

- Easy ways to venture into international music
- Wants to know why certain songs are popular in different cultures

music

# USER PERSONAS

## Persona III

Rob, Taylor Swift fan

## Behaviour

- Listens to all Taylor Swift songs
- Attends Taylor Swift fan meet ups
- Watches concert videos online

## Persona IV

Anjali, Social Media Influencer

## Behaviour

- Makes reels on trending Instagram songs
- Vlog's about her day online
- Has a strong Instagram following

## Demographic

- 21 years old
- Lives in Johannesburg
- Student

## Needs and Goals

- Wants to find fellow Swifties in the city and connect with them
- Wants to stay up to date about new releases by Taylor
- Discuss Taylor's music with dedicated fans

## Demographic

- 17 years old
- Lives in Sydney
- Student

## Needs and Goals

- Wants to find current trendy songs across social medias
- Easy ways to update followers about her mood and day

# PROPOSED SOLUTIONS

- Build a strong community of music lovers
- Make concert and music videos available
- Create a Private Mode
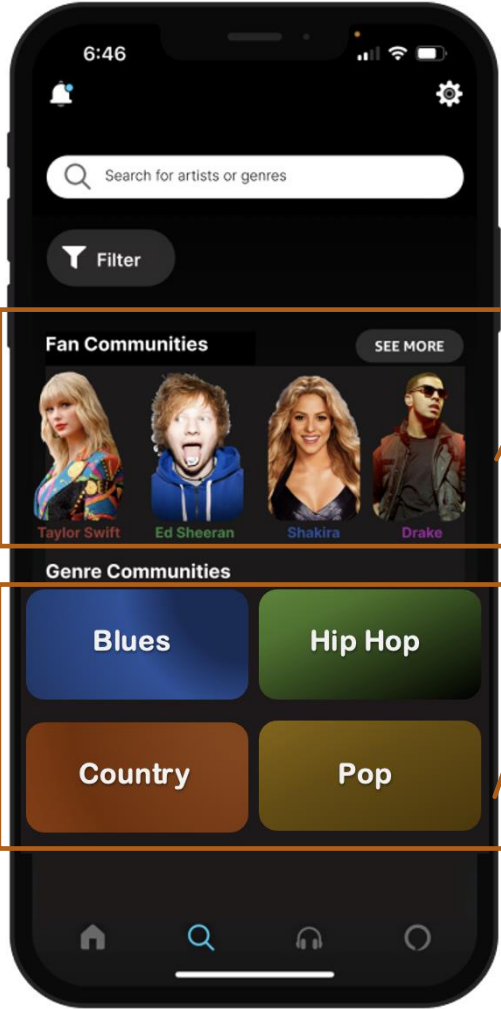
music

# FEATURE 1: STRONG MUSIC COMMUNITY

- Amazon Prime Music will have a feature to help avid music lovers join communities of their choice. Communities will be organized on the basis of city, country, artist and genre.

- Enthusiasts can post updates about music meet-ups on the bulletin boards of these community groups.

- The community can live-stream songs together while chatting about the song on the group.

Benefits

- Go to place for music lovers of all kinds.

- Ability to build a strong community with like minded individuals.

- Users will have access to a lot of information about the music world and their favourite artists.

- Strong edge over competitors in the music space.
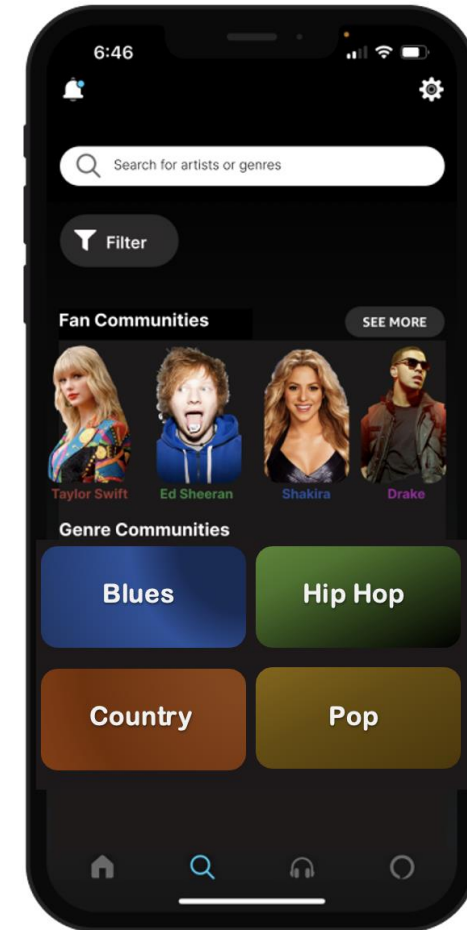
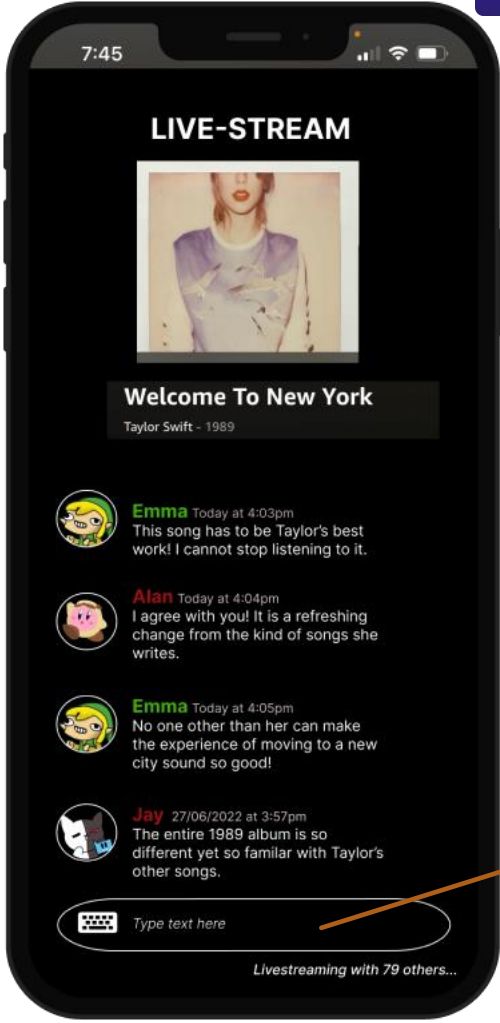# FEATURE 1: STRONG MUSIC COMMUNITY (CONTD.)



Search for fan communities

Or search by genres

Enter a post on the bulletin board

Live-stream with the community

Stay updated about any posts on this community

Chat in real time with fellow fans

# FEATURE II : STREAMING CONCERT VIDEOS AND MUSIC VIDEOS ON APP

- Amazon Prime Music and Prime Video could be integrated to include official music videos of songs on it's platform.

- Amazon could also stream high quality concert videos of artists on the music app. Since international artists do not perform in every city and country, getting a feel of live performance of good sound quality would be a magical music experience.
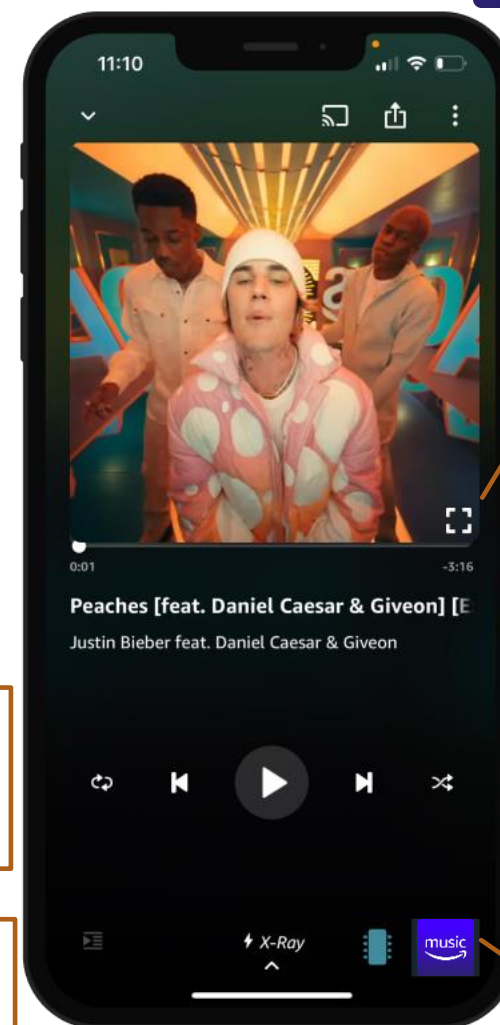
## Benefits

- Users will experience an enhanced music journey on the app.

- One stop for all music related content.
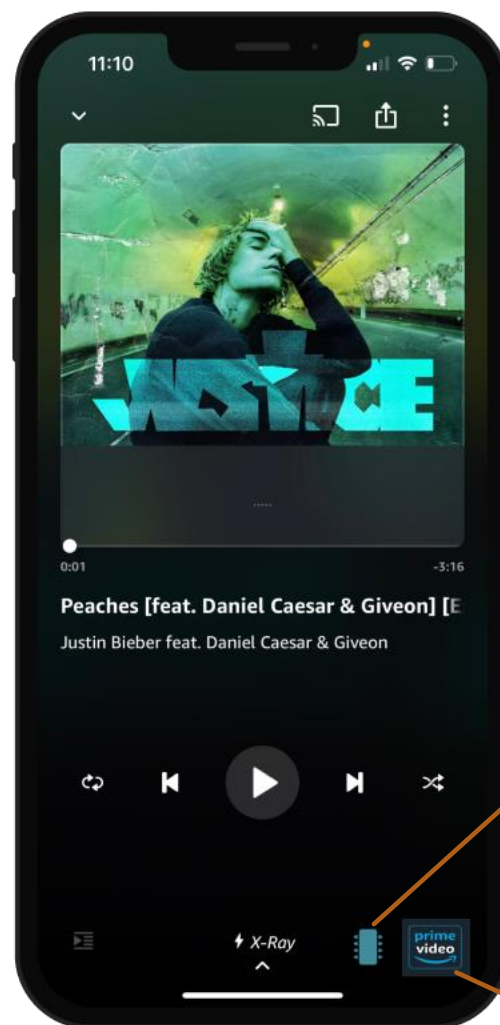
View in full screen

This icon will show up if any Justin Bieber concert videos are available

When this button is clicked, the music cover is replaced with song video

Go back to music

# FEATURE III : PRIVATE MODE

- App generated song and playlist recommendations is a very important factor for most music listeners.

- Many a times, users are in a different mood and want to listen to songs which are different from their usual music choice.

- Because of streaming such songs, the song recommendations get affected.

- Private Mode will allow users to listen to songs without affecting the song recommendations given by the app.

- When users switch on the private mode, their song history will not be saved. This will ensure that the analytics used by the app is not infiltrated with sudden genre changes of the user.
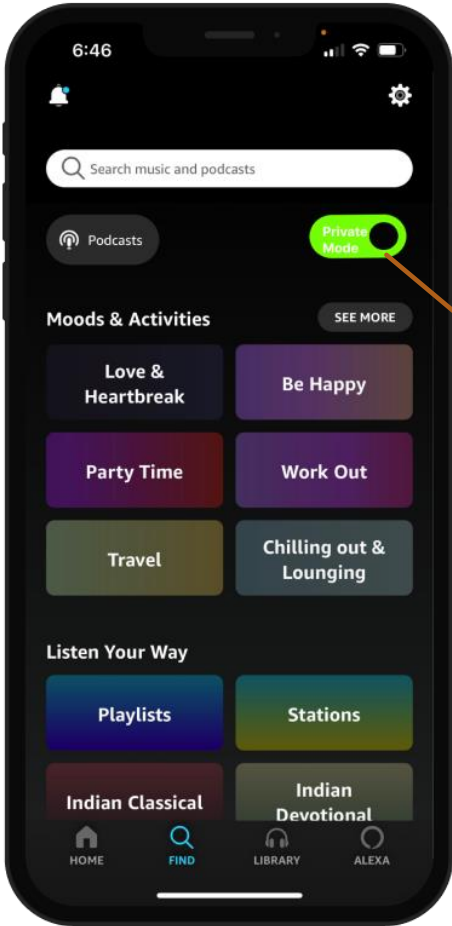
Benefits

- Users will be able to go back and forth between different genres without the fear of losing good recommendations.

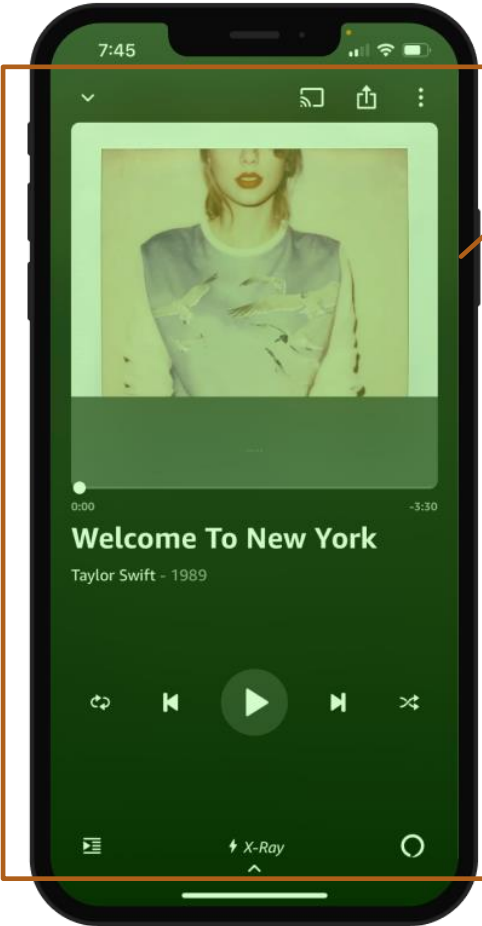- Curated playlists based on user's search history will be more enhanced and accurate.

# FEATURE III : PRIVATE MODE (CONTD.)
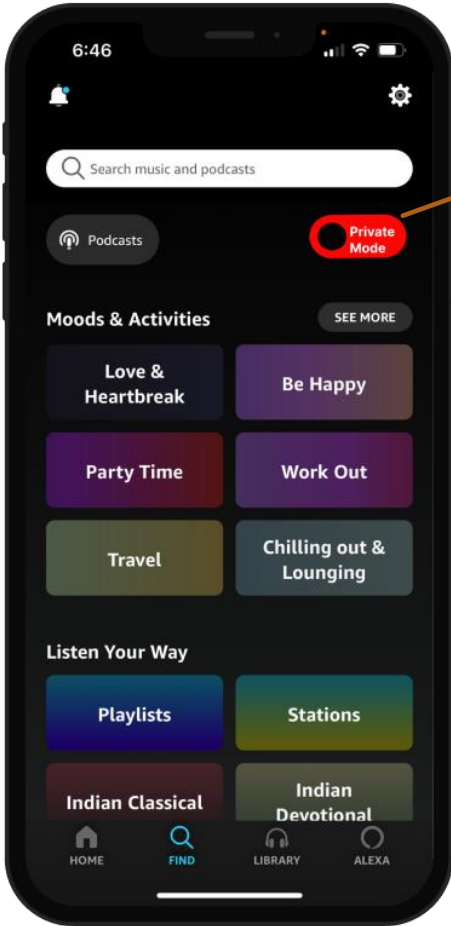


Private mode switched off

Private mode switched on

Songs streamed on private mode turn the screen green for easy identification

# SUGGESTION: BRING AMAZON PRIME UNLIMITED TO OTHER COUNTRIES

- A major concern with most prime music listeners is the lack of songs on the app.

- Amazon Prime Unlimited has a collection of 90 million songs in high sound quality. However, at present, it is only available in 49 countries.

- It is a paid subscription which is comparable in rates to its competitors.

- Spotify has 43% paid subscribers. Apple Music, which is only a paid app, has around 100 million users. This is an indication that customers are willing to pay a subscription fee if they get a larger song base in high sound quality.

## Benefits

- More people adopting Amazon as their preferred music app.

- More revenue from paid subscription.

| Music App | Song Base |
|---|---|
| Amazon Prime Music | 2 million |
| Spotify | 82 million |
| Apple Music | 90 million |

### Spotify User Base

43%

57%

- Free Users  - Paid Users
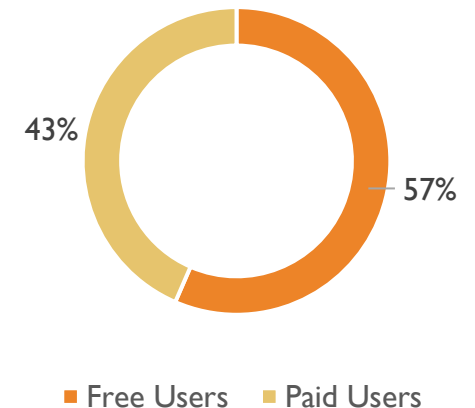
# SUCCESS METRICS

## Music Community

- % of existing users joining the communities
- Number of new users on the app
- % of new users joining communities within a week of joining the app
- % of time spent on community groups out of total time on app
- Number of posts on the bulletin boards
- Engagement with posts

## Concert and Music Videos

- % of existing users clicking on the video and concert buttons
- Number of new users on the app
- % of new users clicking on the video and concert buttons within a week of joining
- Amount of time spent watching music and concert videos out of the total time on app

## Private Mode

- Number of songs being streamed on private mode
- Frequency of shifting to private mode
- % increase in listening to suggested playlists
- Number of songs added from suggested playlist to "my music"

# PRIORITIZATION OF FEATURES – RICE FRAMEWORK

| Feature | Reach | Impact | Confidence | Effort | Score |
|---|---|---|---|---|---|
| Music Community | 9.5 | 10 | 10 | 9 | 105.56 |
| Concert and Music videos | 9.5 | 9.5 | 9 | 10 | 81.23 |
| Private Mode | 9 | 9 | 8 | 7 | 92.57 |

$$RICE\ SCORE = \frac{Reach * Impact * Confidence}{Effort}$$

Based on the above RICE Matrix, we believe that Feature 1 : Music Community should be the first feature to be rolled out in short term. The remaining features can be added in a phased manner over a period of time.

# GO TO MARKET STRATEGY

## Advertising

- Run ads on Amazon Shopping and Amazon Prime Video
- Show ads on youtube music videos
- Run social media and traditional ads
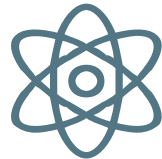
## Student Discount

- Since students form a major chunk of our music users, attractive student discounts on Prime Membership will increase users

## Prime Bundle

- With shopping of $200 on Amazon Shopping, give one year access to Amazon Music Unlimited (where available)

## Social Media Trend

- Collaborate with social media influencers. Ask them to share their favourite music community groups and how they plan to contribute to these on their social media handles.

# THANK YOU

DHRUVI MUNDRA

dhruvimundra2205@gmail.com