



**Proprietary Audience Development au-  
dit for an independent record label: case  
Top Billin Music**

Tatu Äikäs

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Business

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**ABSTRACT**

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The purpose of this thesis was to examine the importance of strategic development of audience as a part of modern marketing plan. In order to examine the subject, a new marketing concept of proprietary audience development was chosen as the theoretical structure for the thesis. The goal of the thesis was to apply this theory in the field of music business by auditing current online marketing actions of a small independent record label, in order to come up with a functional proprietary audience plan to be a part of the company's marketing plan.

This study was carried out as a commissioned project by the request of Top Billin Music's CEO Heikki Vaht in order to find new solutions to increase the slowed down growth of Top Billin Music's audience channels. As the text is primarily focused on describing the phenomenon and its characteristics, a descriptive research approach was chosen. The research used case study method in order to have an in-depth knowledge about online marketing actions of the company. A secondary data was used in order to complete this research, which was gathered from different Top Billin Music's analytics tools as well as thorough observation of company's online channels. Background information about the company, and their marketing activities were collected from an interview with the label manager and the marketing manager of the company. Secondary data was also collected from specific studies, e-journals and statistics relating to modern online marketing in order to provide a benchmark for the results.

The key findings of the research were that the main problem causing the slowed down growth of Top Billin Music's audience was a combination of different factors. The major issue causing decreasing rate of audience growth was found out to be the low average engagement rate between Top Billin Music and their audience.

Key words: proprietary audience development, marketing, social media, audience

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## GLOSSARY

**Video embedding** – A viewable video screen located on other site than the host site

**Promotional content** - type of content, in which the company is requesting the audience to take part in action that the company proposes. (i.e. Promotion of release, promotion of event, discount on products.)

**Owned content** – Content owned by the company produced for the sake of entertaining or educating. (i.e. Top Billin Music’s artist interviews)

**Curated content** - Third party produced content, which is shared to educate or entertain the audience. This content is not directly related to the company, however it should be related to the interests of company or advance brand building.

## 1. INTRODUCTION

The purpose of this thesis is to investigate the importance of strategic audience development as an important part of modern marketing strategy and to apply this knowledge by using case study research method. The goal of the thesis is to audit the audience building efforts of a small independent record company in order to come up with a functional plan to sustainably grow and develop their audience.

Due to increasing flow of information and the popularity of social media channels, the field of marketing has changed drastically in the past few years. People are switching from television sets, radios and newspapers to computers, tablets and mobile phones. The creation of content has been democratized and it is not anymore only in the hands of big media houses and governments. From the marketing point of view this has not only led to the change of marketing channels, and the ways of how consumer's attention is captured, but to change the whole consumer experience around the products and services.

As Seth Godin explains in his book *Permission marketing* (1999, 46-48) this paradigm shift has led to a change in marketing practices as the traditional marketing tactics have grown to be more and more ineffective. In the audience driven industries such as music industry, entering the new technological age has been especially hard as it has changed the whole industry structure and revenue models. These changes have also forced marketers to think of alternative ways of attracting customers and to think differently about the whole marketing process.

In this thesis, the case company's success in acquiring, developing and retaining audience, will be measured and analysed. This process can be also called a proprietary audience development audit. Based on this information a functional proprietary audience development plan will be created for the case company Top Billin Music.

Top Billin Music (TBM) (<http://www.topbillinmusic.com>) is a Finnish independent record company releasing various forms of electronic club music. The company was established in 2006 by a group of Finnish Dj:s. Nowadays TBM operates from Berlin, Germany primarily releasing online digital music from artists around the world. Top Billin Music is a Dj-oriented record label, meaning that primary focus is on releasing

music for the use of Dj's. However the company seeks increasing possibilities to target their music more towards to the average consumer in the future.

For music industry the importance of audience is easy to understand, as bigger audience means more listeners. However, the sheer size of audience is not enough anymore as the music industry has been going through major changes. Formerly stable way of promoting, distributing and producing media has altered drastically by technology and it seems that more listeners doesn't necessarily mean more revenue anymore (Rohrs 2014, 9-11). Due to this fact in order to earn revenue with music the audience needs to be kept engaged to the brand. In order to build this relationship the audience development actions has to be strategically planned as in modern information age this strategy has to be executed 24 hours a day in multiple communication channels at the same time.

To this day Top Billin Music has been able to steadily grow the audience. However as the amount of communication channels have grown, the audience has become more fragmented to different channels and platforms. This has created a need for an updated strategy for a more holistic approach to effectively grow their online audience. In order to develop the plan this thesis will investigate TBM's current online marketing activities.

## **2. THEORETICAL BACKGROUND**

In the modern music industry the biggest competitive advantage is to know who is listening to the music and to communicate with the audience directly (Passman 2010, 46). Keeping this in mind, the main goal for music industry marketing is to create long lasting audience and to build lasting relationships with its members. For this reason concept of Proprietary audience development has been chosen to be the backbone of this thesis. It is a combination of modern marketing theories, which aim for direct, open and meaningful interaction between the company and it's followers.

As proprietary audience development is a theory evolved from older marketing theories, one has to examine the theoretical concepts behind it to fully understand it. For this reason, the following concepts will be presented in next chapters to form the theoretical framework for the thesis: the basics of marketing, relationship marketing, direct marketing, permission marketing, content marketing and the theory of Proprietary Audience Development. In addition to these concepts, the theory of internet communication patterns, different communication channels and the elements of Proprietary Audience Development audit.

### **2.1 Modern Music industry**

In order to understand the thesis and its results fully, one must understand the market that the theory is applied to. Music business by a broad definition exists to support the creation of musical works for commercial exploitation. Musical creations are protected by copyrights and selling, trading and protecting these rights are an important part of the music business (Barrow & Newby 1994, 13). Music business with its uncertain and fast evolving nature has enough theoretical content for several theses but due to the limits of the thesis, this theoretical background chapter will only cover the modern situation of music industry.

The music industry has been under a long period of transformation and it seems that most of the industry experts are not really sure to which direction it is heading. To understand the core idea of the thesis; the importance of the audience, it is necessary to understand where the music industry has been, where is it now and where is it going.



In 2003 it was predicted by Gerd Leonhard among other industry specialists that massive changes are about to take place in music industry due to the increasing access to technology and information. Leonhard had eight predictions: 1.) Pricing of music will change towards more service oriented direction, which would be shown by the change in the form of collecting revenue from musical works: music would be paid by the amount of access, not by songs or albums. 2) Price of music will go down and consumption of music will go up. 3) Music will become a part of everything due to the increase of audiovisual platforms. 4) Owning music becomes meaningless as the access to the music means everything. 5) Physical music products become obsolete as people can access music everywhere due to Wi-Fi and data connectivity. 6) Artists directly promote themselves to the audience due to rise of social platforms. 7) Position of copyright societies will weaken, when administrative tasks can be done more effectively by using automated systems. 8) Mobile services will gain popularity and open up a whole new platform for music licensing and publishing (Leonhard 2003, 15).

These predictions describe the modern state of music industry perfectly. It is especially important to understand how this affects the marketing of music. As access replaces the ownership the power transfers to the consumers. An industry that used to be completely dictated and controlled by the biggest recording companies has transformed into one controlled by consumers (Leonhard 2007, 18).

This shift of control has led to a situation of highly fragmented revenue streams caused by increasing amount of different music services offered to satisfy the needs of consumers. Now consumers have better access to more music than they have ever had, leaving record labels and musicians fighting for consumers limited attention. This is the reason why the of generating a steady revenue stream depends on how well a record company or artist can gain exposure, get attention and create a community, meaning that everyone who wants to be succesfull has to know how to brand and market themselves perfectly (Leonhard 2007, 23).

Leonhard's predictions and statements can be seen to come true looking at Figures 3,4 and 5, which show the evolution of music industry revenue streams in the past 20 years.

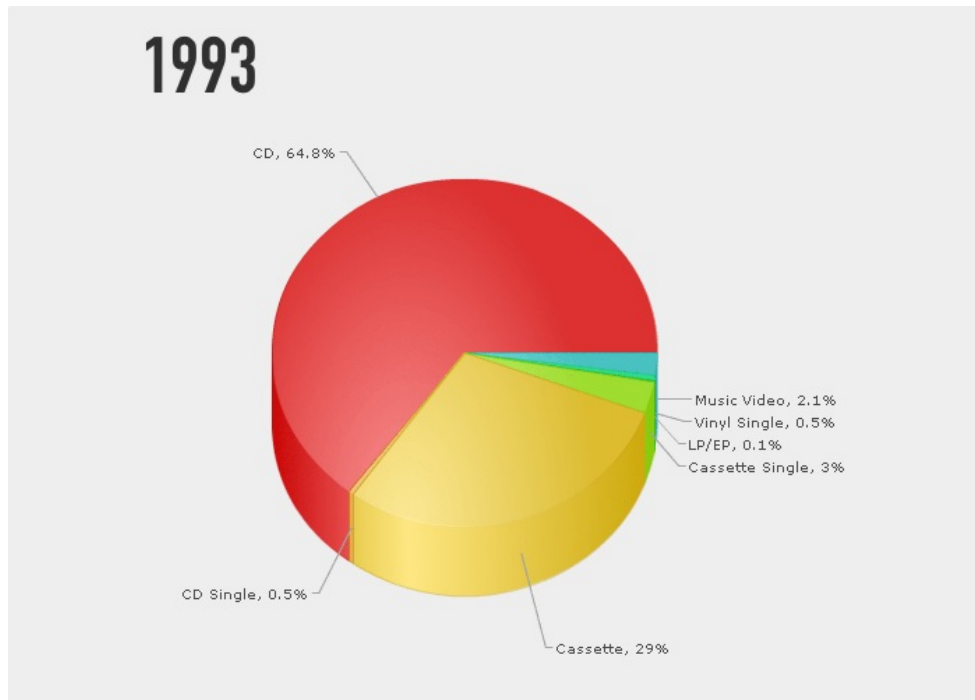


Figure 1. Music industry revenue streams in 1993 in US based recordings(Digital music news 2014)

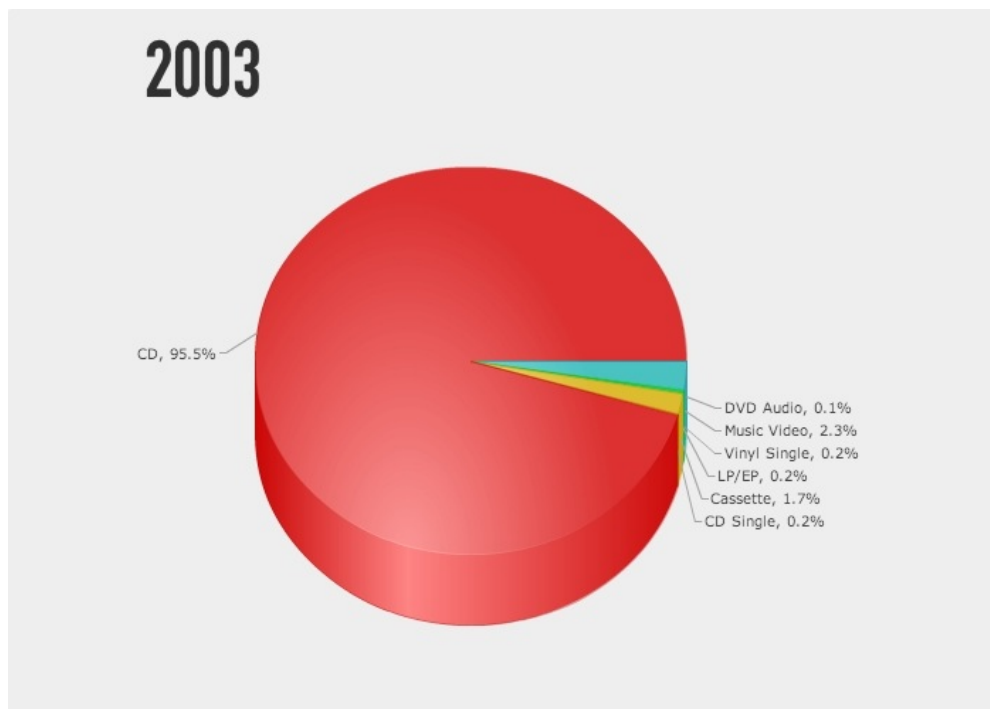


Figure 2. Music industry revenue streams in 2003 in US based recordings (Digital music news 2014)

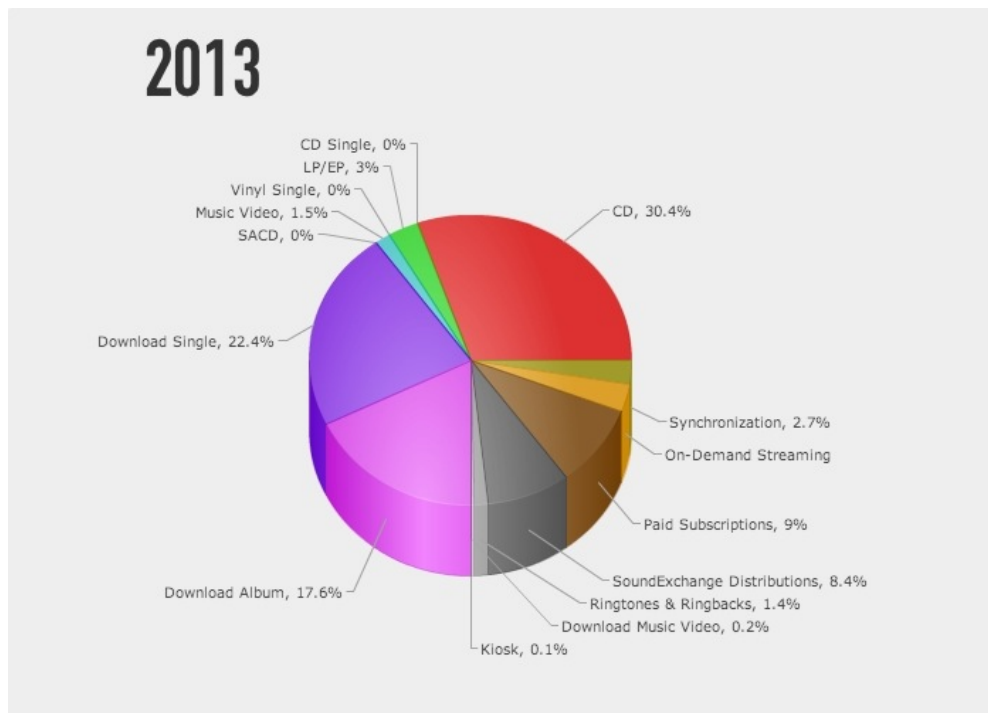


Figure 3. Music industry revenue streams in 2013 in US based recordings (Digital Music news 2014)

## 2.2 Marketing

Marketing is a process, which aims to satisfy the needs and wants of the consumer, and by doing this create demand for a product or service. The main goal of marketing is to convince that the offer presented to the potential customer is better than anybody else's and by doing this to create a competitive advantage against the rivals (Burnett 2008, 1-2).

One of the most commonly used definitions is the following definition by Dr. Philip Kotler (Kotler Marketing 2012) "Marketing is the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services."

Marketing is often confused with selling and advertising. It is important to understand that these concepts are a part of marketing processes not the definition of it. The key of modern marketing is to understand customer needs and create a sustainable and profitable relationship for both parties. A this type of relationship based customer driven marketing process is explained in Figure 4 In modern world the amount of marketing messages makes it impossible to only compete with marketing strategies based on mere exposure or the quantity of marketing messages (Kotler & Armstrong 2012, 5).



Figure 4. A simple model of marketing process adapted by Kotler & Armstrong (2012, 5)

### 2.3 Relationship marketing

Relationship marketing is a marketing concept, which concentrates on building profitable long term customer relationship between the brand and the customer, instead of focusing only on the point of sale. Grönroos (1994, 9) defines the concept in a following matter: "Marketing is to establish, maintain and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is achieved by a mutual exchange and fullfilment of promises."

The idea of relationship marketing is to create new value and share it with customers, distributors, stakeholders, distribution channels, intermediaries and shareholders. It is a holistic approach to marketing, where the only goal is not the event of making a sale. Relationship marketing recognises the lifetime value of the customer and the value of the product is not defined by the company, who is making the product but by the customer acquiring it. This is the reason why in relationship marketing businesses build their

processes to support interaction between the company and the customer and seek for continuous co-operation between the buyers and the sellers (Egan 2011, 38).

Relationship marketing lays the ground work for strategic audience development as it acknowledges the importance of the two-way communicative relationship between the seller and the buyer. It also emphasizes the fact that modern audiences cannot be looked at as a passive crowd, which can be bombarded with marketing messages but as an integral part of the development of a product or a service.

## **2.4 Direct Marketing**

Direct marketing is a marketing communication method which allows business organization to directly connect with the consumer often but not always in an interactive manner. To tailor the offers to individuals and targeted segments direct marketing often uses detailed databases and different data collection methods. (Armstrong & Kotler 2012, 496) The basics of direct marketing include, a development of database, personalisation according to the data, strategic customer relationships, measurements of the final results and use of them in the future (Harridge-March 2010, 3).

There are a variety of different kinds of direct marketing methods, such as face to face selling, direct-mail marketing, catalog marketing, telemarketing, direct-response television marketing, kiosk marketing, marketing through new digital technologies and online marketing (Kotler & Armstrong 2012, 496).

Direct marketing is a relevant tool in modern marketing because of the technological advances in online technology has made it cheap to execute. Online direct marketing is at the moment the fastest growing marketing method as it offers a faster, cheaper, more efficient way of handling all aspects of business processes. It also offers great flexibility and access to larger niche audiences (Armstrong & Kotler 2012, 497).

What makes direct marketing relevant to the thesis is the online direct marketing through social media websites and email as it possesses the ability of building relationships with large target audiences in a personalised manner. It offers a possibility for exchange of views between the customer and the company. However it also means that

the customers need to be engaged in the process. If there is no engagement by the customer, direct marketing is useless.

## 2.5 Modern marketing communications model

In the modern digital age almost everybody has the same access to information and the same possibility to compare prices, give feedback and share their experiences online. The role of the consumers have switched from passive listeners to engaged specialists. As markets have changed and become more fragmented, the market communication strategies have changed also. Preferred marketing communications have moved from the mass media advertisement towards to more personal and direct approaches designed to create relationships with the customers (Kotler & Armstrong 2012, 409).

The traditional communication model (figure 6.) describes the simplest form of two-way communication. In this model, the sender creates a message, which is interpreted by the receiver if the message gets through of the noise created by other messages. After the message has been received, the receiver sends possible feedback, which is then interpreted by the sender and uses this information in future messages.

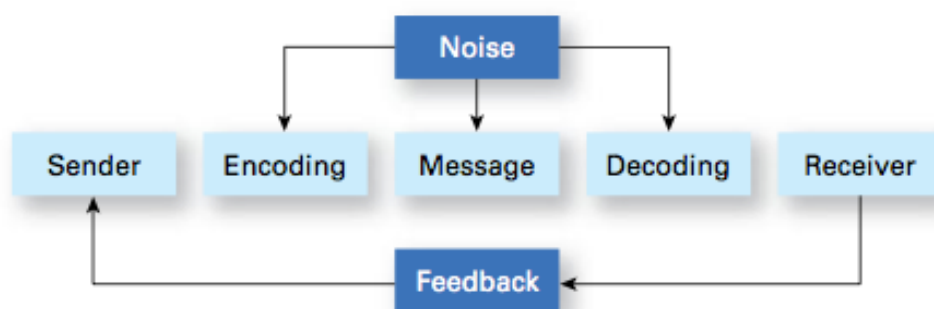


Figure 6. Smith & ZeZook (2012, 124) describe the traditional communication model (Based on Schramm's model (1955))

The traditional model only represents communication between two parties. Modern communications model of the internet is not as linear as the old model. Figure 7 shows that it is a web of interconnected parties, which can send and receive messages from the original sender, other receivers or opinion leaders. These opinion leaders can also be called amplifiers for the reason of that these people do not only receive information,

they spread that information onwards to others. By spreading the message, these amplifiers extend the reach of the original message to wider audience. Due to the Internet everyone can become an amplifier by sharing content provided by someone else. This makes the modern communication model an elaborate web of interactions. In this web the discussions happen between consumers and the opinion leaders, brand of the company being the topic of the discussion. The company acts as a facilitator for these discussions and provides these conversation topics. The company's role is to listen and to engage to the topic to increase the bond between the consumers and the company. However it needs to be understood that even if the company can facilitate topics, it cannot control their progress. This also applies for the topics that are brought up by consumers. Due to this lack of control brand messages sent in the Internet need to be considered thoroughly as the negative responses spread as fast and uncontrollably as the positive ones (Smith & ZeZook 2012, 127-129).

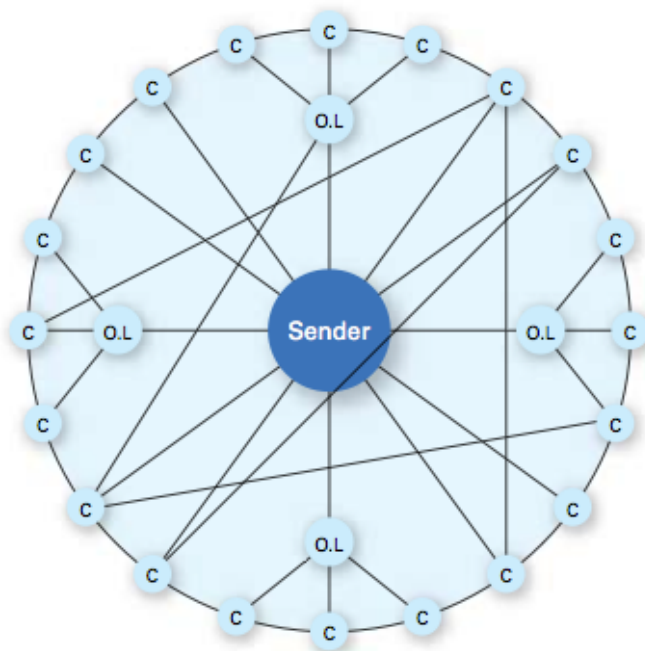


Figure 7. Advanced web communications model (Smith & ZeZook, 124)

## 2.5 Permission marketing

Permission marketing is a marketing concept introduced by Seth Godin in 1999 in his book *Permission marketing*. It is based on the premise that people are receiving increasing amounts of information in everyday life, which makes it impossible to pay attention to all of the marketing messages received. In order to gain the attention and cut

through the clutter of messages, a permission needs to be asked from the consumers in order to gain their full attention and deliver a message to people effectively. It is marketing method, which is based on scarcity of attention and time (Godin 1999, 29-35).

Godin explains that traditional interruption marketing such as mass advertising in tv and newspapers are based on finite amount of attention. However with the increasing amount of information, it becomes less cost efficient and more difficult to gain and keep the attention of the target audience. Permission marketing suggests that building a relationship with the customer and asking a permission to send messages, which are anticipated, personal and relevant, make the whole marketing process more efficient and effective to both of the parties (Godin 1999, 59-63).

Permission marketing is based on giving incentives to the customer instead of selling to them directly. The incentive can be pretty much anything that attracts the attention of the target audience. The idea is to turn strangers in to prospective customers and let them choose, if they are interested to communicate with the company. When the attention has been gained, the opportunity is to used to teach about the product/service or to enforce the brand of the company. By providing educational, useful or entertaining content and delivering it at the will of the consumer a natural inbound traffic towards the company is created. Over the time permission granted by the customer develops in to a relationship with the company and allows the company to capitalize on this inbound traffic (Godin 1999, 59-63).

## **2.6 Content marketing**

Content marketing as a marketing strategy is not a new one. It has been around for ages and had several other names to describe, such as: branded media, inbound marketing, branded content and many other names. Content marketing has been around since 1880's, when John Deere published their own magazine: Furrow. It contained no promotional messages, as it was meant to help and educate the farmers and therefore help them to become more successful. One of the most famous content marketing campaigns has been the Michelin guide, which helped the drivers to fix their cars and find good places to eat and sleep. Nowadays reference in the Michelin guide is one of the greatest honors of the restaurant industry. Another good example comes from 1930's, when



P&G started to produce a series of radio series featuring their own items in them. This can be seen as the beginning of the soap opera (Pulizzi 2014, 47-49).

Joe Pulizzi describes content marketing in his book *Epic Content Marketing; How to tell a different story, break through the clutter, and win more customers by marketing less* in a following matter: *"Content marketing is the marketing and business process for creating and distributing valuable and compelling content to attract, acquire, and engage a clearly defined and understood target audience—with the objective of driving profitable customer action."* The idea of content marketing is capture the attention of the customers by providing interesting, entertaining or otherwise capturing information to them. It is communication without selling or promoting (Pulizzi 2014, 31-34).

Content marketing has become more and more relevant in modern marketing for various of reasons. Development of technology has made publishing of content easy and accessible to everyone, whereas it used to be an extremely challenging and expensive task to execute. In modern world everything is accessible and easy to publish and follow online. In addition to this people expect brands to entertain and inform them. With all the marketing messages people receive daily, good content always cuts through the clutter and helps to gain the attention of consumers (Pulizzi 2014, 60-62).

One of the good reasons for the new rise of content marketing is social media. It is often misunderstood that content marketing means social media marketing. Instead of this it is a more symbiotic relationship. Social media is a good way to publish and spread the content, however without meaningful content social media is useless for a business. In addition to this, modern search-engine optimization has become nearly impossible without creating meaningful content as google and other search engines are moving away from using metatags, links and keywords as a ranking method, towards calculating the amount of reliable content in website and how much it has been shared. (Pulizzi 2014, 60-62).

The importance of content marketing applies to music industry as much as any other field of business. With technology making it possible for anybody produce and publish their music online, the sheer amount of music has grown so much, that everybody is fighting for the attention of the audience. This is one of the reasons why Record Companies remind more and more of media houses, creating video content, merchandise,

organising events and providing whatever interesting content possible to the audience.

## **2.8 Proprietary Audience Development**

Rohrs (2014, 10) defines the concept of proprietary audience development (PAD) in his book Audience to be "a comprehensive, collaborative and cross channel effort to build audiences that your company alone can access." It is a fairly new concept and a combination of above mentioned theories. The term was first used by J.K Rohr in his blog in October 2013 (Rohr 2013). The concept of proprietary audience development is based on the premise that the audience of a brand are neither owned by anyone nor bought by anyone as people make the decision of whether they join, leave or ignore the company. With modern tools people can become subscribers, followers or fans online and by doing this they are giving the company a primary access to them and their attention. which is the reason why the audience can be considered proprietary but not owned. (Rohrs 2014, 10,14-15).

Proprietary audience development is a concept which notices the audience as an real and tangible asset to every company. The main idea of this concept is to build audiences which are only accessible by one's company rather than use the online marketing channels purely as an advertising space. Building a lasting relationship with the audience helps target the marketing messages more precisely, reach customers at a lower cost, create sales via inbound marketing and helps to optimize the budget between the earned, owned and paid media (Rohrs 2014, 10).

Concept of proprietary audience development suggests that in order to build audience effectively company's owned, earned and paid media must be in proper balance. Figure 8 illustrates what these medias include.

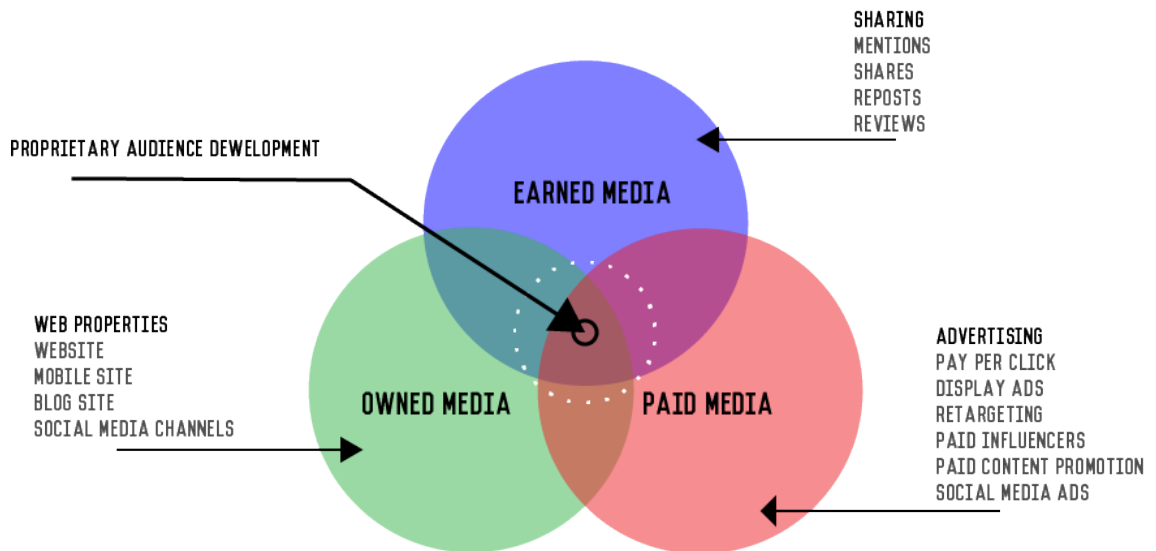


Figure 8. Paid, owned and earned media explained. (Machin 2014, modified)

### 2.8.1 Seekers, Amplifiers and Joiners

As it is important to understand the distinction between the different types of media, it is equally important to understand the behavior and the differences between these audience groups. To be able to efficiently grow the audience one must be able to target all these segments. (Rohrs 2014, 26)

**Seekers** are consumers searching for entertainment or information. These people are seeking to find fulfillment to a need that they have. According to Rohrs (2014, 27) this group comprises of such people as browsers, listeners, readers, searchers, shoppers, viewers, visitors and prospects. Their personal interest drive them and the way to gain their attention is to provide meaningful content and increase the possibility of its discovery by making it as visible as possible. This can be done through planned search engine optimization and content marketing. Seekers are not part of the proprietary audience, however they can become part of the audience, once their attention gets focused towards one's paid, earned or owned media content. It is also important to understand that seekers are the ones who takes the initiative towards the company, not the other way around. As most of the times, seekers are only looking for an instant fulfillment of needs, their membership in the audience lasts as long as they are interested in the content provided (Rohrs 2014, 26-30).

**Amplifiers** are driven by different needs than seekers, most of the time actions of amplifiers are based on the need of social recognition instead of need for entertainment or education. Amplifiers most of the time have their own audiences, which they wish to inform (Rohrs 2014, 33). The reason why amplifiers are an important target audience group is that by sharing the messages they raise the reach and volume of the message. Increasing the possibility of a seeker seeing the message. Amplifiers are the reason why content "goes viral" in the internet. They share by their own rules and mostly to inform or entertain. This group includes reporters, reviewers, sharers, influencers, user generated content creators (i.e. instagram, youtube), commenters, analysts and advocates (Rohr 2014, 35-36).

Amplifiers however are not only a group of helpful advertisers as they can spread negative messages as fast as the positive once. Amplifiers can encourage others to join the audience, but they also can encourage to leave the audience (Rohr 2014, 37).

**Joiners** are the last audience group. It is arguably the most important audience group as they grant the permission to contact them directly and individually. By these means one can harvest personal data from them and use it to improve the quality of communication. Joiners are the people who follow the company action, buy the products, subscribe to services, follow the company and most importantly for music business, build the fan-base, who will pay for the music (Rohr 2014, 38).

Joiners can be divided to three different categories. These categories are **Subscribers**, **Fans** and **Followers**. The simplified distinction between these three can be explained in a following manner. **Subscribers** follow for the sake of convenience as they want the information provided to them in the most convenient way possible. **Fans** want to show their passion toward the one they follow as well as share it with others. **Followers** main goal is to seek for information that is readily curated for their taste (Rohr 2014, 42-52).

### **2.8.2 The goal of proprietary audience development**

There are three main objectives to measure the success of the audience development. These measures are the size and the level of engagement of the audience as well as the monetary value of the customer.

**The size** comprises of the relative size, which means the size of the audience compared to closest competitors, the size of the data that can be collected from the audience and the total reach of the marketing messages, meaning the amount of people that see the message sent. **Engagement** between audience is measured by counting the interactions between the company and the audience. These interactions can be somebody liking, sharing or commenting on the content that has been released. **Value** of the customer means the amount of conversions achieved from the audience. Simply put it means how much money does the company gain out of the audience (Rohr 2014, 85).

### **2.8.3 Proprietary audience development audit**

”Those who do not remember the past are doomed to repeat it” is a famous saying, which explains the importance and the essence of a audit. The internal auditing institute defines auditing as following (Definition of internal auditing 2013): ” Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.”

When applied to the case of Proprietary audience development it is a process of researching and documenting the company’s current action in order to improve them. PAD audit includes the investigation of Paid, Owned and Earned media, the inspection of the audience channels by measuring the size, level of engagement and the value (if possible) of the channels. In addition to this other tools such as automated tools and analytics are evaluated. The goal of proprietary audience development audit is to map and align the current situation of the company in order to optimize the processes in future strategy (Rohr 2014, 184-185, 192).

### **2.9 Owned media channels**

The variety of channels used to communicate with the audience are always different depending on the company. Different channels have different strenghts and weaknesses and the choice of the channels will vary, based on the marketing objectives, brand strategy and the amount of staff or the industry one works in. As it is unnecessary to explain all of the possible channels, only the channels that Top Billin Music uses or those

of which could be proven useful for Top Billin Music are discussed in the following sub-chapters (Rohrs 2014, 101).

### **2.9.1 Opt-in email**

When a person gives the permission to send commercial messages using email it is called optioning in to the company's email list. Email was established in the early 1980's and still to this day has survived to be one of the most effective ways of communicating with customers. Permission based emailing has the highest ROI of any direct messaging channel. As email has a long history, it is considered as a standard even amongst the younger generations, which makes subscription based email one of the most effective ways of communicating (Rohrs 2014, 113).

### **2.9.2 Facebook**

Facebook is a free social media platform, which is build around the premise of sharing information and connecting with others. Facebook was created in 2004 by Mark Zuckerberg and designed for college students to keep in touch with each other. In facebook users are required to establish a user profile, which allows to share personal information publicly or limitedly, send personal messages as well as instant messages, post personal status updates and share photos, links, videos, music and other media to other people (What is facebook 2014).

At the moment Facebook is the most popular and largest online network with 1,3 billion active users, which makes it an attractive target for businesses. Nowadays more than 30 million businesses have their own facebook page from which 1.5 million spend money on facebook ads. By average a facebook user spends around 40 minutes per day in Facebook (Jeffbullas.com 2014).

In Facebook the consumers have a possibility of connecting with the businesses by becoming a fan of the brand by clicking the "like" button on the company page. This enables them to receive posted company content on their newsfeed as well as engaging with the company by following their updates and possibly commenting on them. It is a

voluntary connection by the consumer, which can be used for branding purposes, viral promotion, customer service, feedback and even for search engine optimization. Essentially it is a great way to create dialogue between the company and the consumers. By doing this the relationship between the brand and the consumers grow stronger (iMarketing business 2011).

### **2.9.3 Instagram**

Instagram is a social network, which started as a simple photo sharing application for iPhones, later on expanding to other mobile operating systems and to the web. Instagram was acquired by facebook in the year 2012. In 2013 Instagram introduced possibility of sharing short 15 second video clips, in addition to sharing pictures (Press page Instagram 2014).

Creating a profile in instagram makes it possible to take pictures/videos and edit them with different filters. Instagram as a social media platform is based on following other users, making it possible to see pictures uploaded by them. After following a person or business, commenting to the pictures and liking them becomes available. In June 2014 Instagram had 200 million monthly active users, from which 75 million users use the app every day (Digital marketing ramblings 2014).

Instagram is a powerful branding tool for businesses, which creates an easy and free opportunity to share the uniqueness of the brand by sharing pictures and videos. Instagram uses hashtags and @names just like twitter and has a frictionless sharing with twitter as well as facebook, which makes it a good platform for viral promotion (Rorhs 2014, 167).

### **2.9.4 Twitter**

Twitter is a microblogging tool, where users follow other users to receive "tweets". Tweets can be pictures, videos, texts or links, however a tweet can only include 140 characters or fewer. Twitter is used for quick and often real-time sharing of opinions, ideas and announcements. Users can engage in social interaction by sharing content from other users (re-tweeting) and by favoriting tweets from other users. In twitter it is a

possibility to become a follower of a brand or other users, and receive posts to the news-feed from the followed entities (Twitter explained 2014).

The most unique feature in twitter is the use of the “#” sign, which is used to tie a tweet in to a specific topic or to track interesting topics on twitter. By doing this it is possible to publicly share and follow a topic of interest, therefore creating open conversations about certain topics. Other unique aspect is the use of “@” (i.e. @tatuaiukas) as an identity tag. This can be used to direct messages to a specific person or to include this user in the tweet. Both of these features are used in Instagram and the “#” sign has also been incorporated to facebook later on (Twitter explained 2014).

With 645,7 million active users twitter is the second biggest social media platform at the moment (Twitter statistics, Statistics brain 2014). With its huge user base it creates an opportunity for businesses for instant worldwide distribution of content. It also widely adopted by advocates and influencers (amplifiers) from different fields, which makes it possible for promotional campaigns to spread fast. However it needs to be kept in mind that also negative content spreads fast and cannot be contained (Rohrs 2014, 126).

### **2.9.5 Youtube**

Founded in 2005, Youtube is a video distribution platform which, allows people to share, discover and watch videos created by its own users. Youtube is the worlds largest content upload platform with more than 1 billion user visits every month. Every minute 100 hours of video is uploaded to Youtube. The platform also generates money through the partner program and monetization for over million content creators. Due to these facts it is highly attractive platform for content creators as well as companies in addition to the promotional possibilities (Statistics – Youtube 2014).

Youtube supports video embedding and sharing to social media sites as well as own website and email. Youtube does not require registration to be able to view the video content, which spreads the reach of the video even beyond the active users. However videos cannot be commented or liked/unliked before one has registered.



Youtube provides a possibility for branding and community building by providing a possibility to build own channels, of which other users can subscribe to. By doing this the user gives a permission to be notified whenever a new video is uploaded by the channel in question (How Youtube works 2014).

### **2.9.6 Soundcloud**

Soundcloud is a free online music distribution platform established in 2008 by Alexander Ljung and Eric Wahlfors. With more than 250 million users (Soundcloud hits 250 million active users, integrates Instagram 2013) Soundcloud is the biggest audio sharing platform in the world, often described as the youtube for sound. Soundcloud is primarily a content hosting platform, which enables online streaming of audio content. It also has build-in social features, such as to follow other users, to receive tracks uploaded by them to one's own "stream", which is also know as the news feed (The Next Web 2009).

One of the key features is to share audio by embedding, which allows users to share own or other user's audio directly in their website or in their social media platforms. This creates a way for musicians and record labels to build community around the brand and effectively attract new listeners. Sharing audio from soundcloud is compatible with facebook, twitter, tumblr, google+, pinterest and email. In general soundcloud has the same social features as twitter with "#" and "@" as well as re-posting content and favoriting recordings.

### **2.9.7 Bandcamp**

Bandcamp is a online platform, on which musicians and record labels can host, stream and sell music. In bandcamp the content owner own all the rights to the sold products as well as right to price them as one wants. It tracks and stores sales related data, which is accessible by the users. At the moment Bandcamp provides the lowest fee out of music distribution platforms with 10 % revenue share out of sold products (Switched 2011).

Even though Bandcamp has some community enforcing attributes, such as an option to follow artists, it cannot be considered fully as a social media platform. At the moment as a music distribution platform, it gives the artist or record label the most control over

their own sales process and a possibility to track their own data, which is the reason why Top Billin Music uses it as a primary purchase platform for the releases (Switched 2011).

### 3. RESEARCH METHODOLOGY

The following chapter will focus on how the study was conducted in order to understand what is the meaning of the study, how the research was conducted and how the data for the research was collected.

The aim of this research was to map out and understand the current Proprietary Audience Development efforts of Top Billin Music in order to update them and to create a new functional proprietary audience development plan for the company. Currently the audience of Top Billin music is fragmented in to different platforms, making cross channel coordination of content and online traffic challenging. In addition to this, growth of some of the audience channels have stagnated.

The research was executed to find answers to following research questions:

1. How successful is Top Billin Music's proprietary audience development strategy at the moment?
2. How to improve current activities?
3. How can Top Billin Music achieve a sustainable growth of audience in modern digital music industry environment?

To answer to these question, following subjects were investigated and analyzed in this research:

1. The overall strategy and structure of TBM's proprietary audience building efforts.
2. Different audience channels of TBM by researching the following variables: size, engagement and the value of the customer.
3. Content type of different audience channels
4. The analytics tools in use.
5. Competitive analysis

### **3.1 Research approach**

Krishnaswami & Satyaprasad (2010, 2) define research as "the systematic and logical study of an issue, problem or phenomenon through a scientific method." In a business a definition was altered into a following form by Sekaran & Bougie (2010, 29) "Research is organized, systematic, data-based, critical, objective, scientific inquiry or investigation into a specific problem, undertaken with the purpose of finding answers or solutions to it"

There are three main types of research designs in business research: exploratory, descriptive and causal studies, which essentially differ on purposes what they are used for. The research focuses on finding answer to the questions of: what is Top Billin Music doing currently in order to develop their proprietary audiences and how are they conducting these actions and how can these actions be improved. Therefore this research is a descriptive study as it focuses on describing a phenomenon and characteristics associated by it (Cooper & Schindler 2014, 139)

### **3.2 Research design**

The research was conducted between June and October in 2014. It was initiated in cooperation with the commissioner by the thesis author based on the need for an updated functional proprietary audience development plan. As the topic of the study is focused on how and why things happen instead of what happened, a qualitative research methodology was chosen. This research aims to find an in-depth understanding of the situation by interpretive techniques, therefore it is by nature qualitative. To be more specific, as this research combines interviews, record analysis and observational techniques it can be looked at as a case study (Cooper & Schindler 2014, 150, 165)

The data collection method for this research is qualitative. The primary type of gathered data is secondary as most of the data is extracted from different Top Billin Music's audience channels analytics tools. Audience channels are also visually observed to research the type and the content of messages directed to audiences. Secondary data is also collected from field specific studies, e-journals and statistics to compare and analyse the results to current guidelines and benchmarks using research results made in the

field of online marketing. The primary data comprises of a interview of the label manager Heikki Vaht and the marketing manager Sami Nenola, which was collected in order to understand the online marketing model and objectives of Top Billin Music.

### **3.3 Validity and reliability**

As qualitative research to some degree assumes that the researches will use own judgement and perspective in the study, it is complicated to measure the validity of a qualitative research. However there are four different main criteria to taken in consideration when determining the validity of a qualitative research: credibility, transferability, dependability and confirmability (Qualitative validity 2006).

Credibility criteria covers the researches validity in the eyes of the test subject. In this case study this criteria is met by giving a copy of the results to the target company for approval before analysing the results. In addition to this the source of the data is recorded as well as the time of access. Transferability refers to the ability to transfer and generalize the results of the study in other context or setting. As this is a case specific study the context of the results are explained with thoroughness to avoid unnecessary generalisation. The dependability of the results refers to the context and the situation when collecting the data. This has been ensured by collecting all of the data from the approximately same time interval with the same methods. The confirmability of the study refers to the confirmability of the results by others and it is assured by saving the data, which has been collected for later inspection if necessary (Qualitative validity 2006).

## 4. RESEARCH RESULTS AND ANALYSIS

In the following chapter research results will be presented and analysed. The chapter is structured by discussing the overall strategy and structure of the online marketing presence first and later on moving to channel specific results concerning about the size of the audience, engagement and value. In the end of this chapter there will be a competitive analysis between Top Billin music and two competing record companies.

### 4.1 Target audience

In order to effectively create value to the targeted customer, Kotler and Armstrong (2011, 191) suggest that the total market must be divided in to smaller segments in order to understand and choose which one of these segments are the most suitable for the company. There are four main variables taken in to consideration when determining target market segments: Demographic, geographic, psychographic and behavioral variables (Kotler 2011, 191). In order to find out the existing target segments in Top Billin Music's different audience channels, demographic and geographic data was extracted from channel specific analytics tools between 19.6 and 17.9.2014.

From all the channels Facebook and Youtube offered the most wide range of demographic data by providing information about the age, location and gender. Twitter analytics provided data about location and gender. Mailchimp, which provides the email service for Top Billin Music, provided only location based information as well as TBM's google analytics account and Bandcamp statistics. Instagram did not provide any demographic data.

Figure 9 shows the age distribution of Top Billin Music's audience. It is slightly different in Facebook than in Youtube as the majority of Facebook audience seems to be older. In Facebook the majority of people with 49 % of the whole population is between the ages of 25 and 34. In Youtube the largest age group is 18-24-year-olds with 47 % out of the total number of people. There is only 7% of 35-44 year-olds in Youtube but in Facebook this group covers 22 % of the total population. This means that Youtube has a slightly younger audience. Determining from figure 9, it could be said that the target audience of Top billin Music is between 18 and 34 year olds. The core group being between the ages of 25-34.

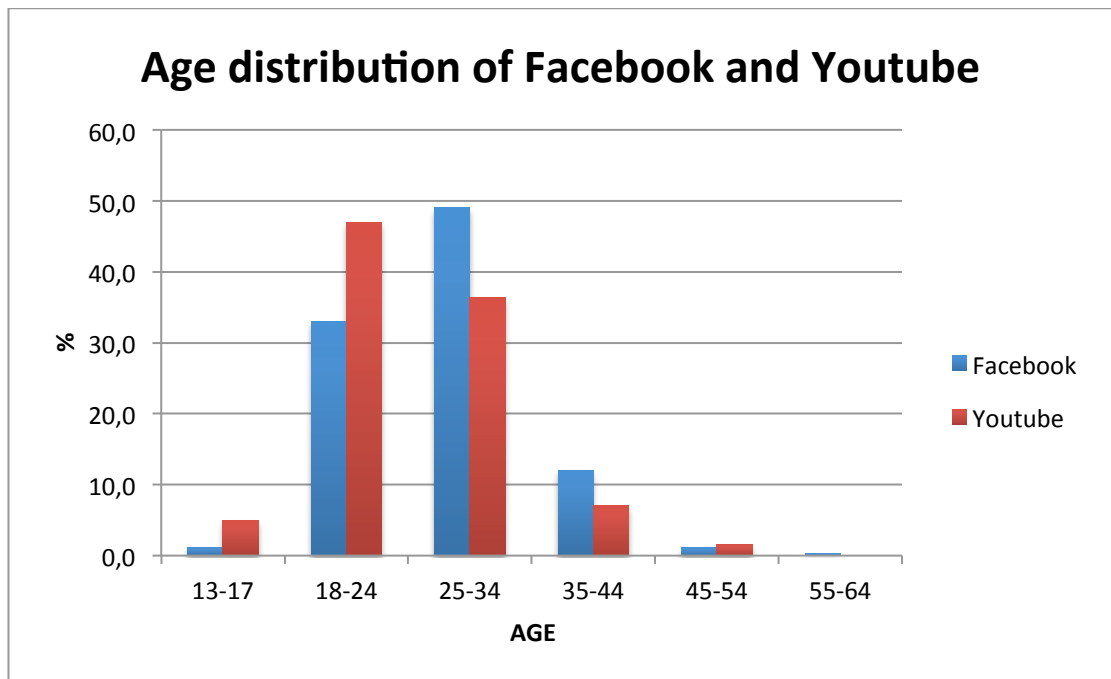


Figure 9. Age distribution of the audience of Top Billin Music

Data about the distribution of gender was collected from Facebook, Twitter and Youtube, which can be seen in figure 10. It shows that the majority of the demographic are male with a share of 76-90 %, depending on the platform. Youtube has the most female audience with 24 % share of females in the audience. In Twitter the males are the majority with 90 % share of the total.

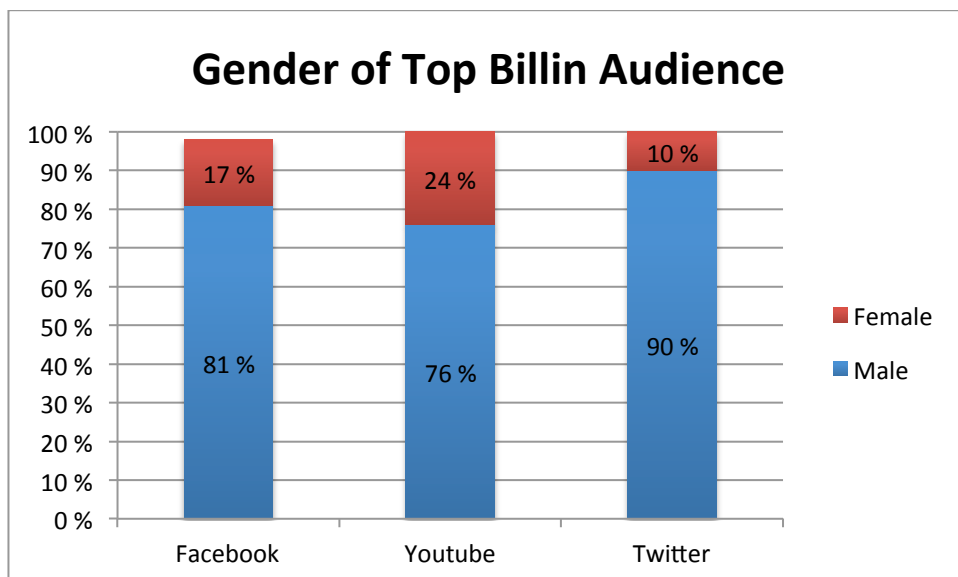


Figure 10. The gender distribution of Top Billin Audience

Top Billin Music's audience is located all over the world. For the sake of effectiveness of the messages, time of day and the time difference needs to be taken in to account when marketing messages are planned. Five countries with most visits to TBM's audience channels are: USA, Finland, UK, France and Japan. All of the audience channels are popular with people from US and from Finland. Youtube is the most popular channel in France, reaching almost ten time more people than Soundcloud, whereas Japanese audience favors Soundcloud over Youtube. Locations of soundcloud visits can be seen from figure 11 below.

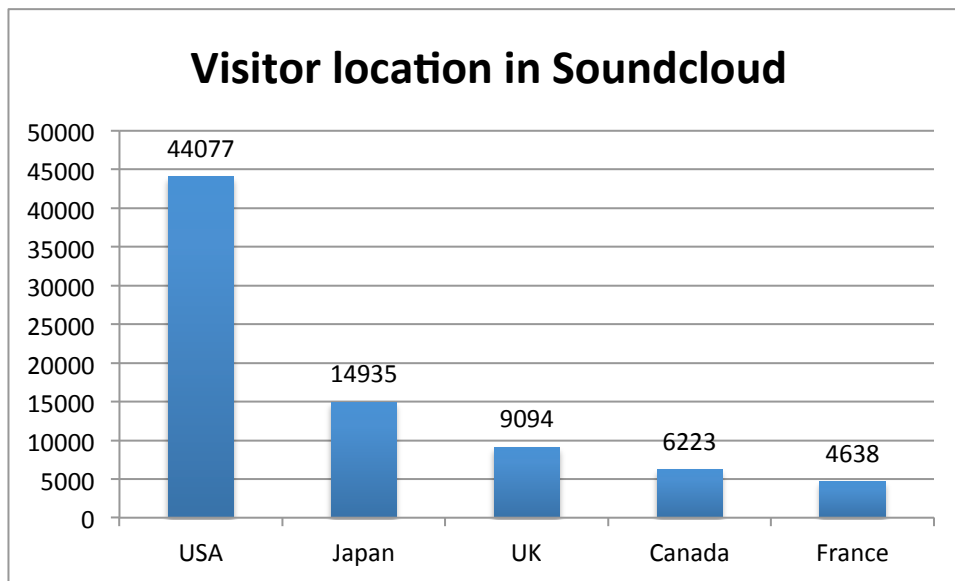


Figure 11. Visitors by location in Soundcloud

#### 4.2 Owned, Earned and Paid media

The overall proprietary audience strategy of Top Billin Music is built around owned media content. Figure 12 illustrates that it comprises of company website, a consumer newsletter and promotional newsletter for professionals, social media channels, channels to host content and a online digital store. The company has also established some meaningful connections with music blogs and review sites, which provide greater reach and coverage for Top Billin Music. This provides a steady supply of earned media coverage in a form of reviews and blog posts. The earned media includes music blogs such as Do androids dance, THUMP, XLR8R and Blog.fm (Vaht & Nenola 2014).

Paid media does not have a big role in TBM's online media. Label manager Heikki Vaht explains it followingly "we quickly noticed that using sponsored posts in social



media, did not generate relevant clicks and started to draw attention away from the organic posts”. A promotional service called Your Army, which was designed to make newsletters and emails more effective was also found not worth paying for. ”Being a small company with a limited marketing funding Top Billin has always relied on ingenuity in owned media rather than paying for advertising” explains Sami Nenola, marketing director of the company. However, Rohrs suggests that even though Paid media has lost its dominance as the sole way of market communications, it still is a viable way to promote products, especially combined with owned and earned media. Paid tools can be used especially to bring more visibility to the content and therefore attracting more seekers towards the company’s content (Rohrs 2014, 59-61). In order to take full advantage of the technology in use, Top Billin Music should reconsider the use of paid media in their converged media mix.

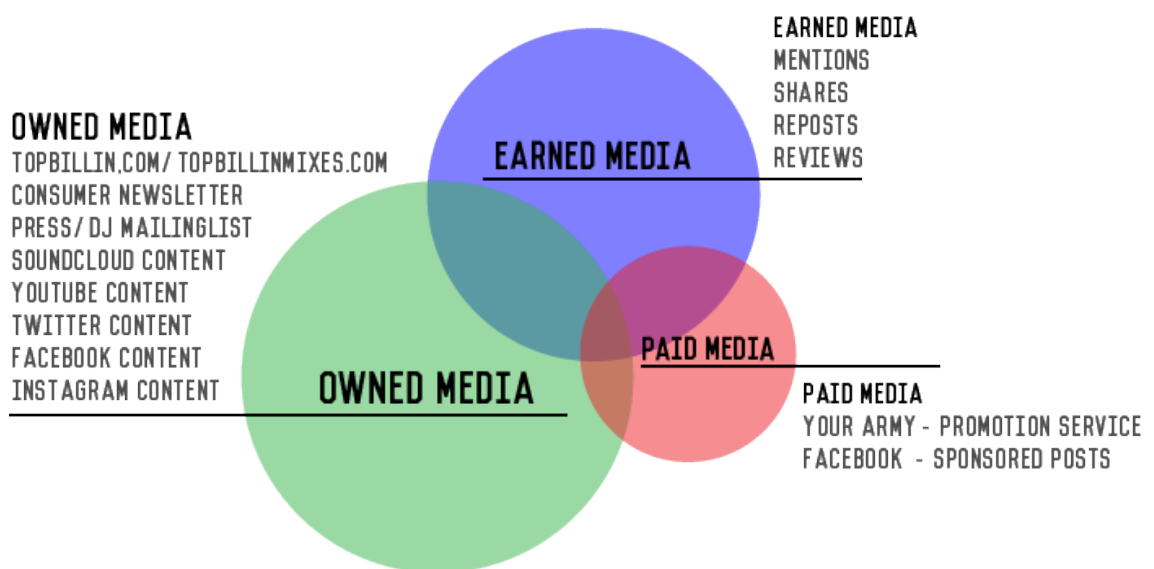


Figure 12. Top Billin Music’s division of Owned, Earned and Paid media.

At the moment Top Billin Music’s owned media content comprises mostly of audio, photo and text content. All of its owned content is self-produced and TBM is not involved in any kind of cross promotion campaigns with other companies at the moment. In the past Top Billin Music has had cross promotion partnerships with Finnish cellphone manufacturer Nokia by providing music to their events, a speaker manufacturer Berlin Boombox by designing a Top Billin speakerset for them and Urban dance channel Yak-films in Youtube, by providing music to their videos (Vaht & Nenola 2014).

In the following chapters, as there are no current paid media it can not be analysed further. The results of the research will concern the use and effectiveness of owned media by using earned media as amplification.

### 4.3 Structure of owned media

To determine the structure of TBM's owned media, different audience channels were observed. Figure 13 illustrates a simplified structure of The owned media structure of Top Billin Music, which can be roughly divided to three different stages: Communicational, Content hosting and Purchase stage. Email newsletters, Twitter, Facebook and Instagram act mainly as communicational tools, whereas topbillinmusic.com, soundcloud and Youtube are the platforms where content is primarily hosted and bandcamp acts as the primary point of sale, where the traffic is guided to.

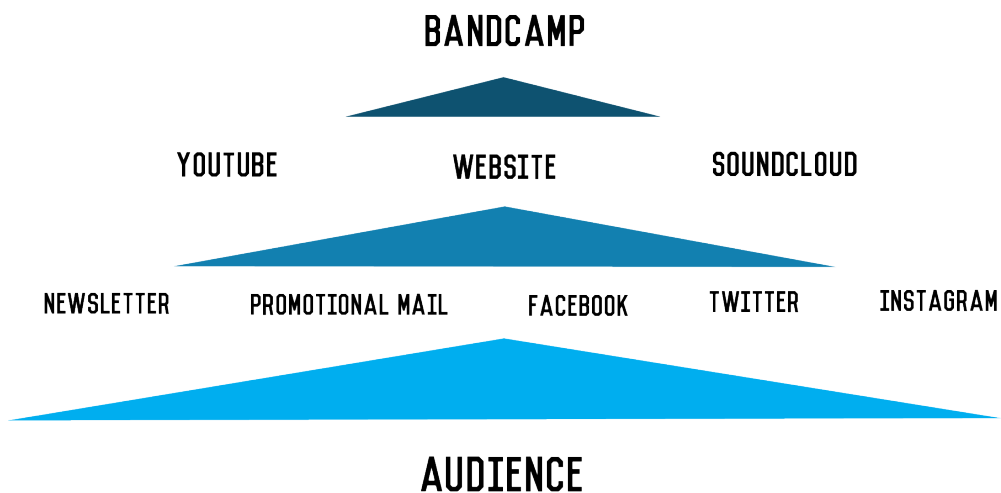


Figure 13. The structure of Top Billin Music's Proprietary audience channels.

The communicational channels such as Newsletter, Promotional mail, Facebook, Twitter and Instagram are primarily used for broadcasting, promoting as well as creating the brand image and engaging the audience. These channels drive the traffic towards the content, which is located in Youtube, topbillinmusic.com or Soundcloud. In all of these content channels is an option to move forward to purchase Top Billin products in Bandcamp or other online digital stores.

The amount of cross channel referrals were counted in each audience channel to map out how Top Billin Music aims to direct the traffic from the point of engagement to the purchase. There were overall 295 posts posted in communication channels, of which a

message referred to a content site 36 times and directly 9 times directly to Bandcamp. Figure 14 shows that out of all content channels Soundcloud was the most referred to across communication channels. During the sampling period youtube was only referred once in twitter, which indicates that it does not have a clear role in the proprietary audience development plan. Promotional mail and Newsletter always drive traffic towards the website.

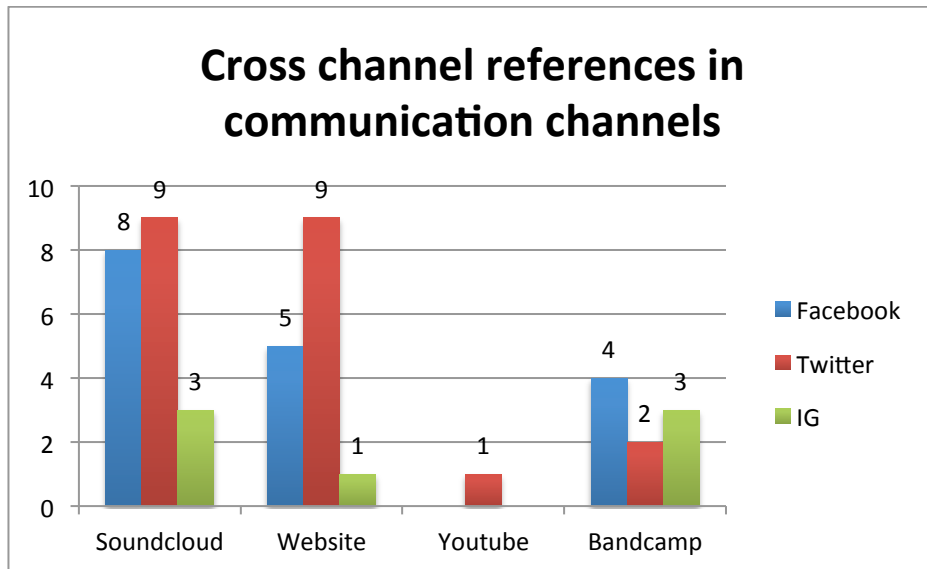


Figure 14. The amount of cross channel referrals by communication channel

#### 4.4 Automation

For a small business automated content saves a lot of time, however it can affect the proprietary audience, if it is not properly managed. Automated content means pre-automation of posting content to different communication channels or synchronizing content distribution between multiple platforms (Hootsuite 2014).

Top Billin Music uses three different automation tools for content automation: IFTTT, Zapier and Buffer. Due to the fact that TBM's target audience exists in different time-zones and to be able to reach the audience at the most convenient time, Buffer is used to pre-determine the time when the content is posted. IFTTT and Zapier are used to synchronize the content posting actions between the following platforms by following terms:

- Whenever a picture is uploaded in instagram, it is immediately posted to twitter.
- Whenever Web page is updated, the update will be posted in Twitter.

- Whenever a facebook update is made in Top Billin fan-page, it is posted to Top Billin Music's Facebook-group.
- Collect and add new subscribers to consumer newsletter list from Top Billin email address.

Above mentioned automated functions were examined by visually observing and evaluating the synchronized posts. During the 90 day test period 11 status updates were automatically posted from instagram to twitter. In 11 of them the caption of the picture were incomplete, with a non-functional link attached. 10 automated webpage updates were posted to twitter, of which all of the links worked, but did not reveal the target location of the link. Other automations worked perfectly.

#### **4.5 Analytic tools in use**

Digital analytics tools can be defined in a following matter: "the measurement, collection, analysis and reporting of Internet data for the purposes of understanding and optimizing Web usage." (The ultimate definition of analytics 2011) As the amount of information increases it is essential for businesses to gather and store that information to improve and modify their actions based on consumer behavior. In digital marketing insights report 2014 conducted by Teradata and Celebrus Technologies it was revealed that 71 % of the companies felt that analytics help them target the customers more effectively, 59 % improved the response and conversion rates, 51% felt that they could provide better customer experience based on analytics and 51 % had found out that they can better personalize their services to customers (Digital marketing insights 2014).

Top Billin Music collects data from all of the audience channels by channel specific tools as well as Google analytics and Sumall analytics. All of the tools are free to use and therefore cause no extra costs. Google analytics is used to follow the website activity and it is intergrated to provide data from Youtube as well as Bandcamp traffic. Sumall is a third party analytics tool, which provides an overview for the most essential channel specific data. Sumall is used for a quick overlook on multiple channels at the same time to keep in track with the bigger picture. However all of the statistics tracked through Sumall can be found from the channel specific analysis tools.

However, there is not a specific person, who is responsible to collect, analyse and follow the data. At the moment there are no scheduled performance check-ups based on

data collected from analytics. The data is observed visually in each individual sites (Vaht & Nenola 2014).

#### **4.6 Communication channels**

The communication channels are the first point of engagement with the audience. The emphasis on the research in the case of these channels are in the performance and effectiveness of the channels. The following areas or performance were investigated: Size, engagement and content.

Size in this case means the amount of followers in each channel and as size of the audience means more ways to reach customer and generate prospects, Rohrs describes in his book that big audience size is an important competitive advantage against competitors (Rohrs 2014, 71)

For a company operating in the music industry engagement with the audience is the most important variable out to measure. Dubber points out in his book, music in the digital age that in modern day, people do not buy music because they want to hear it. People can already hear that music everywhere and in most cases for free. Instead the audience wants to pay for the connection with the artist and to maintain that relationship (Dubber 2012, 203). Engagement in audience channel is an important metric, which can be used to measure how effectively these relationships are built.

In order to drive engagement the company needs to provide meaningful content to the audience. Pulizzi states that in order to do so, the main goal of the content and by doing this keep the relationship between the customer and the company should be to move or cause an emotional response in consumers. To provide this type of content company has to be able to fill a need of a customer, consistently post content in audience channels, share individualistic point of views as well as show the human side of the company and avoid excess of promotional messages (Pulizzi 2014. 157-158). The content of Top Billin Music's messages were qualitatively evaluated by observing the type of the posts, Frequency of the posts and channel specific tools in use, such as tagging and use of hashtags.

The value of the audience could not be determined in a congruent way due to the lack of analytics data. The data for the research of communication channels was collected between 19.6-17.9.2014

#### 4.6.1 Instagram

Instagram is the newest Top Billin Music audience channel. At the moment it's role is to build the brand image as well as promotion of the releases. At the moment Instagram is targeted towards seeker, amplifiers and followers of the brand. Table one shows that there are currently 748 followers in Instagram and it was the fastest growing audience channel during the sample period by +9,76 % increase of followers. The analytic tools dedicated to instagram do not provide data on the actual reach of individual posts.

	Promotional mail	Newsletter	Twitter	Facebook	Instagram	Soundcloud	Youtube
Audience size	585	1999	4163	5257	748	26142	1781
Audience size growth	-	-	1,61 %	1,96 %	9,76 %	4,3 %	5,6 %
Current reach %	66,0 %	41,1 %	12,6 %	8,8 %	-	63 %	-
Effective audience	386	822	527	461	-	16451	-

Table 1. Table 1. The reach and size of audience channels,

#### Engagement

In this 90 day test period Instagram achieved the highest results in engagement rate. The blue trendline in figure 15 portrays the average performance of the channel over time. It shows a decrease from 3 % below 2 % during the research timeframe. According to research performed by Forrester inc. (Forrester 2014) the average performance for a brand istagram account was 4,21%, being the most effectively engaging social media in the research. Using this value as a benchmark, it can be stated that TBM's Instagram account performs below average with 2,65 % of average engagement.

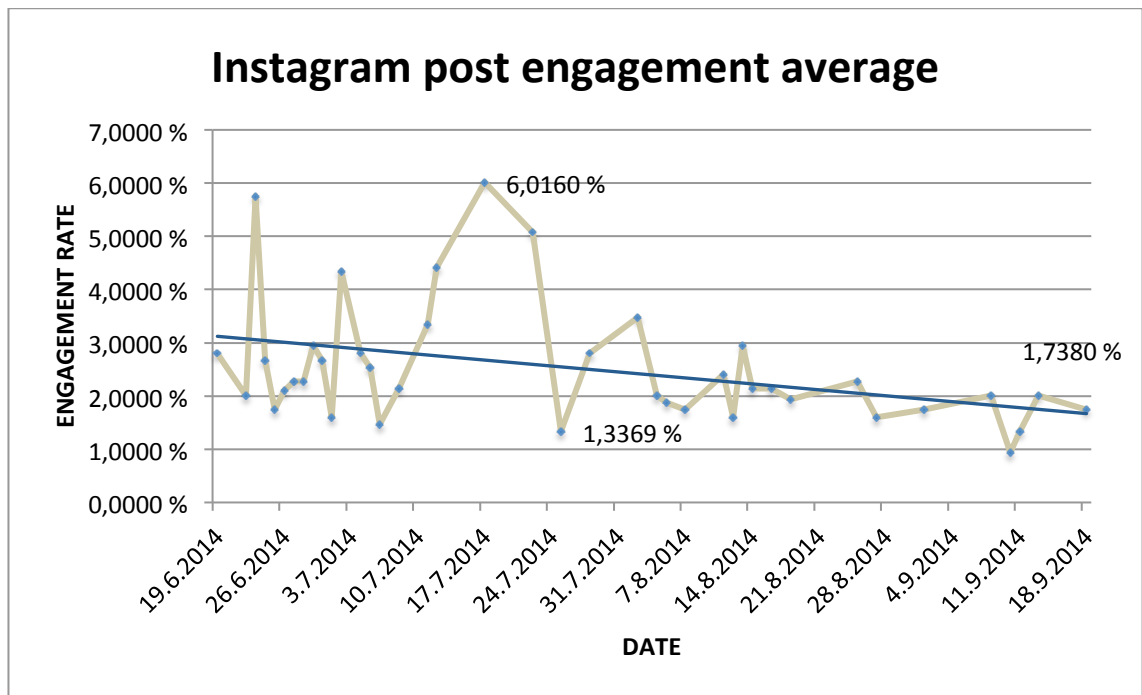


Figure 15. Instagram post engagement average

### Post content

During the research period TBM uploaded 49 posts in Instagram, reaching the average post frequency of 0,54 posts per day. In a study conducted by union metrics (Forbes 2014) was discovered that a succesfull average post frequency for brands were 1,5 posts per day. However, the same study showed that within reason, it is not the amount of posts effecting the engagement rates, it is keeping a steady rate of content posted. According to the reseach, accounts which abruptly decrease their post frequency rate lose followers the quickest.

Top Billin music uses 2,9 hashtags (#) per post on average, which is a sufficient amount. A widely accepted premise has been that brands should not use more than two hashtags in their posts. However this belief was proved wrong In 2013 research (Buffer social 2012) conducted by Track Maven. In the research companies with less than 1000 followers sent out a same post with 11 hashtags, receiving 77,6 interactions on average. An average post interaction for a company bigger than 1000 followers is 21,21 interactions per post.

Figure 16 below shows the type of content in Top Billin Music's instagram account. The content ratio, in TBM's case is 22 of owned content, 26 % of curated and 52 % of owned content. A widely accepted ratio of content is to share 60 % of curated content,

30 % of owned content and 10 percent of owned content. (30-60-10: the golden ratio for social media marketing 2014) In instagram the ratio between curated and owned content can vary a lot, however the amount of promotion should stay as low as possible to keep the followers engaged. Pulizzi (2014, 153) states that customers do not necessarily care about the company as much as they care about themselves, which means that the more company talks about own products and actions the less interested the consumer becomes.

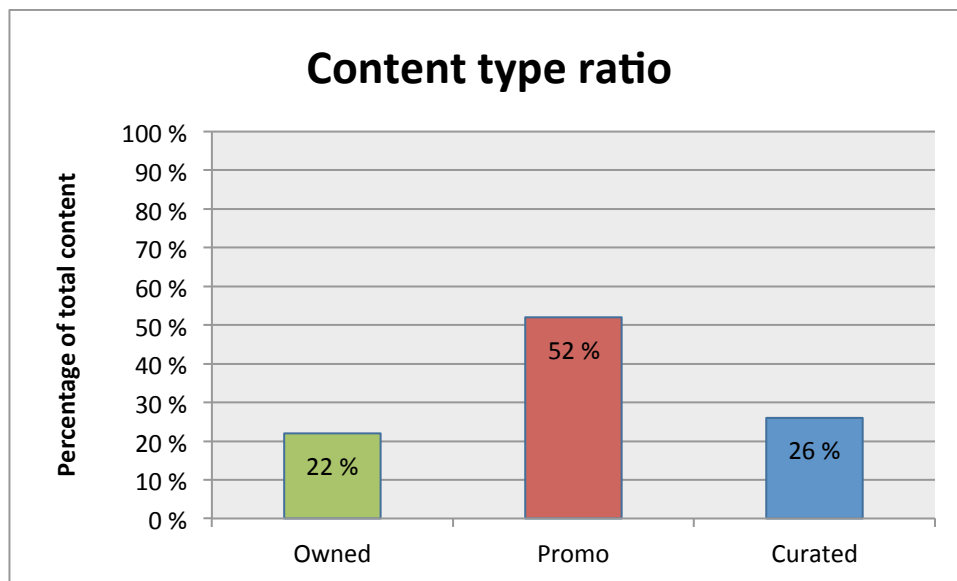


Figure 16. Type of content in Top Billin Music's instagram

#### 4.6.2 Twitter

For Top Billin Music Twitter is the primary broadcasting and promotion channel and therefore the most important channel to turn seekers into followers, it also serves as a noteworthy platform to engage amplifiers and get as much coverage to content as possible. Table 1. Shows that with 4163 followers, it slightly trails behind facebook in the size of the audience. During the research timeframe Twitter audience had the growth rate of 1,65 %. Twitter is currently the most effective social media tool to reach the audiences by having the average reach of 527.

At the moment Twitter does not use algorithm to decide visible posts on user's timeline at the moment, having an advantage on Facebook with better organic reach. However Twitter is looking to introduce facebook type of algorithm of automatically filtered news feed to their service in 2015 (What twitter algorithm could mean for brands 2014).



## Engagement

Due to the fast phased broadcasting nature Twitter, the engagement rate is the lowest of all platforms. As there is no algorithm in use to filter the content in followers newsfeed, messages easily get lost in the clutter, bringing down the engagement. Figure 17 shows a slight increase of reach-engagement rate average over time. Compared to the reach average of facebook (0,64%), Twitter engages less people who have seen the post than Facebook with an average rate of 0,4%.

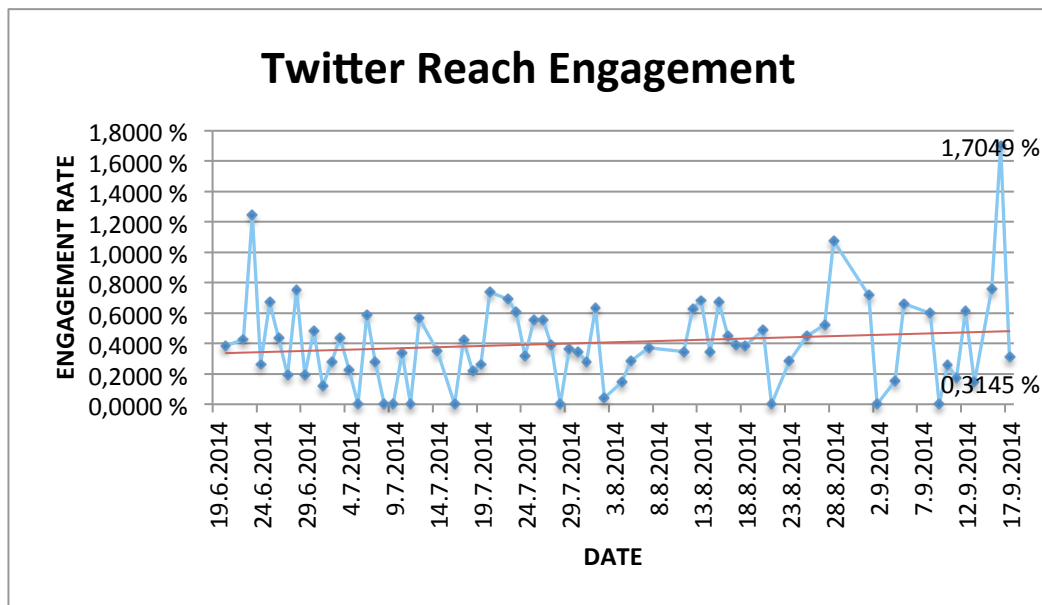


Figure 17. Twitter's reach engagement rate

Figure 18. Below shows the post engagement development of Twitter through out the research timeframe. According to Forrester (Elliot 2014), the average engagement for a twitter post is 0,03% per post. Top Billin Music's average follower engagement is approximately 0,093 %, which is noticeably higher than the benchmarked average. However, graph 5 shows that one post received over 2,7 % engagement rate, which distorts the results. If this abnormality is removed from the calculation, the average engagement for a twitter post is 0,05 %. This is closer to the average of forrester research. Comparing to the forrester researches brand average, TBM's twitter account performs well and above the average post engagement rate.

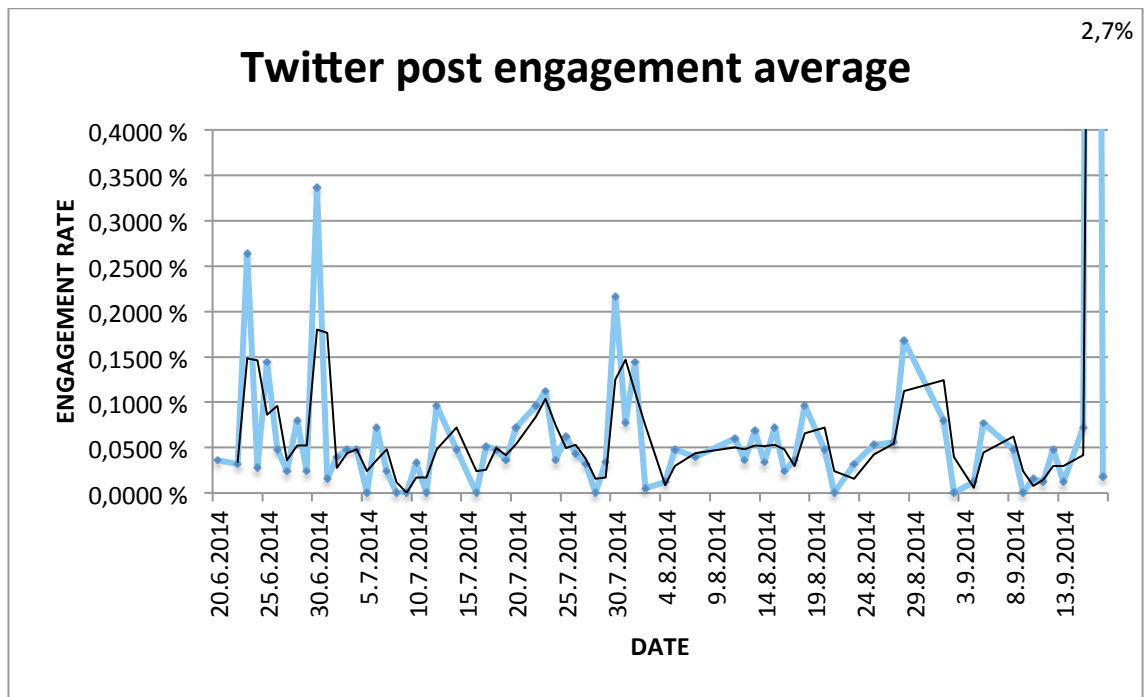


Figure 18. Twitter's post engagement average

### Post content

Twitter is the most active audience channel with 212 posts and 35 retweets in 90 days. This gives TBM the post frequency 2,7 times per day on average. According to Twitter for business (2014) the optimal amount of tweets depends on the company, however it is stated that with 3-5 tweets a day there is not a visible loss of engagement being the optimal amount of tweets per day for businesses. However this is just a guideline. What matters more is the content ratio and the steady and constant flow of content. Retweets are a important part of Twitter as the function brings extended level of engagement in to the platform which is mostly about broadcasting. Rohrs (2014, 125) states that retweeting allows the original tweet gain more exposure and therefore is a great compliment towards the original tweet. By complimenting others and creating a two-way flow of information the company creates deeper connection with the followers.

From 212 posts in twitter, 37,7 % are promotional, 32,5 % are curated and 29,7 % owned content. According to the 60-20-10 rule there should be bit of adjustment to lower the amount of promotional content and to raise the amount of curated to increase the amount of engagement by the audience. However 72 % of this curated content is embedded audio, curated from Soundcloud, which means that there could be bit more more diversity in the curated content.

By average Top Billin Music's Twitter used 0,45 hashtags/per post during the research timeframe, which is considerably lower to what researches suggest. Based on a research conducted by Buddy Media (Lee 2014), it was shown that tweets with hashtags receive two times more engagement than the tweets with no hashtags. However it is advised that in most of the cases not more than two hashtags are used in Twitter as tweets with 1-2 hashtags receive 21% more engagement than the ones which have more

#### **4.6.3 Facebook**

Facebook is Top Billin Music's oldest communication channel. It serves for community building as well as promotional purposes. It works as a platform mainly targeted for seekers, amplifiers and fans. With 5257 Fans in the company page, it has the biggest audience in communication channels. Table 1 shows that TBM is able to reach 461 people with a post by average. With 8,8 % reach of the whole audience, Facebook reaches the least amount of people in all of the measurable audience channels.

Low reach in this case is not a surprise as Facebook uses algorithmic filter to decide which stories are published on people's newsfeed, reducing the organic reach. The goal of the algorithm is to show just the most relevant posts in the users newsfeeds (Facebook for business 2014) According to social@ogilvy In 2012 an average of 16 % of people engaged with a non-paid brand post, in february 2014 the amount had decreased to 6 % with companies less than 500000 followers and to 2 % with companies who have more than 500000 followers. It is estimated that organic reach of brand pages gets close to zero percent by the end of 2014.

#### **Engagement**

From Figure 19 can be seen that facebook fails to reach the same engagement rates with Instagram. However it is natural that same engagement levels cannot be achieved in Facebook, because of bigger amount of clutter and facebook algorithm limiting the organic reach. The red trend line, indicating the average performance, decreases slightly over the timeframe. The overall rate of reach engagement average with taking the amount of people reached in consideration is 0,6402 %. In a study conducted in January 2014 by edgerankschecker the average reach engagement rate for roughly 1000 Facebook brands was 0,85 % (Whittman 2014). By using this as a benchmark it can be stated that TBM's Facebook engagement rate fails to meet the average brand engagement rate

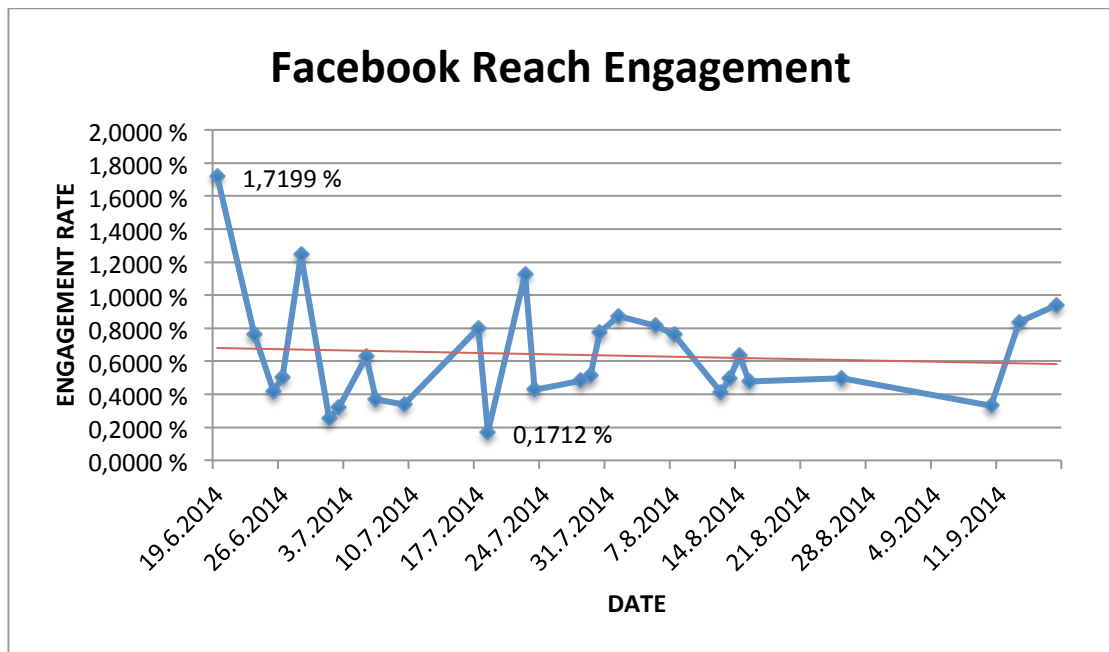


Figure 19. Facebook's reach engagement rate

A facebook post in TBM's case reaches the average engagement rate of 0,11. The red line in graph 3 below describes the increase in average performance over the timeframe. In the same Edgeranks research referred above, the average engagement rate for a facebook post when compared to follower amount, was concluded to be 0,11 % (Whittman 2014). Figure 20 describes TBM's posts performing worse than the benchmarked brand average most of the time, as most of the data points can be found below the 0,11 % line.

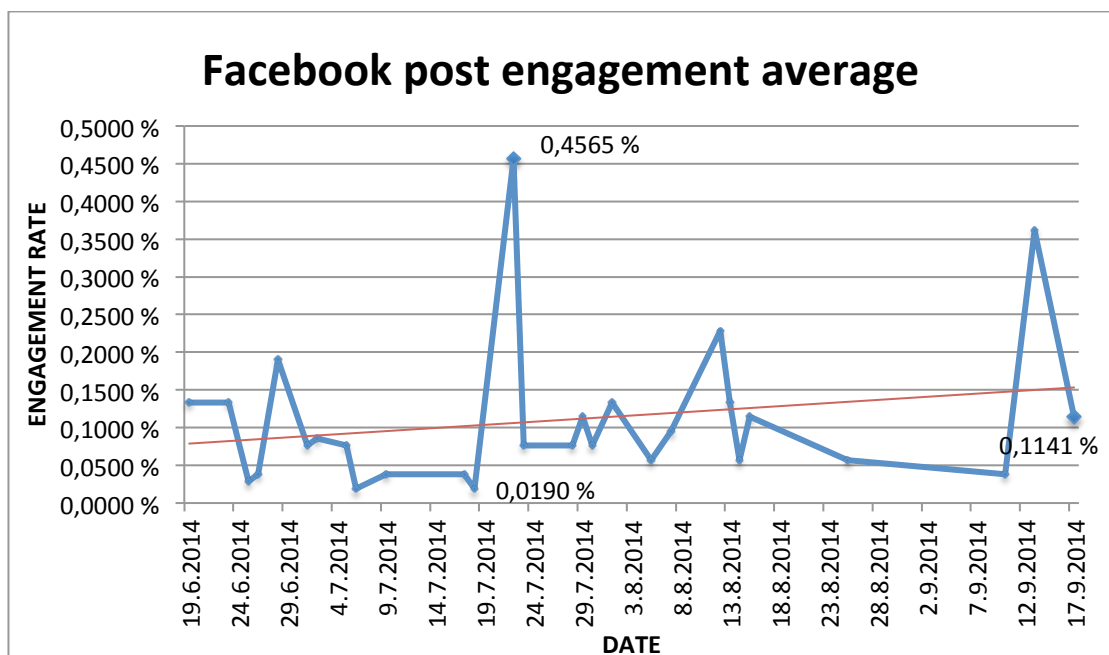


Figure 20. Facebook's post engagement rate

In addition to the below average engagement rate of Top Billing Music's audience towards Top Billing music, during the research timeframe none of the 9 comments made by audience was acknowledged or answered by Top Billing. Rohrs (2014, 49-50) states that one of the most important aspect of fans is that they form a community, which serves as a brand discussion group, sharing information with each other and people outside of the community. To enforce this kind of behavior it is important to provide a platform for fans in which where they feel like they are heard. This can be done by acknowledging the responses and sending out positive message, every time somebody communicates on the brand page.

### **Post content**

There are 33 brand posts posted during the the research period. This means a post frequency rate of 0,36 messages per day or 2,5 messages per week. Facebook has the lowest suggested post frequency rates in social media in general with suggested amount of posts of 5-10 posts per week. (Lee 2014) However in a study conducted by track social in 2012 it was found that brands should not post more than once a day as the amount of responses quickly decrease. The second post of the day receives 43 % less likes and 22 % less comments than the first one. This suggests that the optimal post frequency depending on the company, is somewhere between 5-7 posts per week. Calculated in posts per day it is between 0,7-1 posts per day to create maximum engagement.

Figure 21 illustrates the ratio of different content types in TBM's Facebook page. It shows that 61,1 % of all content is promotional, 25 % is non-commercial own content and 13,9 % is curated from third parties. In this case 61,1 % is extremely high amount of promotional content in the page. The spikes in figure 20 are caused by curated posts, which shows the positive effect that curated content has to the engagement.

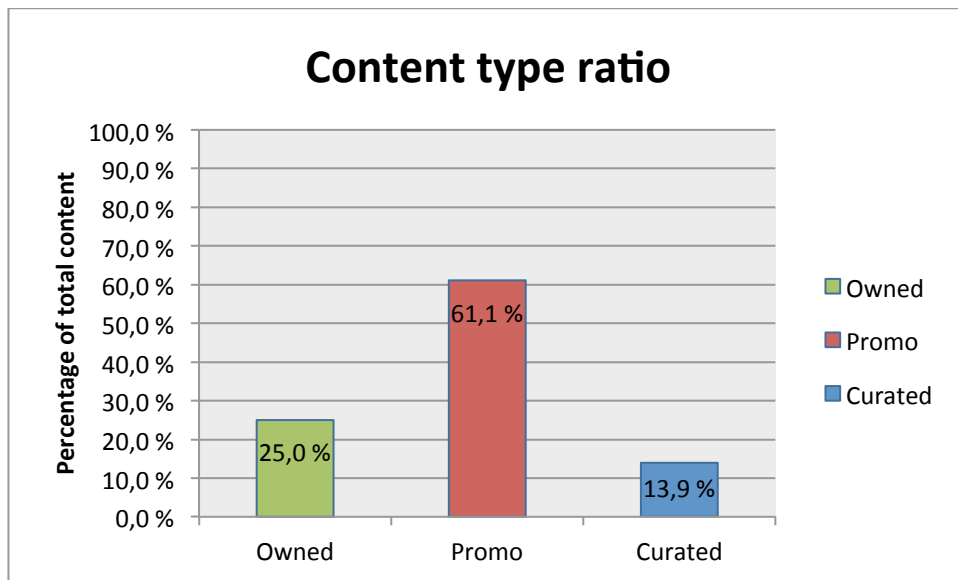


Figure 21. Content type ratio in Top Billin Music's facebook page

In 2013 facebook introduced the hashtag feature to their own platform, after it had been widely accepted in Twitter and Instagram. Top Billin music uses no hashtags in their Facebook posts, which follows the line of study conducted by edgeranks in which it was found out that using hashtags in facebook posts decrease the viral reach of facebook posts. (Owano 2013)

#### 4.6.4 Promotional mail

To ensure larger sample group a slightly longer sampling period from 17.6 to 23.9.2014 was used in the case of promotional mail. The promotional mail serves as the primary communication channel between Top Billin music and other music industry professionals. It is the most vital tool in creation of amplifying action by the industry experts and tastemakers. The amount of subscribers depend on the release, which is the reason why the reach, shown in table 1. was calculated by using the average of the subscribed audience size and average amount of opened messages during the research time-frame. Promotional mail has the smallest follower base with an average of 386 subscribers. On average, 66 % of the subscribers are reached by the messages send through this channel, which makes it the most effective by reach.

Figure 22 below illustrates the amount of emails opened by the audience. The red line shows the music industry average, which is 21,1 (email marketing benchmarks 2014).

Figure 22 shows that the opening rates are continuously above the industry average, indicating good and effective engagement to the audience by email. The average opening rate for TBM's email at this timeframe was 32,7 %.

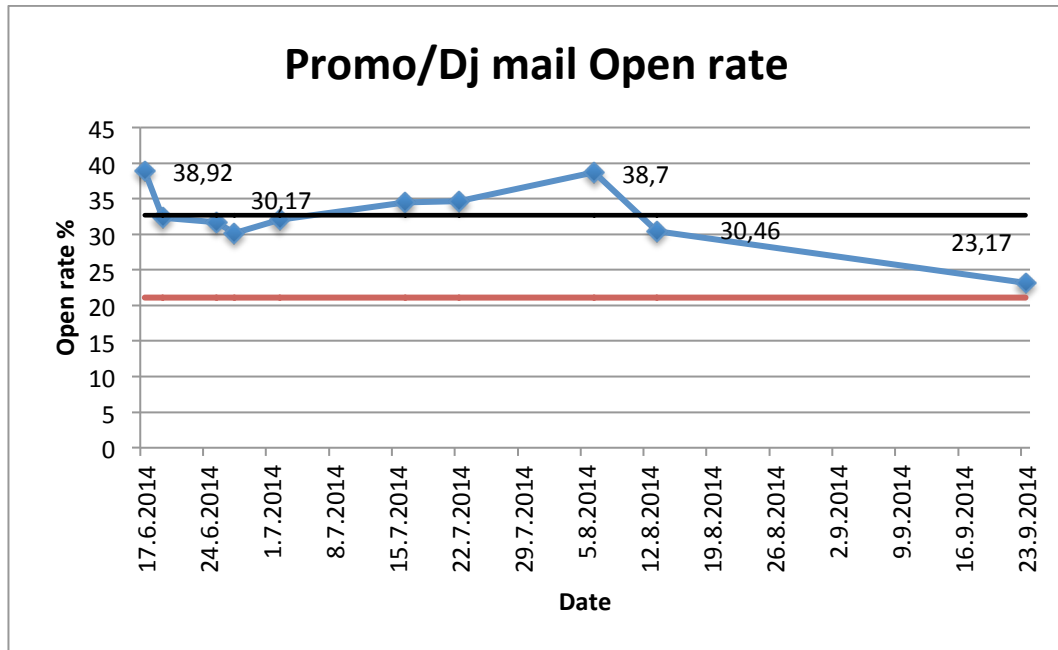


Figure 22. DJ/Promo mail Open rate

The click rate, shown in the Figure 23 below, describes the amount of links clicked inside the message once opened. This provides valuable insight of the audience interacting with the content of the message rather than just browsing it through. The average click rate for TBM's promotional mail was 8,81 %. It is shown in figure 23 with the black reference line. An average click rate for a music industry email is 3,0 %, shown in red in graph 10. Over the course of time, the click rate of TBM stays above the industry average all the time, indicating consistent and positive performance.

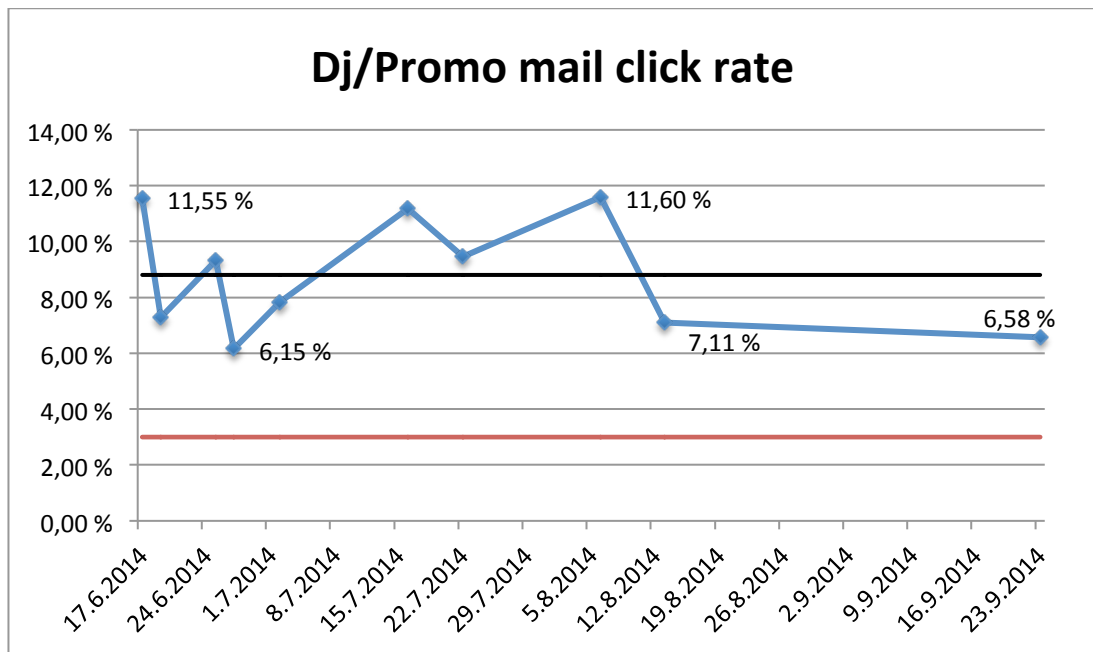


Figure 23. Dj/Promo mail Click rate

#### 4.6.5 Consumer newsletter

The Consumer newsletters main role is cater the needs of subscribers and retain the most committed audience by sending them information about the releases and other TBM content as soon as it is released. Consumer newsletter is a new addition to Top Billin Music's communication tools. There has been only one sent out this far. The engagement of this newsletter will be investigated to evaluate it's succes and to determine where it is beneficial to continue sending out emails directly to this target group.

The newsletter was send to total of 1999 subscribers. It was succesfully delivered to 1899 people, with an opening rate of 27,3%, which is above the industry average of 21,1%. Click rate for the email was 3,1 % which is also above the industry average of 2,5%. 43 subscribers unsubscribed from the email list after receiving the newsletter. These results show the effectiveness of e-mail which is stated to possibly be the best medium for effective email marketing by Kotler & Armstrong (2012, 517) because it allows to send highly targeted and higly personalised messages.



## 4.5 Content Channels

The content channels platforms, which are used to host the content of TBM. In Top Billin Music's case these channels are the webpage, Soundcloud and Youtube. Even though the latter two of these channels can be also considered as social media tools, their primary function is to host the content and build community around it. Following data was collected between 20.6 and 18.9.2014. Due to the lack of data the value of the channels could not be congruently determined.

### 4.5.1 Topbillinmusic.com

Company website is the most crucial point of the proprietary audience development. (Rohrs 2014, 103). In Top Billin Music's case it is in the center of the community with soundcloud, connecting the communication channels to the point of purchase. The website provides a way to subscribe to the newsletter and it also acts as a primary window for industry professionals as well as others, who seek information about the company. For this reason the search engine optimization in google plays an important role on achieving more visitors to the page. For this reason the level of search engine optimization in google was measured by using <http://seositecheckup.com> online seo evaluation tool. In this test TBM's website received an better than average score of 68/100.

The web page is divided in to four sections: news (front page), releases, artists and videos. Webpage analytics provided by google analytics show that the most viewed content between 20.6 and 18.9 is a hidden page, described as sexxxxx-saxxxxx, which is a page containing a music video: Drop the Lemon – Sex Sax. This page has gained 4189 views out of 10421 overall views. Whereas the videos page gained 393, releases gained 323 and the interviews gained 305 viewers. Indicating that this hidden page drives the majority of the traffic to the page.

As the site provides an opt-in form for email subscription, links to all social media and easily accesible links to the store, it can be said that the cross channels references are made well to enhance the growth of other audience platforms.

Content of the site is mostly readable such as company related news and artist interviews. At the videos section, there is a collection of all the music videos provided by

Top Billin Music. The videos are embedded links from Youtube, offering a connection between the webpage and the company Youtube channel. From the releases section the consumer gets primarily to Top Billins online shop (Bandcamp) but the page also provides links to all the other digital shops, which release TBM's music.

With bandcamp intergrated in to Top Billin Shop, it is highly important to keep the audience engaged with the website to drive sales in Bandcamp.

### Performance

The following metrics were used to determine the audience engagement in the website: the number of returning visitors, time on site and the bounce rate of the site. Figure 24 below describes the amount of new visitors versus returning visitors. This is an important measure when measuring the engagement, returning visitor indicate interest towards the content of the site. It also indicates that they are also more willing to engage with the brand. (Cleary 2013) The amount of returning visitors in the case of Top Billin is 16,3 % out of the total amount of 7625 visitors. Figure 25 shows the amount of sessions of returning visitor. Figure 25 shows a heavy decrease of visits after three visits to the site.

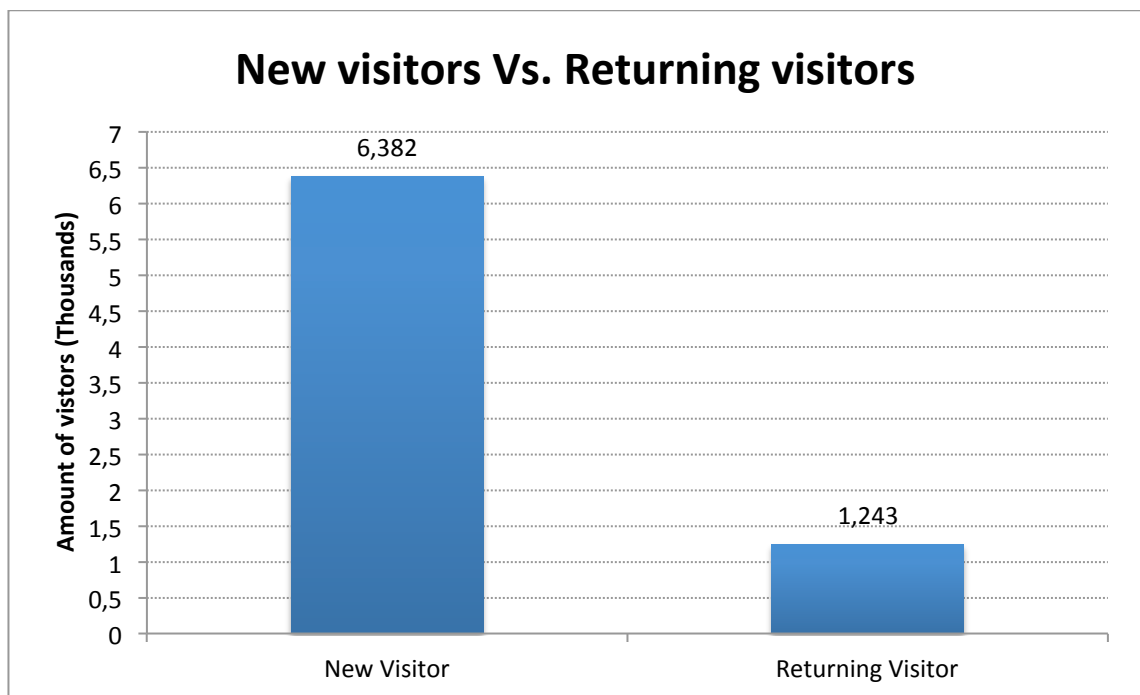


Figure 24. The amount of new visitors vs. Returning visitors

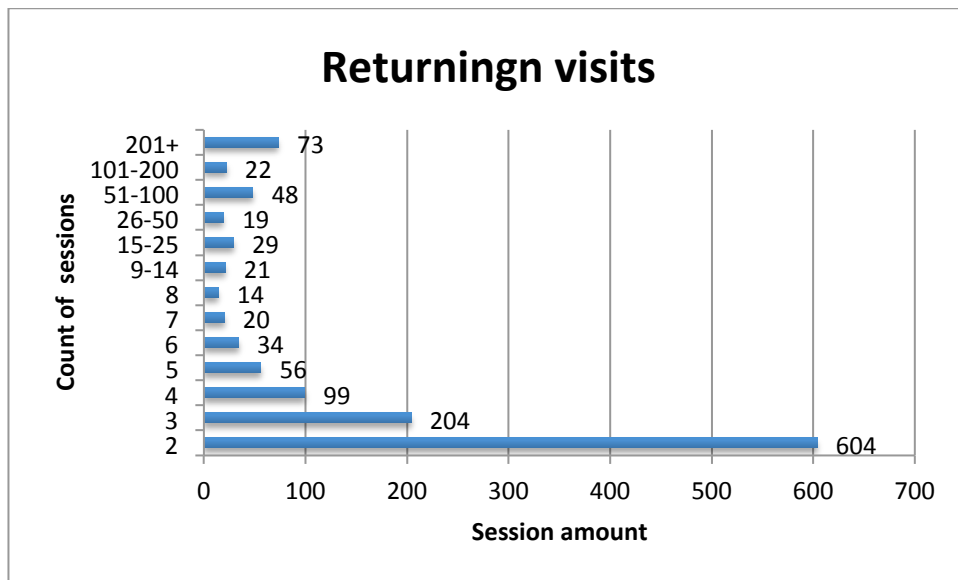


Figure 25. Amount of returning visitors

Other important engagement factor is the time spend on the site, which also reveals the interest shown towards the content by the audience. Figure 26. shows that most of the visits (5654) last only 0-10 seconds. This correspond's with the high bounce rate, which in Top Billin Music's case is 72,47 %. Bounce rate shows how many people leave the website after viewing one page. An average bounce rate for a normal website is from 41 % to 55 %. (Good, Bad, Ugly and Average of bounce rates 2014)

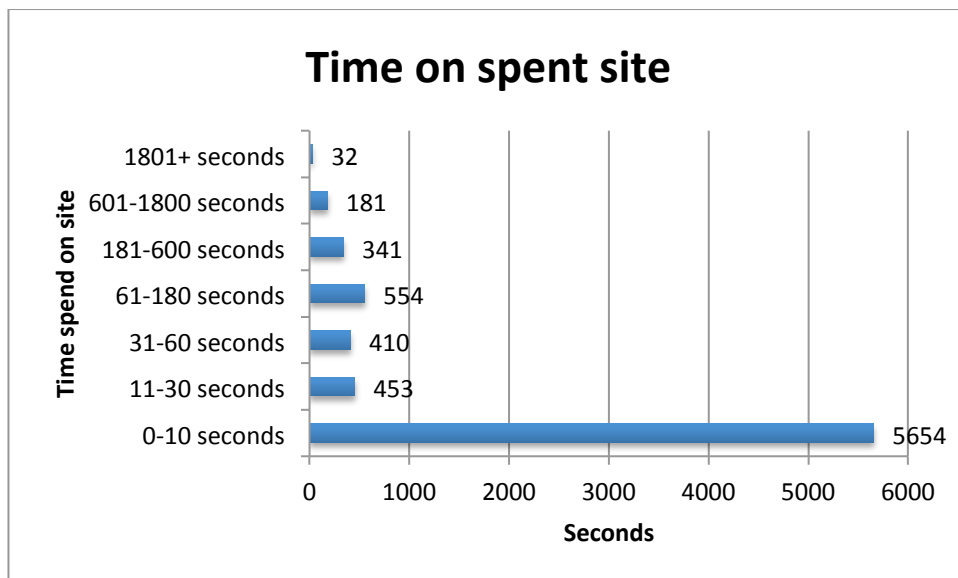


Figure 26. Time spent on the webpage

The data from graphs 6,7 and 8 indicate a low engagement rate on the website. Even though the returning visitor rate is 16,3 % is a good and steady amount as 15 % is con-

sidered as an good average rate of new visitors, the time spend on site and bounce rate show an unengaged and uncommitted website audience. (Rocket fuel team 2014)

### Website traffic

Figure 27 below shows that Facebook drives the most traffic to the website out of owned communications channel with 177 views. 78 views was traced back to Twitter, a discovery based social media Stumbleupon drove 44 views and Youtube drove 5 views to the site. Promotional pages, which are linked to the promotional mail brought 387 views out of the total of 7625 pageviews. The consumer newsletter brought 58 people to the site during the research period. Majority of the views come from google search (4575 views) and direct access (2130 views)

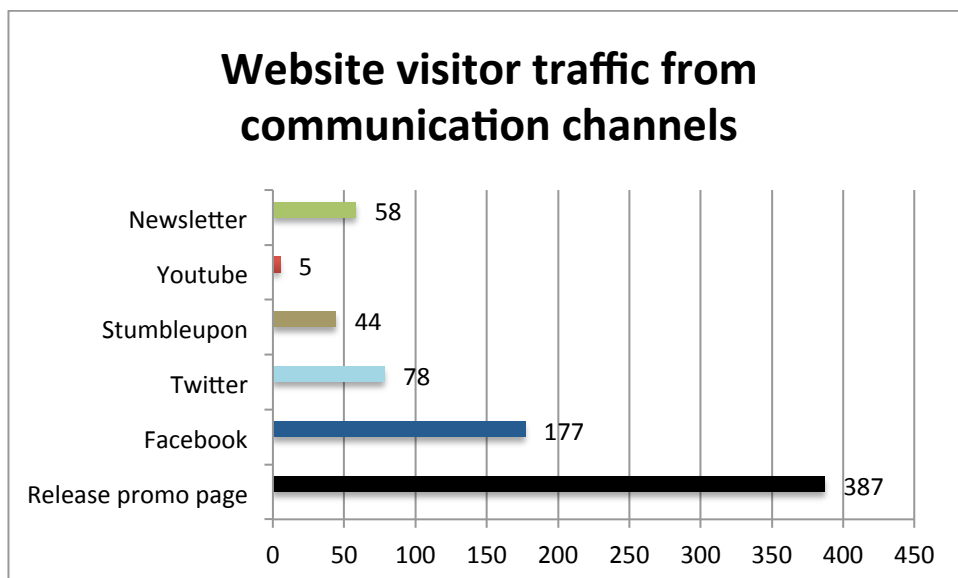


Figure 27. Amount of website visitors from Top Billin Music's owned audience channels.

### 4.5.2 Soundcloud

From all of the audience channels, Top Billin Music's Soundcloud page has the biggest amount of followers by 26142 (see table 1). The growth rate of audience size is 4,2 %, which indicates a good performance of acquiring new followers. The reach of soundcloud is an estimate, as soundcloud does not provide data to determine reach in their analytic tools. The effective audience is calculated by measuring the amount of plays coming from user streams, which is the first point of engagement with audience after

content is released. Using this measure it can be determined that in Soundcloud 63 % of the content reaches the audience.

Figure 28 shows the level of engagement, which seems to have a positive trend towards the end of the sample period, starting from 6,35% and ending up on 11,32 %. The engagement level shows how many people engage in action after hearing a song in Soundcloud. With an average of 8,58% engagement, for every hundred audience members 8 will engage with the label.

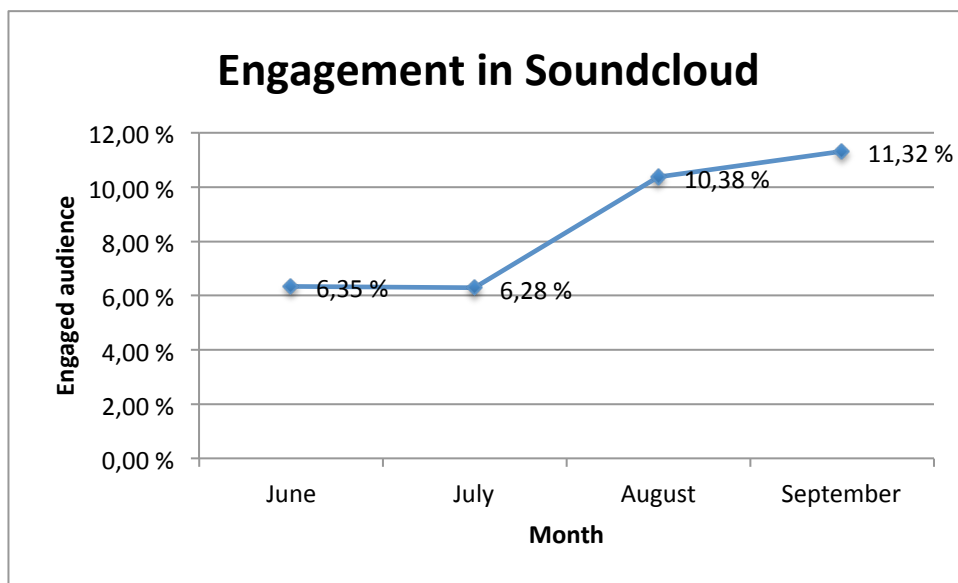


Figure 28. Soundcloud engagement

The actual inbound traffic in Soundcloud cannot be calculated as there are no analytics tools available to track that kind of data. The outbound traffic from Soundcloud is guided directly to bandcamp with a download now/buy now button under the song. Soundcloud also has links to all the other owned media pages in the visible information about company section, providing a possibility to move to other platforms.

#### 4.5.3 Youtube

Top Billin Music's Youtube channels is under development and its role amongst other content channels is still unclear. It is investigated to learn about its marketing potential and the current state of its community. Youtube has a subscriber base of 1781, with 5,6 % audience growth over the sampling period. The amount of growth is quite surprising as it is completely organic growth. The reach of Youtube is also quite irrelevant as it

primarily works as a content hosting platform and does not have a newsfeed type of function. Whenever a new video is uploaded a subscriber gets automatically notified by this. It can be argued that the reach is the same as the amount of subscribers. Top Billin music had 52139 total amount of views during the sample period and has an engagement average of 1,22 %. During the research period none of the 20 comments were acknowledged by Top Billin Music personnel.

Youtube is not promoted effectively in the communication channels, during the research period 79 % of Youtube views came inside youtube. With 5 % of views coming from subscribers, Even though it is currently under development and does not have a real role in owned media youtube shows big potential to due suprisingly strong organic growth of audience and suprising level of engagement.

#### **4.6 Purchase channels**

The purchase channels are channels dedicated for the point of sale, meaning the digital stores. Top Billin Music release music in seven different digital stores: Bandcamp, Beatport, Junodownload, Whatpeopleplay, Zero, Amazon and iTunes. From these stores Bandcamp is the primary one as it is the only place where Top Billin Music owns the data as well as gets the highest profit margin per sale (Vaht & Nenola 2014). Due to the limited nature of Bandcamp analytics tools, the data concerning inbound traffic was extracted from the time period of 1.6-31.8.2014, Instead of the samplign period of 19.6-17.9.2014 used in data describing the sales.

Research reveals that the majority of inbound traffic to Bandcamp comes from direct sources, which are references in emails, instant messages and other unidentifiable sources. These direct visits account 70 % of the total 7479 visits directed to Top Billin's bandcamp page. Figure 29. shows the inbound traffic from Top Billin Music's other owned media sources. It is notable that out of the content channels Soundcloud directs the most inbound traffic to Bandcamp, even though Bandcamp is integrated to the digital store in Top Billin Music's website.

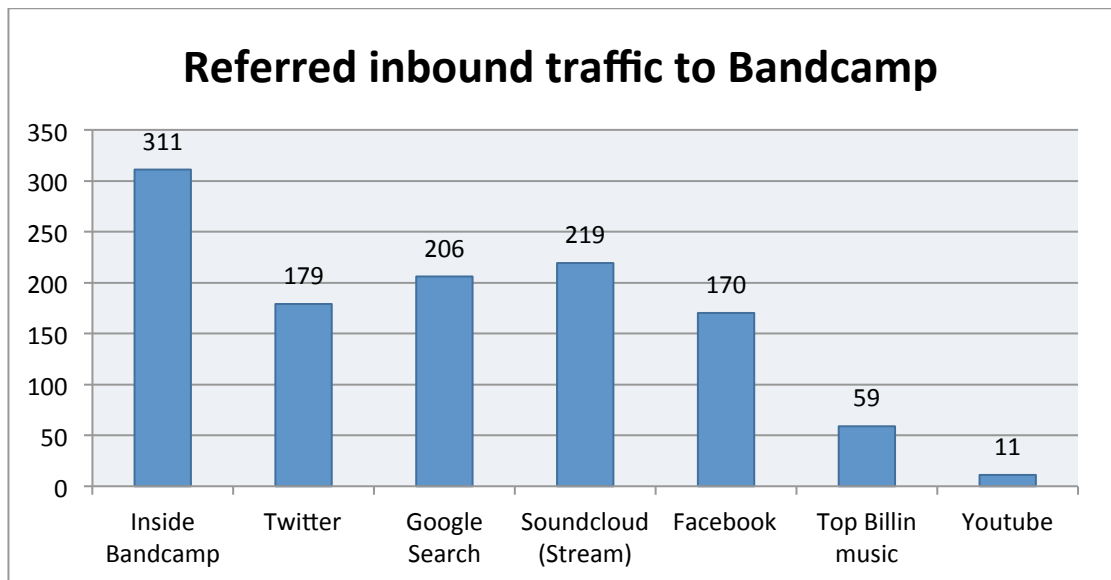


Figure 29. Inbound traffic referral source to Bandcamp

Out of these 7479 visits 557 lead to a desirable action, of which 145 were purchases and 412 were free downloads. This gives Bandcamp a conversion rate of 5,5 % for a desirable action. For a purchase the conversion rate is 1,9 %.

During a different sampling period of 20.6.2014-18.9.2014, 157 purchases were made in bandcamp. Figure 30 below shows that out of these purchases 10,19 % were driven from Twitter. 3,18% of the total sales came from facebook.

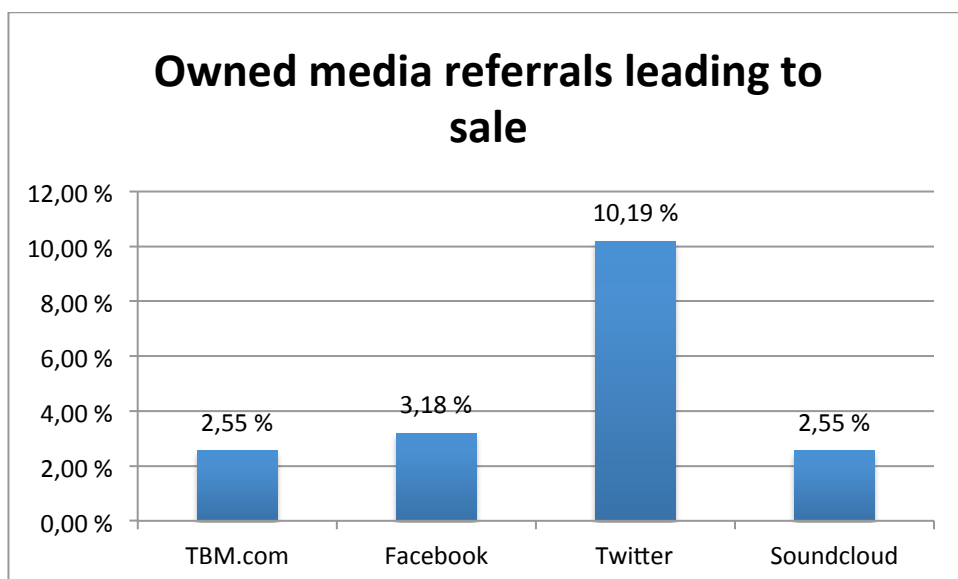


Figure 30. Amount of owned media refferals that lead to a sale

#### 4.7 Competitive analysis

In order to relate Top Billin Music's audience development performance to music industry settings, the performance of two rival companies were studied. These companies were a Belgium based Pelican fly and a US based T & A recordings. Both of which compete from the same target customer group with Top Billin Music. These companies were evaluated based on their audience size, engagement, the outlook of the company pages and the amount of posts. The information is based on visual observation from the available audience channels of these companies during the time period of 20.6-18.9.

Pelican fly has a clear and easy to navigate website, with links to all of their social media channels: Soundcloud, Youtube, Facebook, Twitter and Instagram. Pelican fly does not have a opt-in email option in their site. The site has an embedded media player, which can be used to listen the songs for free. Once a track is played an option to buy the songs from a digital store becomes visible (Wepelicanfly 2014).

T&A records has a webpage, which looks is build to look more like a blog rather than a homepage. There are no visible links to the social media channels, however there the songs are shown as embedded soundcloud files on the page, giving a quick access to their soundcloud profile. Songs can be bought via the release section, where there are a links to digital stores selling the release (Tandarecords 2014).

The size of the audiences are shown in figure 31. The figure illustrates that TBM has biggest overall audience in all of the channels except in Facebook. T&A records has the smallest audience in all of the measured channels. In addition to this here are no instagram and Youtube accounts.



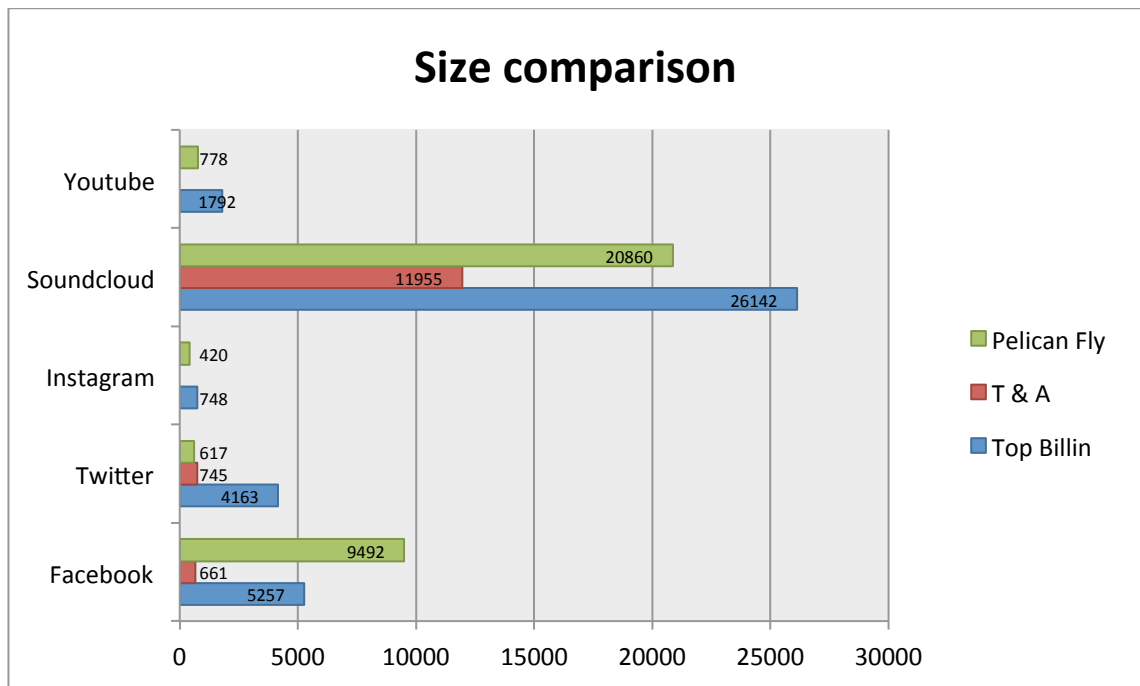


Figure 31. Audience size comparison of the competing companies.

Table 2 illustrates that both T&A records and Pelican fly have low activity in all of their communication channels during the 90 day research period. During this time Pelican fly posted three posts on facebook, one post in Twitter and no posts in Instagram. T&A records posted six posts on facebook, two original posts and 11 retweets on Twitter. Top Billin music posted 36 posts in Facebook, 212 posts and 35 retweets and 50 pictures in Instagram.

Table 2. Social media post frequency comparison

Frequency of posts	Pelican Fly	T&A	Top Billin
Twitter	1	13	212
Facebook	3	2	33
Instagram	0	-	50
Overall posts	4	15	295
Overall post freq.	0,04	0,2	3,2

Even though the post frequency rate always depends on the company according to study by socialbakers, there should be at least 2 posts a week in facebook to establish a social connection (Social Bakers 2011) According to Twitter for business (2014) a good tweet frequency is three to five tweets a day. Based on study from union metrics an average posting rate in instagram is 1,5 posts per day (Forbes 2014). Even though Top Billin music does not follow the achieve the average post frequencies in all of the platforms,

there is a continuing and consistent flow of messages, which is the most important factor.

Due to the low rate of posts by Pelican Fly and T&A Records, the engagement rates give no comparable measures. Soundcloud is the only platform, which gives out valid engagement numbers in the case of Top Billin and T&A records, in which T&A records has a higher engagement rate of 0,69% comparing to TBM's 0,26%. Instead of releasing to their music in the company soundcloud page, Pelican fly reposts the released songs from their artists page.

Based on this comparison, it is quite easy to determine that Top Billin Music has a big competitive advantage when it comes to their online presence. It performs more consistent and has advantage over Pelican Fly and T&A records in most of the measured areas.

## 5. CONCLUSIONS AND DISCUSSION

The purpose of the study was to research Top Billin Music's current audience efforts in order to create a functional proprietary audience development plan. In this chapter the results of the research will be concluded.

The research shows that Top Billin Music builds audience through the use of owned media, using earned media as an amplifying factor. There is no use of paid media at the moment. There are multiple platforms in use, which work well together overall. There are some lack of cross channel activity especially between Youtube and communication channels as well as the website. However Youtube being in a developmental stage, this is understandable but it needs to be improved. Having a variety of different channels provide Top Billin Music a broad exposure throughout different audience groups as well as provides something for every different segments of the joiner group (subscribers, followers and fans). Findings also show that TBM has been succesfull in their audience development as they have been able to acquire and retain steady amount of followers in each of their platforms.

The research findings showed that there are some areas of improvement also. The biggest are of improvement can be found from the engagement of social media (Twitter, Instagram and Facebook) as well as the engagement in the website. As it was mentioned before in the theoretical framework, capturing and retaining the attention of the audience is essential in music industry. Engagement plays a key factor in retaining this audience as engaged audience always pay attention. Engagement also has high impact on reach of the social media posts, which makes it even more important. Areas of improvement were also found in the automation of social media messages as well as the use of analytics tools. In order to gain full advantage of use of analytics, the data must be followed consistently. At the the moment there is nobody collecting and analysing data, which means that the actual performance of different channels as well as their value cannot be measured. This problem can be fixed by assigning a person to regularly follow the collected data and by reporting this data to people who manage the audience channels.

The results of research show that there is audience growth in every owned media channel, which shows Top Billin Music is able to retain its proprietary audiences in all

The findings of the research proved to offer many valuable insights in order to build a functional proprietary audience plan for Top Billin Music. The plan with improvement suggestions based on the knowledge gained from this reseach can be seen in Appendix 1. However, further study would be needed in order to take the value of the channels in to consideration when building the Proprietary audience plan. This research failed to produce the necessary data for value evaluation due to the lack of data.

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## APPENDICES

### Appendix 1. Proprietary Audience Plan for Top Billin Music

Following proprietary audience plan will be functional and follow guidelines given by the label manager Heikki Vaht. The plan is structured in the following matter: Summary of current situation and improvement suggestions, statement of objectives, identification of the target group, Sharing of content and Communications plan.

#### 1. CURRENT SITUATION AND IMPROVEMENT SUGGESTIONS

##### a. STRUCTURE OF THE CHANNEL NETWORK

The overall structure of the network performs well. There are enough cross channel references ensuring the overall traffic flow. The automation of social media posts needs to be improved due to the lack of quality in Automated posts.

**Recommendations:** The use of automation only between Instagram and Facebook and Instagram and Twitter. With Instagram to Twitter not all of the posts should be automated, and a hashtag based automation would be highly suggested. This means automation only in case when a certain hashtag is used. This would prevent lacking descriptions in posts from Instagram to Twitter and would give more control over what is being automated between these platforms.

Another big management/structural issue appeared to be the use of analytics. In order to target the posts at the right time to the right target group. It is also essential in the case of tracking the quality of the proprietary audience building performance.

**Recommendations:** Top Billin Music should appoint a person to use the analytics tools to track performance at least once a week and considering to upgrade into more specific paid analytics tools as they are easier to use and more efficient than using separate tools on separate platforms.

## b. TWITTER

At the moment Twitter is TBM's best performing communication tool. Followers tweets are retweeted in order to give them sense of acknowledgment which also show in the level of overall engagement being above the benchmarked average. Curated audio content works well as it brings new listeners from Soundcloud and Twitter.

**Recommendations:** More diversity in the curated content as 72 % of all curated content come from Soundcloud. The amount of promotions could also be adjusted a bit as they cover 37,7 % of the total post amount at the moment.

In order to increase the reach in Twitter, 1-2 hashtags should be used in every post that is directed to general public. By using the hashtags the possibility of acquiring new followers increase as well as possibility to engage with the post.

## c. INSTAGRAM

Instagram performs well, even though its engagement is bit below the benchmarked average. This might be caused by the high amount of promotional content in Instagram. The amount of hashtags were used a sufficient amount of times as well as the post frequency of the content.

**Recommendations:** Thesis author would suggest that Instagram would be only treated as a content hosting platform used to strengthen the brand of Top Billin and only used to promote events that can be documented in a live situation. The research has shown that during the time period there were no traffic in bandcamp driven by Instagram published advertisements.

## d. FACEBOOK

Facebook is the worst performing platform at the moment. The biggest problem of Facebook is the amount of engagement, which affects directly to reach and also slowing down the overall audience growth. The cause of low engagement can be found from the type of content, which was 61,1 % promotional, 25 % of owned and 13,9% of curated content. It could be seen from the sampling period that curated content lifted the amount

of engagement multiple times to promotional posts. The post frequency at the moment is good as if the frequency of the content would be higher, the quality would probably suffer.

**Recommendations:** Promotion in facebook should be planned around the release dates in order to plan ahead to post at least 2 curated content and 1 owned content before the release and after the release before a new promotion.

#### e. NEWSLETTER AND PROMOTIONAL MAIL

Both of these communication channels work above the average and there is not significant improvements to be made in either one of them.

**Recommendations:** In order to gain new subscribers to the newsletter, the opt-in form in website, should be placed to a more visible spot. Other recommendation is to add a description of what the newsletter is and what it delivers to the opt-in form. It could also be added to bandcamp releases page, where people who are interested to buy Top Billin Music's releases could subscribe to it, in order to receive notifications about new releases.

#### f. TOPBILLINMUSIC.COM

Due to the disproportioned amount of visits to the Sxxxx-Saxxxxx hidden page, it is hard to evaluate the performance of the website. In order to gain better view on how the website is performing, the thesis author would suggest to remove the page as it only causes high bounce rate to the site, which also affects to the search engine rankings.

**Recommendations:** To remove the page and other extra pages from [www.topbillinmusic.com](http://www.topbillinmusic.com) as they affect the site load times, as well as search engine rankings in addition of distorting the analytics data.

#### g. SOUNDCLOUD

Soundcloud is the best performing channel overall out of all TBM audience channels. The only point of improvement is the lack of analytics in Soundcloud as it is hard to follow the performance with current analytic tools. As the overall performance is satisfactory there is not much room to improvement ideas.

**Recommendations:** To consider using analytics tools compatible with Soundcloud.

#### h. YOUTUBE

At the moment youtube does not have a clear role. With a organic reach of more than 5 % at the moment Youtube has a promising potential. As Youtube and Soundcloud compete from each others audience in audio products the role of Youtube as a music release platform is not justifiable. However when TBM or the artists are able to produce music videos with continuity, Youtube should be raised to be the primary platform as it has more critical mass than Soundcloud.

**Recommendations:** If there is not a possibility to produce own music videos, opportunities on cross-channel promotion need to be looked in to (i.e. Past cross promotion with YAK films.) In addition to this, TBM's Youtube channel could provide dj content curated by Top Billin and friends, in order to drive more traffic to the channel as well as provide meaningfull curated content to people.

## 2. OBJECTIVES

The following objectives are set to be achieved during the year of 2015.

- To increase the engagement of the communication platforms
- To increase audience growth in social media channels
- To increase the amount of newsletter subscribers
- To increase marketing generated sales
- To find partners to implement cross promotion campaigns
- To find a way to create new type of content

## 3. TARGET SEGMENT

The target segment is based on information acquired in thesis research. Based on the demographics of Top Billin Music's audience channels as well as an interview with Sami Nenola, the target group of Top Billin is 18-34-year-old men. The target group is mainly located in North America, Finland, Japan, Australia, Germany, France and UK. They are early adopters musically and are often highly individualistic and liberal by their beliefs. In addition to shared interest of electronic music and rap, followers are often interested in DJing, aesthetics and skateboarding/other similar lifestyle sports.

In order to further develop the understanding of the target group of Top Billin, the use of analytics tools are necessary to understand channel specific target groups and their behaviour.

## 4. CONTENT

This chapter will explain the details related to the process of sharing different types of content in Top Billin Music's content hosting channels.

## **RELEASES/AUDIO**

**Location:** Hosted in Soundcloud, Youtube and Bandcamp

**Communication:**

Pre-promotion: Send by Promomail and/or newsletter

1<sup>st</sup> Promotion round: An Embedded Soundcloud file shared by Facebook and Twitter

2<sup>nd</sup> promotion round: Embedded Bandcamp file shared by Facebook and twitter

**Who produces:** Artist

**Why:** To earn revenue

## **VIDEO**

**Location:** Hosted in Youtube

**Communication:**

1<sup>st</sup> Promotion round: Embedded file shared by Facebook and Twitter

2<sup>nd</sup> Promotion round: Embedded file shared by Twitter

**Who Produces:** Artist/Top Billin Music

**Why:** Branding/New audience acquisition from Youtube

## **TEASERS**

**Location :** Hosted in Instagram

**Communication:** Shared in Instagram, Facebook and Twitter

**Who Produces:** Artists

**Why:** Pre-promotion, Branding, diversity of content

## **PHOTOS**

**Location:** Hosted in Instagram

**Communication:** Shared in Instagram, Facebook and Twitter

**Who Produces:** Top Billin Music

**Why:** Branding

## 5. COMMUNICATION

Following instructions will give guidance drafting the messages, while sharing the content in the communication channels.

### **TWITTER**

**Role:** Broadcasting, Promotion, Real time commenting

**Type of messages:**

Short release promotions

Curated articles, audio and video

Short personal statements.

**Target:** Amplifiers, Followers, Seekers

**Engagement:** Retweet when @topbillinmusic is mentioned. If post can be directed at a twitter handle, always use @handle

**Post Freq:** 3-5 / day. Keeping a predictable and stable pace of tweets is important.

**Use of hashtags:** 1-2 Hashtags in posts in general.

**Type of content:** 20 % promotional, 30 % owned and 50 % curated

### **FACEBOOK**

**Role:** Community building

**Type of messages:**

Curated links, pictures and videos, with an own point of view

Promotional messages.

Brand building – Links to Instagram

**Target:** Fans, Amplifiers, Seekers

**Engagement:** Tags are used when artists or other people who have presence in Facebook are mentioned. Liking or commenting back comments on the Fan page.

**Post Freq:** 3-5 times / week

**Hashtags:** Not used

**Type of Content:** Strictly 10 % promotional, 20 % Owned and 60% curated

**PROMOTIONAL MAIL**

**Role:** Increase earned media

**Type of message:** Release promotion

**Target:** Amplifiers

**Post Freq:** Once before release, once after release

**Type of content:** Only release related

**NEWSLETTER**

**Role:** Engage and retain followers

**Type of message:** Release promotion, Top Billin related news

**Target:** Amplifiers and Subscribers

**Post Freq:** Once a month

**Type of content:** 50 % owned, 50 % Promotional



## Appendix 2. Interview questions to Heikki Vaht and Sami Nenola

The interview was conducted by sending the following list of questions before hand to both of the participants. A skype meeting was held where Heikki Vaht and Sami Nenola answered to the following questions.

What online stores Top Billin Music is using the most at the moment?

What owned media is currently in use?

What paid media are you using at the moment? In the past?

Are there a blog, website or other media which reviews Top Billin Music's releases?  
How about other sources of free attention?

Does Top Billin have ongoing cross promotion partnerships?

How would you describe Top Billin Music's target group?

What are the biggest rival companies to Top Billin Music?





