

Recommendation to C-Level Executives

Introduction

After conducting a comprehensive analysis of our company's performance relative to our competitors, it is evident that while we have excelled in several areas, there remain significant opportunities for improvement. Despite the challenges posed by the pandemic, we successfully increased our user base from 138 million in 2020 to 165 million in 2021 (**Dashboard_2**). This growth demonstrates our resilience and ability to adapt to a rapidly changing environment.

Our platform has become a source of joy for many, offering music that enriches daily life. Over the past five years, we have seen exponential revenue growth, achieving \$4 billion in annual revenue (**Dashboard_1**). This upward trend continues to strengthen as we move further into the year. Notably, our social media presence on Instagram has surpassed one of our main competitors, Apple Music, with 7.2 million followers compared to their 4.5 million. However, we lag on Twitter, where Apple Music has 9.9 million followers, compared to our 4.6 million. Enhancing our presence on these critical platforms is essential, as they allow us to expand our reach and explore new market opportunities globally.

Our market share is 30.5%, with our nearest competitor, Apple Music, holding 19.8%. Market segmentation analysis indicates that the highest consumption is within the 25-34 age group (24%), followed closely by the 35-44 age group (22%). Although the barriers to entry in our industry are high, we must not become complacent. Continuous innovation is essential to maintaining and expanding our market position, particularly as competitors like Apple Music and Amazon Music have the resources and capacity to enhance their market standing.

Our pricing strategy has set a benchmark within the industry. However, there are several key areas for consideration moving forward:

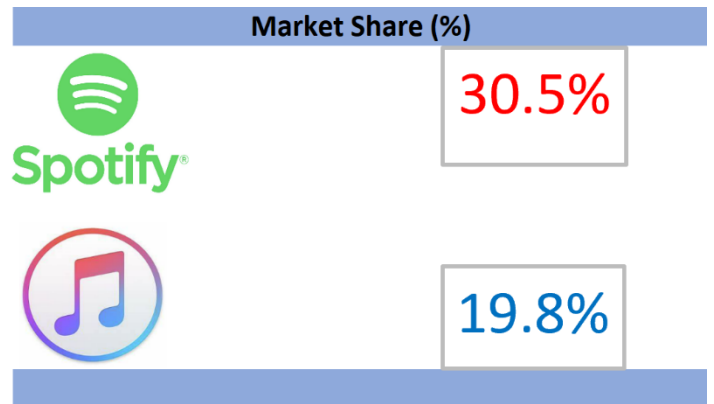
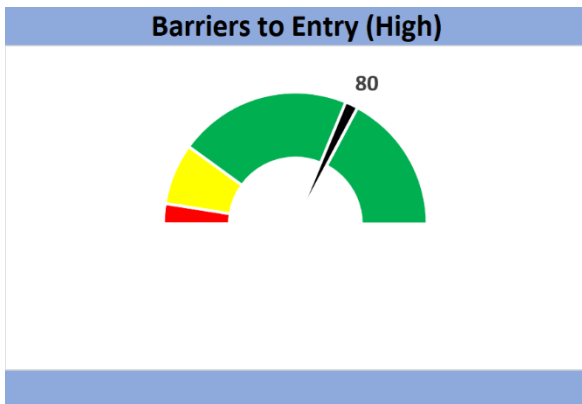
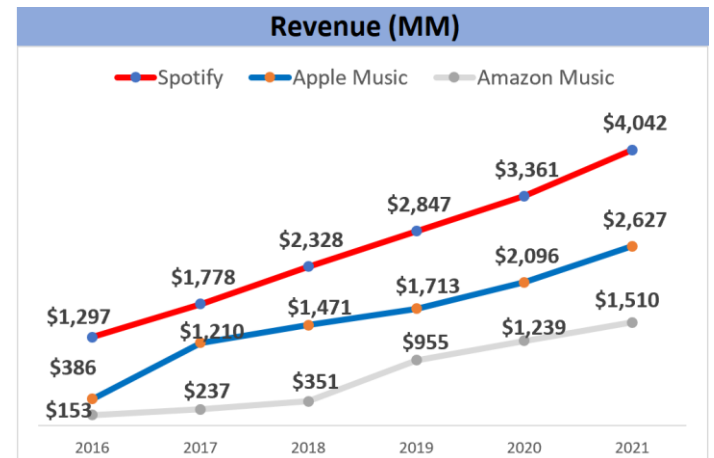
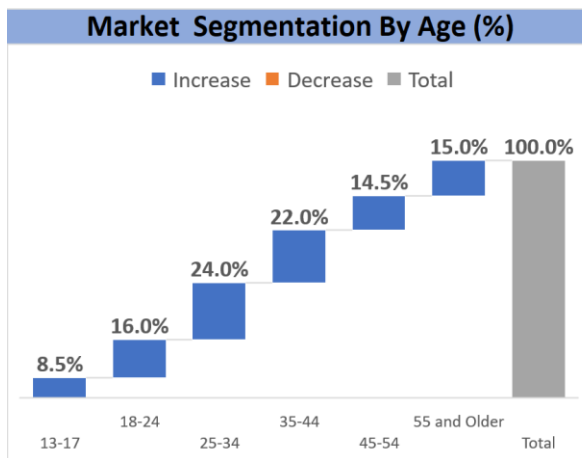
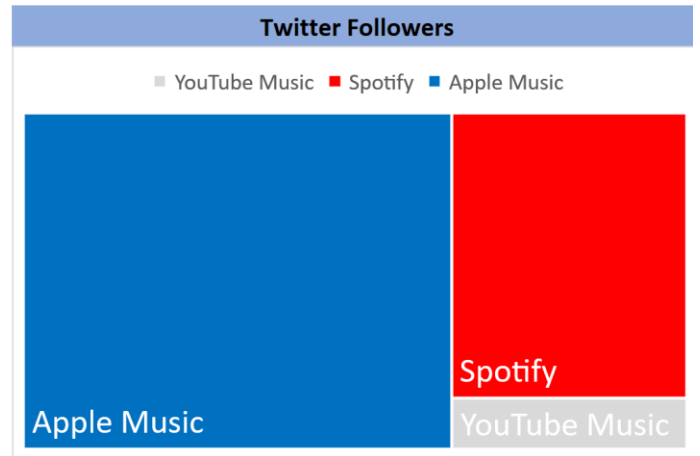
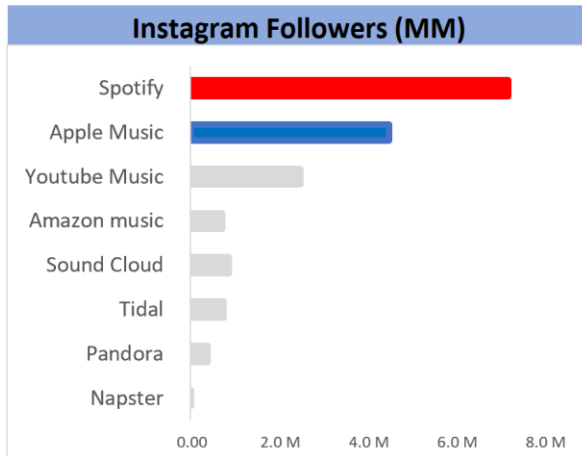
Research and Development: Apple Music invested \$14 billion in R&D in 2019, significantly more than our \$4.9 million investment. Increasing our R&D spend could fuel innovation and secure our competitive advantage.

Global Economic Growth: With global disposable income rising, particularly in developing countries, we have a unique opportunity to capitalize on increasing mobile internet connections and expanding markets.

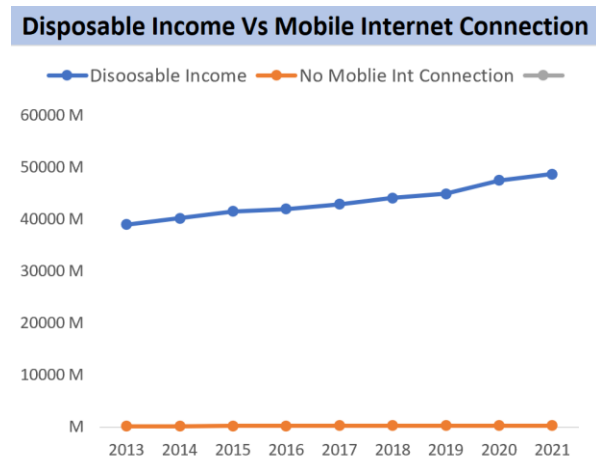
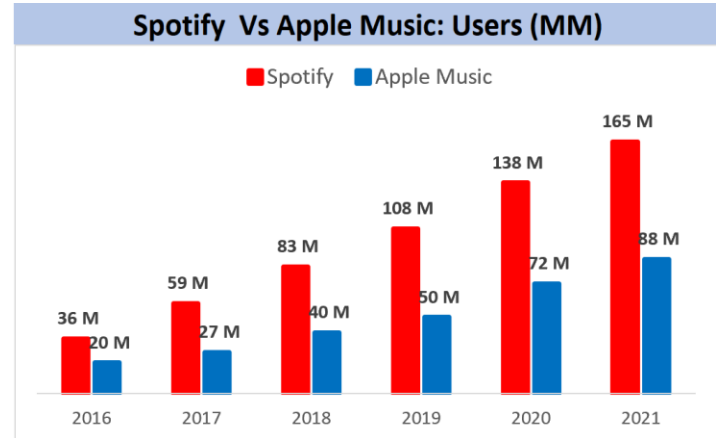
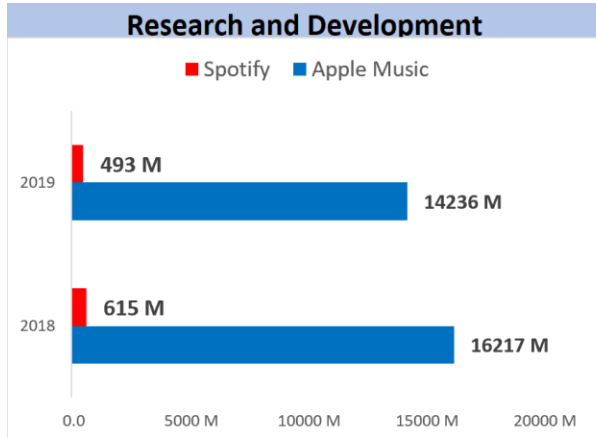
Emerging Markets: Expanding into emerging markets will enhance our social media presence and generate additional revenue to reinvest in research and development.

By focusing on these areas, we can sustain our growth trajectory and continue setting the industry's pace.

Dashboard 1



Dashboard 2



Apple Music: Pricing Strategy

Plan	Price	Features
Student	\$4.99/Month	Add free Streaming
		Offline listening
Individual	\$9.99/Month	Add free Streaming
		Offline listening
		Access to music library
Family	\$14.99/Month	Add free Streaming
		Offline listening
		Access to music library
		Acess for up to 6 people

Spotify: Pricing Strategy

Plan	Price	Features
Free	\$0	30 day free trial, shuffle mode, free music/podcast with ads, access to daily mix, skip songs up to 6 times per hour
Individual	\$9.99/Month	1 month free, ad free music/podcast, offline listening, on-demand playback
Duo	12.99/Month	1 month free, ad free music/podcast, offline listening, on-demand playback, up to 2 accounts, duo mix playlist
Family	\$14.99/Month	1 month free, ad free music/podcast, offline listening, on-demand playback, up to 6 accounts, spotify for kids
Student	\$4.99/Month	1 month free, ad free music/podcast, offline listening, on-demand playback, show time, Hulu (add-supported)plan

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