

MARKETING MANAGEMENT

BMMB7012

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Executive summary

The purpose of the assignment is to evaluate Audible's marketing activity, Audible, a leading audiobook and spoken word entertainment platform, has incorporated an effective marketing strategy in order to reach its market target market base. The micro and macro marketing environment of the organisation Audible includes different factors such as political, economic, sociocultural, technological, environmental, and legal considerations. Further, the application of different frameworks such as SWOT, PESTEL, and Ansoff Matrix can help the company in accessing its position in the market along with developing and identifying effective growth opportunities. By using different channels such as email marketing, influencer marketing and social media marketing, and influencer partnership the organisation attracts clients and allocates resources to channels that deliver the best outcomes, optimise campaigns, and make informed decisions.

The company has positioned itself as an immersive as well as convenient platform in order to offer audio content. The organisation is focused on positioning personalised recommendations, value-added features, and a variety of content that resonates with the company's target market, which drives consumer retention as well as acquisition. While there are a few areas of improvement such as exploring innovative marketing initiatives and widening accessibility. The company's marketing strategy has also proven to be efficient and effective for engaging as well as capturing the needs of the clients. The company is also recommended to partner with influencers, offer regular and relevant content, and provide a leveraging platform in order to stay ahead in the market.

Introduction

The leading producer and provider of audio storytelling that is Audible offers an immersive, cinematic experience full of inspiration and insight to enrich the customer daily lives of customers. The aim of the report is to evaluate Audible's marketing activity. Additionally, the study will also analyse the resource that the company has invested in marketing. Similarly, the report will also analyse the micro and macro environment of the organization and the way these have influenced the marketing strategy of Audible. Further, the research will with the application of different frameworks such as SWOT, PESTEL, and Ansoff Matrix help the company in accessing its position in the market along with developing and identifying effective growth opportunities. The research will also discuss the key target market of the business and the marketing channel the organisation has chosen to communicate with its customers. Lastly, the report also provides recommendations for Audible to enhance its marketing strategy.

2. Critical evaluation of the marketing activity of Audible

2.1. Concept and Importance of Marketing

Marketing is an important aspect of any business that involves a set of activities that is aimed towards selling, promoting as well as delivering services to the consumers. It significantly helps in generating awareness, building a consumer base, and creating awareness. Marketing is necessary as it helps in multiple ways such as creating value, as it is mostly about understanding the needs and preferences of consumers, and their desire to communicate and create value in their offerings and differentiating themselves from all the competitors (Homburg, et al., 2017). Moreover, according to Bilgin, (2018), marketing activities also help in building brand awareness and asking consumers about organisations' products and services.

Furthermore, according to Erevelles, et al., (2016), marketing is considered to be instrumental in attracting a newer consumer base and retaining all the existing ones. With the help of targeted **marketing campaigns, social media promotions, and influencer marketing** and using them as resources Audible reaches its desired market audience and convinces them to make a purchase. Marketing also focuses on consumer retention strategies that involve personalised communication, and launch loyalty programs to ensure repeat business along with fostering a relationship that is long term.

Moreover, Heinze, et al., (2020), stated that marketing plays a crucial part in providing a competitive advantage for all businesses. It also allows Audible to differentiate itself from all its competitors as well as highlight its unique features, innovative solutions as well as superior quality. Effective marketing strategies position an organisation as a superiorly preferred choice in the consumer's mind and it eventually leads to an increased market share and profitability. Marketing creates an interaction between an organisation as well as its consumers that enhances the organisation's traceability as well as brand loyalty.

2.2. Macro and micro marketing environment

PESTEL Analysis

Factors	Description
Political Factors	Audible is a global leader, and political factors have a significant impact on its operations.

	For instance, government regulations on intellectual property, copyright, and taxation can have a significant impact pricing and availability of audiobooks in diverse markets.
Economic Factors	Factors such as disposable income levels, inflation rates, and exchange rates impact the spending patterns of consumers. The pricing strategies of Audible and its subscription model need to consider economic factors in ensuring affordability and attracting a large base of consumers (Audible, 2020).
Sociocultural Factors	Constantly changing cultural preferences and social trends organisation's marketing strategies. The growing popularity of podcasts and audio content consumption among GenZ and millennials creates opportunities for Audible to diversify its product offerings and cater to consumer preferences.
Technological Factors	Technological advancements play an important role in the marketing environment of Audible. The increasing use of smartphone-connected devices and streaming platforms has helped in the consumption and accessibility of audiobooks (Audible, 2020). Audible needs to continuously innovate its platform and adapt to emerging technologies to stay competitive.
Environmental Factors	Environmental sustainability and eco-consciousness are necessary factors in the decision-making of consumers. The company can increase its marketing activities by promoting environmentally friendly practices including reducing paper usage and adopting eco-friendly packaging options (In Fact, 2023).
Legal Factors	Audible needs to comply with licensing agreements and copyright law and licensing agreements to ensure the audiobook's legality.

	Data protection and privacy such as General Data Protection Regulation impacts a company's marketing practices in terms of data usage, collection, and targeted advertising (In Fact, 2023).
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Table 1: PESTEL Analysis

SWOT Analysis

Strengths	Weaknesses
The company benefits from associating with Amazon and helps in enhancing brand recognition, resources, and a large consumer base (Steimle and Steimle, 2016). The company offers wide options for choosing exclusive content, audiobooks, and user-friendly platforms (Audible, 2023). The company's strong reputation and loyalty are some core strengths in the competitive market.	Audible relies on digital platforms and requires an internet connection to access audiobooks which limits its accessibility for individuals with no internet areas. The subscription base model also may not appeal to consumers that prefer one-time purchases.
Opportunities	Threats
The company has growth opportunities by expanding its international presence and targeting new and diverse market segments. The increasing popularity of audiobooks and podcasts allows Audible to attract a new consumer base (Verma, 2019).	The audiobook industry is turning highly competitive with new players entering the market. Audible has a threat of losing the market share to competitors that provide similar services. Technology advancements and changing consumer needs can work as a threat if Audible fails to adapt to changes.

Table 2: SWOT Analysis

Ansoff Matrix

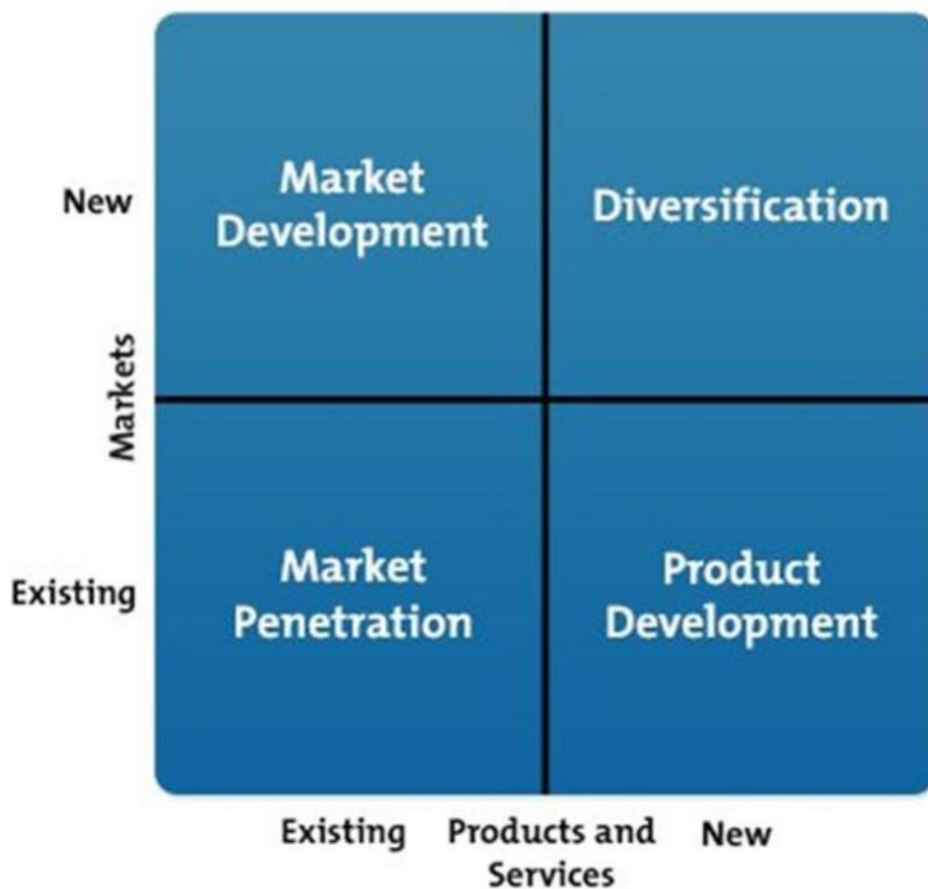


Figure 1: The Ansoff Matrix

Source: (Chaudhuri, 2020)

- a. **Market Penetration:** Audible needs to stay focused on increasing market share by attracting a new consumer base and convincing existing users to increase their consumption and usage with the help of targeted marketing campaigns, loyalty rewards, and referral programs (Berglund and Dahllöf, 2021).
- b. **Product development:** Audible can expand its product offering by constantly making exclusive content, forming collaborations with renowned celebrities, and authors, and exploring newer genres and niche audiobooks to cater to the needs of diverse consumer preferences.
- c. **Market Development:** Audible can significantly enter into new markets by localising all its platforms, translating content into different languages, and also by adapting its marketing strategies for targeting specific countries and regions.
- d. **Diversification:** Audible can work towards diversifying its product offerings other than just audiobooks by involving related services such as learning language programs,

educational content, and original podcasts to cater to the needs of a large consumer segment (Watson, 2016).

2.3. Target market(s)

Audible is the leading provider of audiobook entertainment and has a well-established target market. The market analysis of the company can be done by using market segmentation, targeting, differentiation, and positioning strategies. Moreover, the STP model can be applied to understand the target market effectively.

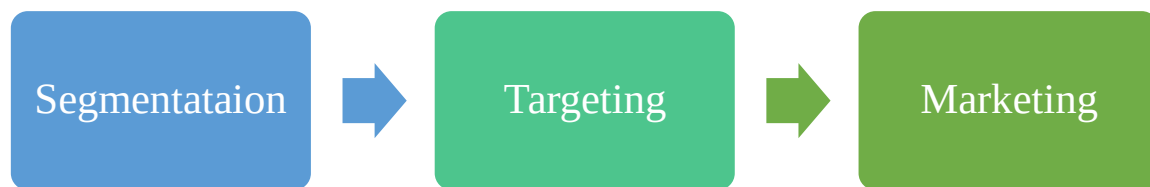


Figure 2: The STP Model

Source: (By Author)

- a. Segmentation:** The segmentation of Audible’s market is done through various factors that involve demographic, psychographic, as well as behavioural characteristics. In the demographic segment, the company targets consumers across all the different age groups, income levels, and genders. Its product offerings cater to the audience of a broad demographic range involving students, young professionals, and old adults. Further, in the psychographic factor, Audible is focused on people that have a strong interest in literature, books as well as self-improvement. The company’s target market involves readers, individuals with limited time for traditional reading, and intellectual enthusiasts (Berglund and Dahllöf, 2021). In the behavioural segment Audible targets people that prefer multitasking, convenience while looking at the content, and have a preference towards

auditory learning. Further, a few other sections that the company targets are fitness enthusiasts, commuters, and people engaged in other activities that allow audio consumption.

- b. Targeting:** Based on segmentation analysis, the company has been employing a differentiated targeting strategy, as it assists multiple market segments with altered marketing strategies. It helps in identifying the diverse market segment of the targeted market as it also designs offerings as well as marketing campaigns accordingly. Based on the segmentation analysis, Audible employs a differentiated targeting strategy, catering to multiple market segments with tailored marketing strategies (Snelling, 2021). It recognises the diverse needs and preferences of its target market and designs offerings and marketing campaigns accordingly.

Audible's targeting strategies.

Audible offers a vast amount of library of audiobooks to choose from, and it covers a wide range of genres including nonfiction, fiction, self-help business, and more. This provides the organisation with a scope of appealing to different preferences as well as interests within the target market. Further, Audible also leverages data algorithms to offer personalised book recommendations based on individual user preferences, ratings, and reading history (Colbjørnsen, 2015). This targeting approach helps in enhancing the user's experience and encourages engagement. Audible also partners with renowned authors, influencers as well as celebrities. Audible targets a specific audience that is in alignment with the interests of the users as well as the personalities. For instance, collaborating with Stephen Fry or Donald Trump to attract their respective fanbase.

- c. Positioning:** Audible has positioned itself as a leading platform for spoken word entertainment as well as a leading audiobook platform for entertainment by focusing on different attributes, such as convenience, the company positions itself as a convenient option for book lovers that are looking forward to listening to their favourite audiobooks anytime and anywhere. It further capitalises on the increasing demand on the go entertainment as well as flexible content consumption (James, 2017). Further, Audible also offers an immersive experience of listening to audiobooks and highlighting its ability to engage with characters, stories, and authors all through professional narrators. The

company also positions itself as a professional curator of good quality content, ensuring high standards of narration and a diverse selection of audiobooks. Audible also provides additional features such as book markings, synchronisation, and sleep timers around all its devices, to enhance the user experience and gain a competitive advantage (Bourne, 2018).

Marketing mix using 7Ps.

- a. **Product:** Audible offers a diverse range of audiobooks, value-added features, and exclusive content for satisfying the needs of the target market and provide them with immersive audio entertainment.
- b. **Price:** Audible offers a subscription-based pricing model which gives consumers value for money and flexibility. Various subscription tier caters to varying level of budgets making it accessible to a wide set of consumers.
- c. **Place:** Audible is accessible through its mobile app and website, for ensuring convenient access to audiobooks across different channels. Its further partners with different online retailers and platforms to enhance its distribution reach.
- d. **Promotion:** The company uses influencer partnerships and social media influencers for targeted advertising as well as personalised recommendations to provide its offering and engage with the target market.
- e. **Physical evidence:** The company is providing its products by digitally delivering audiobooks and audio content through its process in the downloadable format.
- f. **Process:** The company's process includes signing up for the account, choosing the audiobook, and managing the subscriptions through the user-friendly interface.
- g. **People:** The company's success relies upon a team of dedicated authors, consumers, narrators, and representatives who contribute towards creating as well as delivering a high-quality audiobook experience.
- **Social Media/Networking:** Audible has a strong presence on the social media platforms such as Instagram, Facebook, Twitter, and YouTube. The platforms permit the organisation to engage with the target market and share content and create awareness. Social media helps the organisation in creating a sense of community and generate user-friendly content, along with attaining feedback from all the clients (Audible, 2023). This social media marketing is helpful because it is targeting the target market of Audible.
- **Email Marketing:** Audible enables email marketing in order to establish communication with the current consumer base. With the assistance of an email campaign, the organisation

is providing personal recommendation sessions considering the new audio releases. It is an effective marketing technique that can help organisations in establishing appropriate communication channels according to the changing consumer demands.

- **Search Engine Optimization (SEO):** Audible has employed SEO strategies for improving the visibility of the results of SEO. Through optimising the content of the website, the company wants to attract the target market and to users that look for authentic as well as relevant content. SEO help in enhancing the visibility and discoverability of the product offerings of the organisation and attracts a particular client base. However, due to increased competition in the audiobook industry, it becomes highly challenging.
- **Partnerships with Influencers and Content Creators:** Available collaborations with authors and celebrities help in promoting the brand and its offerings. These partnerships help in enhancing the company's reach and also tap into the new market segment and generate buzz to enhance the company's credibility. Influencer marketing is also effective as it allows the company to leverage trust as well as influence individuals to reach the audience (Verma, 2019).

2.4. Measuring Success

Through a variety of analytics and measurement tools, Audible evaluates the performance of its marketing campaigns. Audible uses the following major measurement metrics:

- **Customer Acquisition Rates:** Through its marketing initiatives, Audible keeps track of the number of new consumers it has attracted. This measure aids in assessing how well marketing strategies perform in terms of increasing the number of users and clients (Gardner and Lehnert, 2016).
- **Conversion Rates:** Audible monitors the conversion rates from marketing initiatives, such as the proportion of website visitors that register for a free trial or make a subscription purchase. This indicator shows how successful marketing increases user engagement and turns prospects into paying customers (Dewi, et al., 2018).
- **Engagement Metrics:** Audible keeps track of user activity within the app, click-through rates, and social media engagements. These indicators aid in determining the degree of audience engagement with marketing content and the success of campaigns in grabbing and holding viewers' attention (Maag and Petersen, 2018).

- **Subscriber Growth:** Audible tracks the rate at which its subscriber base is expanding. This indicator offers perceptions on the efficiency of marketing initiatives in luring and keeping long-term subscribers.

Audible can assess the accomplishment and efficiency of its marketing plan by looking at these measurement variables. If the marketing plan is judged successful, Audible keeps investing in the channels and campaigns that are most successful. Audible modifies its marketing strategy by reallocating resources, improving targeting techniques, changing messaging, or investigating other marketing channels if it discovers that particular campaigns or channels are ineffective (Davis, 2020). Furthermore, Audible uses a data-driven strategy to exert control over marketing in response to these evaluations (Bauman, 2019). They use performance data to allocate resources to channels that deliver the best outcomes, optimise campaigns, and make informed decisions. To adjust to shifting market dynamics and consumer preferences, Audible also continuously explores, tests, and improves its marketing techniques (Walsh and Antoniak, 2021). This iterative process makes certain that marketing initiatives continue to be efficient and in line with the objectives of promoting customer acquisition, engagement, and retention (Rajkumar, et al., 2022).

Conclusion

In conclusion, Audible's marketing approach has proven effective in several ways. To engage customers, the business has successfully defined its target market, used effective marketing channels, and executed methods that rely on partnerships and personalization. Audible is a significant supplier of audiobooks and spoken-word entertainment due to its emphasis on ease, variety, and value-added features.

There are, however, a few drawbacks that need to be acknowledged, Audible may not be as accessible to people without dependable internet access or in areas with poor connectivity due to its reliance on digital platforms and connectivity to the internet. Potential market penetration may be hampered by this. Additionally, even though Audible's marketing initiatives have been successful in acquiring new consumers and increasing subscriptions from its current clients, it might profit from further extending its reach and bringing in fresh clients through creative marketing initiatives. Audible's marketing strategy has been successful in attracting and keeping its target audience, but there is still potential for development in terms of increasing accessibility and launching more focused and creative marketing campaigns to reach new market niches.

Recommendations

Offer Regular and Relevant Content: It is crucial for Audible to stay ahead of the competition and continually engage with target audiences as a leading provider of audiobooks and spoken word entertainment. To connect and engage with the audience, Audible should invest in robust social media (Tattersall Wallin, 2021). The company should also focus on providing regular and relevant content to the customer so that it can help the organisation to build a loyal community and generate buzz around new releases, exclusive content, and promotions (Chen, 2023). Offering regular and relevant content can greatly benefit Audible, as it keeps existing customers engaged with the platform. By consistently providing fresh and interesting content, Audible can maintain the interest and loyalty of its users.

Leveraging platforms: The company can create a more personal connection between the organisation and its customer base they should leverage social media platforms such as Facebook, Twitter, Instagram, and TikTok. Additionally, in comparison to traditional marketing methods social media marketing is often more cost-effective (Eloranta and Turunen, 2016). By creating engaging content that is shared and liked by the followers' businesses can also leverage organic reach as many social media platforms offer affordable advertising options (Dwivedi, et al., 2021). Moreover, it also helps in raising brand awareness, attracting more and more customers, and improving search engine ranking.

Partnering with influencers: The company should also collaborate with influencers that have a base strong following in the literary and entertainment communities can significantly boost Audible's visibility and credibility. Engage with influential figures such as popular authors, celebrities, and book bloggers to promote your audiobooks and generate excitement among their dedicated fan bases (Nascimento, et al., 2020). Audible can leverage the growing popularity of podcasts by producing original content in this format. This can create an additional revenue stream and increase brand recognition. (Leung, et al., 2022).

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