

Turning downtime into prime-time: A monetizing strategy

Doublewide Productions

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Preface

The fixed final stage of the studies International Business and Languages at the HU University of Applied Sciences Utrecht is a graduation internship. During this internship, the student has to write a graduation thesis, based on a current challenge of the internship company. All the learned theory will be applied and the student's practical skills are tested in order to write up a strategic plan.

I was given the opportunity and privilege to do my internship at Doublewide Productions, an internet radio network located in Phoenix, Arizona. I am extremely thankful for being part of such an energetic, innovative and welcoming team. The concept of internet radio is new to most people, including me at the start of the internship. It was extremely interesting to learn first-hand what this concept entails and then taking on the challenge of writing up a plan to convince others of this concept and to help the company solve their challenge.

This plan is a strategic marketing communication plan, which answers the company's main research question: *"How could Doublewide Productions book 20% of all booked shows between 9PM and 5AM within one year, while generating at least 50% of the regular revenue on these off-hours time slots?"*

I would like to express my gratitude to Dave Pratt and Ed VanderLee for guiding and supervising me throughout the entire internship. Not only am I thankful for all the information you have provided me with, but also for the warm welcome and consideration towards cultural differences that we have encountered. I would also like to thank Rob Trygg, Michael Maish, Alexis Rodriguez, Windy West and Kyle Pratt for their cheerful personalities and welcoming me on their team, I thoroughly enjoyed working with each one of you. This team has taught me so much about the company, radio, social skills, marketing and (American) culture. I will always look back at this experience as one of the most valuable experiences in my life.

Furthermore, I would like to thank Flip de Groot, my university supervisor, for his continuous guidance, feedback and support throughout the writing of this challenging thesis. Your feedback and tips have helped keep me on the right track. Additionally, my gratitude goes out to Debbie van Oostrum, Anne-Wil Kloosterboer and Mari Carmen Rivera Campos, my fellow students, for motivating me and providing me of feedback and to Agnes Akkerman, professor at the Vrije Universiteit Amsterdam, for providing me of critical feedback and advice from an 'outsider's perspective'. Finally, I would like to thank my other professors of International Business and Languages for preparing me with the knowledge and skills needed to complete this internship and the writing of this thesis.

Lastly, I am beyond grateful for personal support system: my family and friends for pushing me at times I needed to be pushed, for always believing in me and for all the support that has allowed me to complete this thesis.

I hope you enjoy reading this thesis!

Phoenix, June 2015.

Executive summary

The main research question of this thesis is: *"How can Doublewide Productions book 20% of all booked shows between 9PM and 5AM within one year, while generating at least 50% of the regular revenue of these off-hours time slots?".* In order to answer this question, sub questions were set up related to the internal and external environment, the off-hours, strategy, implementation and monitoring & evaluation. The researcher's unique contribution to this research is divided into primary quantitative research (survey) and primary qualitative research (interviews). In addition, desk research was conducted and theoretical conceptual models were selected and applied to the gathered information. More information about the situation and research strategy can be found in chapters 1 and 2.

No contract obligations for hosts, the worldwide reach and the company's personal character are strengths of the internal environment. On the other side, small budgets, little international experience and little brand knowledge outside of Arizona are weaknesses of the internal environment. More information about the internal environment can be found in chapter 3. The shift in radio listening, the downfall of traditional radio and the existence of time zones are the opportunities of the external environment, while increasing competition and the threat of substitutes and decreasing prices of home studio equipment are threats. A lot of insight was obtained about off-hours, which are the hours other than regular business hours. Current examples of off-hours programming on the American market on TV and traditional radio are rebroadcasts, music content (no live interaction), old episodes and new episodes of current TV shows. The main benefit of these off-hours is the lower price point. The results of the survey indicate that consumers in different time zones are the most likely segment to be attracted to the off-hours, as personal convenience and work schedule are most important factors in picking a time slot. The radio shows of Doublewide Productions, including the off-hours time slots, experience (indirect) competition from traditional TV / radio, blog, print media, social media and home studios. More information about the external environment can be found in chapter 4.

All this information was taken into consideration and analyzed by means of a SWOT Analysis and a Confrontation Matrix. Different strategic options were rolled out by using the Ansoff growth strategies (Ansoff, 1957) and those options were tested by means of the SFA model (Johnson & Scholes, 2008). Market development, entering new markets with the existing product, came out as most suitable, feasible and acceptable strategic growth option for Doublewide Productions to reach its objectives. More information about the strategy can be found in chapter 5.

During the writing of the implementation plan and creative concept, the book: Marketing Communication Strategy (Floor & Van Raaij, 2011) has been used extensively as a guideline. Three regions were selected as new markets: Great Britain (UK&Ireland), Germany & the Netherlands and Scandinavia (Denmark&Sweden). Due to the time zones of these regions the Phoenix off-hours are convenient regular business hours for these target markets. Furthermore, these regions belong to the developed world in which a basic command of English is common. Together with the outcomes of a location analysis, these regions seem most compatible with the off-hours challenge of the company.

The selected target group within these markets are small to medium sized businesses and entrepreneurs in the services industry that are looking to educate / train their customers. Especially employees in charge of marketing or communication should be targeted, as the product can be, and currently is being, used as a marketing tool. This target group can most likely be found in urbanized areas and business districts and can be reached through social media such as Facebook, LinkedIn, Twitter and Google+. This segment will be targeted by means of a CRM database that will contain potential leads. This database is part of the advised marketing communication strategy. The main marketing communication objectives for this implementation plan are about creating category need and behavioral intention. The brand will be positioned as expert and pioneer in the internet radio field and the product will be introduced for the (penetration) price of \$999 per month. Furthermore, the possibility to monetize the show is a strong benefit that needs to be emphasized in the communication message. Informational positioning will be used to highlight the benefits of internet radio and Star Worldwide Networks' role herein, followed by transformational values about the brand such as comfort, quality and

status. The following communication tools have been selected for the creative concept: Targeted ads on Facebook, Ads in (business) magazines, direct mailings and constant creation and upkeep of the website and other social media pages. In order to execute most of the tasks, an additional employee (Person X) should be hired. For the purpose of the market development strategy trial runs will be implemented, which are short trials for interested consumers so they can have proof of the quality of and the experience with the company. The budgeted investment for the marketing budget is \$16 525 for the first year. The financial forecast looks promising, as the realistic scenario meets the objective of selling 10 shows in the first year and additionally it has a positive financial result in all three years. Even the pessimistic scenario shows that the investment will be made back within three years. More information about the implementation can be found in chapter 6.

In general, the research has had a positive outcome. Only minor revisions had been made with regards to the initial plan of action. Most importantly, the client (Dave Pratt) is content with the result and agreed with the content. Furthermore, the methodology used in this research has been tested on reliability and validity and came out positive. Additional research such as a baseline measurement of marketing communication objectives in the target market and market research into the chosen target markets would be relevant research for this topic. However, due to lack of time this was not included in this thesis, but could be performed at a later stage. More information about the reflection on the research can be found in chapter 8.

In conclusion: *How can Doublewide Productions book 20% of all booked shows between 9PM and 5AM within one year, while generating at least 50% of the regular revenue of these off-hours time slots?* Doublewide Productions can achieve this by introducing the time slots of air time into three new regions: Great Britain, Germany & the Netherlands and Scandinavia for a (penetration) price of \$999 per show. The company would have to target small to mid-sized companies and entrepreneurs in the services industry that are looking to educate / train their customers. Star Worldwide Networks should position itself as expert and pioneer in the internet radio field. Informational benefits of internet radio should be communicated, followed by transformational values of the brand such as comfort, quality and status. Furthermore, Doublewide Productions would have to work on meeting brand- and behavioral communication objectives by investing \$16 525 into a marketing budget for market research, Facebook ads, magazine ads, direct mailings, creating and upkeep of content and the hiring of a new employee. Trial runs would have to be implemented for interested consumers of the target markets to increase the conversion rate of leads into sales. A full description of all conclusions and recommendations from the researcher to the company can be found in chapter 7.

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1. Situation

1.1 Background

Doublewide Productions is a pioneer on the field of online radio, as it is one of only few companies that operates in this field. Supplying the facilities that are needed to record a radio show is one of the activities of the company, but the true added value lies in the experience and knowledge of the radio industry of the staff, the intensive guidance throughout the entire process and the distribution of the radio shows. Innovations usually take time to reach the larger audience, and to convince them of the benefits of the newer technology. Being a young company, Doublewide Productions is doing everything they can to bring awareness to the markets, and are always looking for new ways to do so.

Doublewide Productions has a high-tech, cutting-edge innovative studio in the Camelback Tower in Phoenix, Arizona. The studio is equipped with four full recording studios, all of which can be used for different purposes. Shows can be recorded in-studio, or through Skype. The technology is as advanced that it is possible to create a Skype recording of the same high quality as a regular recording.

The company is currently in a rapid growth phase, as recently two new channels have been added to the portfolio of Doublewide Productions, and more channels are in the making. As part of its growth strategy the company is looking to identify and attract new markets / customers during the off-hours to generate more profit. The studio can be used for different purposes than the pure recording of the radio shows, one could think of webinars as alternative company activity. The company is more than willing to support and welcome different activities in their studio, giving that the current technology and facilities of the studios support these activities.

The concept of 'prime-time' is very common in the radio industry, as well as in other entertainment industries. 'Prime-time' describes the time period that gets the most viewers/listeners, and is therefore most desired. In (online) radio, there is not a fixed time period considered as prime-time as the most effective time period differs slightly with each show, depending on the target audience. However, popular hours on the Doublewide Productions are between 5AM and 9PM, more specifically between 1PM and 5PM (VanderLee, 2015).

The popular hours as mentioned above (5AM – 9PM) are currently partially booked, and demand for these hours is growing rapidly. However, the off-hours (9PM – 5AM), are currently completely unused. The company is able and willing to extend their opening hours up until 24/7 if there is an incentive to do so. The hours between 9PM and 5 AM, the off-hours, are considered hours where the company is losing money as there would be little to no extra costs to extending the opening hours of the company. The main advantage that Doublewide Productions has from being an internet radio company is the worldwide reach, whereas traditional radio always has a restricted reach. This advantage allows Doublewide Productions to offer their show hosts a worldwide audience. It also allows the company to target the world market, which is a real opportunity for Doublewide Productions. Off-hours Phoenix time could be prime-time in other parts of the world.

The combination of the unexploited off-hours and the rapid growth of the company, and therefore the need to monetize their strategy, form the problem definition of the research. The company requested to use the time and effort of the intern (Michelle Tjia) to investigate different options and write up an advice plan with the best strategy to follow to solve this 'problem' (challenge). The during study acquired knowledge of the intern has formed an appropriate basis to conduct a research of this kind.

1.2 Research objectives

Company objectives

Doublewide Productions' main objective of this research is to increase revenue. Additionally the company has the following objectives related to the main research question of this research:

- To book 20% of all shows between 9PM and 5AM within a year
- To achieve at least 50% of normal turnover on these off-hours time slots
- To identify new potential target markets
- To identify new potential company activities
- To identify the value that the studio poses to different customer markets
- To create new business models for the off-hours time slots
- To set appropriate pricing points for the time slots during the off-hours
- To develop a message to attract potential customers of the off-hours

Research objectives

The researcher has the following objectives related to the main research question of this research:

- To identify company's current condition (wellbeing)
- To identify company's current strategy
- To get an understanding of the (online) radio market
- To identify company's competition, both direct and indirect
- To identify company's USPs
- To identify the opportunities for growth, based on SWOT analysis
- To select the most appropriate and applicable growth strategy to reach company objectives
- To identify new target groups
- To develop company's new positioning, value proposition(s) and communication message
- To identify needed changes to company strategy and marketing mix to achieve objectives
- To develop an implementation plan for the chosen revised strategy
- To make a financial forecast for developed implementation plan

1.3 Research questions

1.3.1 Main Research question

Doublewide Productions has a need for a plan that identifies possible new target groups or company activities to increase turnover during the off-hours. The company hopes to book 20% of all shows booked on the network during the off-hours within one year, while earning at least 50% of the regular price on these off-hours time slots. Furthermore, there is also a need for an accompanying communication strategy. The research question that would solve this challenge for the company is the following:

"How can Doublewide Productions book 20% of all booked shows between 9PM and 5AM within one year, while generating at least 50% of the regular revenue on these off-hours time slots?"

Doublewide Productions is to be considered as all the five channels that the company hosts: Doublewide Network, Rock Star Worldwide, Radio Star Worldwide, Music Star Worldwide and Recovery Star Worldwide. The 20% percentage is based on all the booked shows on the network. For example, if a total of 100 shows are booked, the company is striving to have 20 of those shows booked during off-hours. The company is willing to lower the prices on these off-hours time slots but wants to earn at least 50% of the regular revenue of a time slot.

1.3.2 Sub questions

The following sub questions support the main research question. These sub questions can be divided into different categories, which are based on the chapters of the research report.

Internal analysis

1. What are the strengths and weaknesses of Doublewide Productions' internal environment?

External analysis

2. What are the opportunities, threats and trends of the external market?
3. What does the concept of off-hours entail?
4. What are current examples of off-hours programming in the United States?
5. What are the main benefits of the off-hours?
6. What customer segments would these benefits of the off-hours attract?
7. What substitutes or competitive products of the off-hours are available on the market?

Strategy

8. What combination of strengths, weaknesses, opportunities and threats could form a base for strategic development?
9. What strategic development would best support the company's objective of selling the off-hours' time slots?

Implementation

10. What are the characteristics of the potential target market?
11. How should this target market be approached?
12. What needs to be done internally to enable this approach?

Monitoring & Evaluation

13. How could the effectiveness of the plan be monitored?
14. How and when will the plan be evaluated?

1.4 Scope of research

This research has focused solely on the time slots offered by Doublewide Productions and will not go into the sponsoring opportunities or the productions done by the company. The advertising on Doublewide Productions can be seen as unrelated to booking more business during off-hours and therefore was left out of the picture to limit the size of the research. Furthermore, the productions that Doublewide Productions offers are not related to the research question and therefore were not included.

Four of the five channels were considered in this research: Radio Star Worldwide, Rock Star Worldwide, Music Star Worldwide and Recovery Star Worldwide. These channels are available during off-hours and therefore are crucial elements of this research. Furthermore, each channel provides different benefits for potential clients, so including all channels will contribute to a more complete image of what Doublewide Productions has to offer. The Doublewide Network channel is not relevant for this research, as it only hosts in-studio shows.

Important to mention as well is the fact that the company is willing to welcome new company activities into their studio. This means that the studio could be used for a different purpose than the pure recording of the radio shows. However, these new activities will have to be compatible with the current technology and facilities of the studio. For the sole purpose of this research, Doublewide Productions is not looking to modify the studios in an impacting way to facilitate new activities. The new company activities that this research mentions will therefore be limited to the capabilities of the current studios.

2. Research Strategy

In this chapter, the used methodology of the research is discussed. Furthermore, the used theoretical conceptual models are explained and motivated. For a glossary of used terms, please be referred to appendix 1.

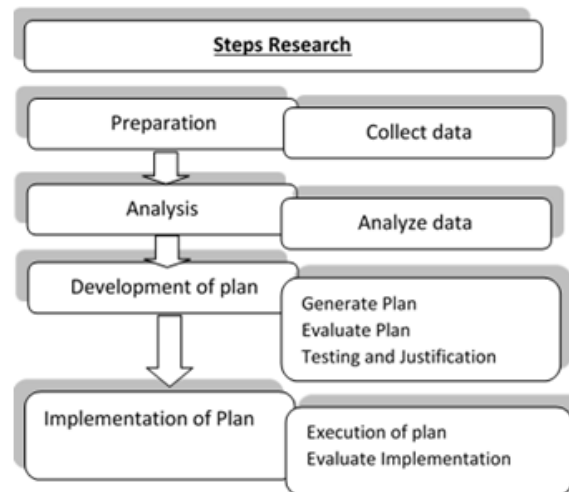


Figure 2.1 Research model derived from (Schutte, 1995)

The purpose of this research was to develop a strategic implementation plan, as shown in figure 2.1, which feasibility and effectiveness will be evaluated. There were four phases in this research: The preparation phase, the analysis phase, the development phase and the implementation phase. Each phase requires different research methods in order to answer the related sub questions.

2.1 Preparation phase

In the preparation phase, the main objective was to collect information. This has primarily been done by conducting primary quantitative research, primary qualitative research and desk research.

2.1.1 Quantitative Research

Primary quantitative research has been conducted in the form of a survey that was sent out to all current and active show hosts. A total of 50 surveys were sent out, of which 27 were completed. This survey produced useful insight for the external analysis. Please be referred to appendix 12 and 13 for a full description of the survey and the results.

2.1.2 Qualitative Research

Primary qualitative research has been conducted as a follow-up to the quantitative survey. Show hosts were asked if they wanted to sign up for a personal interview. Six of the fifteen volunteers were selected and interviewed to provide more qualitative insight into the matters tested by means of the survey. For more information about the survey follow-up interviews, please be referred to appendix 14. Furthermore, several interviews have been conducted with relevant staff members to provide the researcher of valuable information on various topics, but especially the internal environment.

2.1.3 Desk Research

Lastly, extensive desk research was needed and conducted to form an appropriate basis of knowledge for the analyses. Sources such as books, websites, market reports and business articles were collected.

2.2 Analysis phase

In the analysis phase, the gathered information was analyzed by comparing it to existing literature (secondary desk research) and analyzing it by means of the following selected theoretical conceptual models:

For the internal analysis the 7-S model by McKinsey (Peters & Waterman, 1982) the 3-R's model (Storm, 2011), the Value Strategy model (Treacy & Wiersema, 1995), Porter's Competitive Generic Strategies model (Porter, 1998) and the Business Model Canvas analysis (Osterwalder, 2004) were used to determine whether the company's internal environment showed any strengths or weaknesses that should be considered at the devising of the strategic options.

For the external analysis the DESTEP analysis, Porter's Five Forces model (Porter, 1998) and the Hofstede cultural analysis were used to identify trends, opportunities and threats of the external environment that need to be considered at the devising of the strategic options.

For the strategy chapter, the SWOT analysis, confrontation matrix, Ansoff growth strategies (Ansoff, 1957) and SFA model (Johnson & Scholes, 2008) have been used by the researcher to choose a strategy that is justified by in earlier researches validated models.

For a full list and motivation of the selected theoretical conceptual models, please be referred to appendix 2.

2.3 Development phase

In the development phase an implementation plan was set up by the researcher, based on all the gathered information and analyses in earlier stages. This implementation plan answers the research question of the company.

2.4 Implementation phase

Finally, in the implementation phase, the plan will be executed, monitored and evaluated. This will take place at the discretion of the client: Doublewide Productions.

A reliable, valid and independent conduct of research is of utmost importance. The above mentioned research methods and theoretical conceptual models have been selected to guide the research. In all steps and phases of the research the validity has been safeguarded, which means that the researcher has made sure the selected methods measured what they were supposed to measure. This has been done by continuous consultation with the company supervisor and university supervisor. Furthermore, the researcher has retained from external forces influencing the research, ensuring the independency. Sources have been analyzed on reliability before being used in this research, for each article, the author's and publisher's background were checked. For a full description of the used methodology specified per sub question, please be referred to appendix 3.

3. Internal Analysis

In this chapter, the internal analysis of Doublewide Productions is discussed. In order to answer the following sub question: "1. *What are the strengths and weaknesses of Doublewide Productions' internal environment?*" a number of models and analyses will be used. These models and analyses are common practice in research at HU University of Applied Sciences.

3.1 Core Business

Doublewide Productions is an online radio network, located in the Camelback Towers in Phoenix, Arizona. Different than traditional radio, Doublewide Productions does not air on AM/FM frequency or satellite, but is available online. An internet radio network is different from an internet radio channel. Being a network, Doublewide Productions' business model is not focused on listeners, but customers (show hosts) and therefore does not have a format or constant content. This means that it is not the company that fills up air time, but sells individual time slots of air time to their customers. The company's customer base consists of individuals and companies that want to host a show. Therefore, the show portfolio of the company's channels are very diverse, ranging from political talk shows to solar energy. All shows booked on any of the channels are aired live on the Star Worldwide Networks website, and a podcast of the show is made available for 24/7 on demand listening and repurposing.

Doublewide Productions currently hosts five radio channels:

- **Doublewide Network:** This channel is the parent channel of Doublewide Productions. The Doublewide Network hosts (talk) shows of all different types in the Arizona area. The shows are recorded in the state-of-the-art studios or through Skype or phone.
- **Radio Star Worldwide:** This channel hosts (talk) shows outside of Arizona. Any international show would be hosted on this channel. The shows on Radio Star Worldwide are recorded through Skype or phone.
- **Rock Star Worldwide:** This channel hosts shows from outside of the Arizona area. The shows on Rock Star Worldwide are not booked directly through Doublewide Productions, but through a partner located in Los Angeles.
- **Music Star Worldwide:** This channel is one of the two newest additions in early 2015, it launched March 1st. This channel has a different model than the other channels, and also has a lower price. The content of the shows on Music Star Worldwide has to consist of at least 50% music. The network is SESAC, ASCAP and BMI licensed, which covers all the music licensing of any artist.
- **Recovery Star Worldwide:** This channel is the second new addition to Doublewide Productions, and launched on March 31st. Recovery Star Worldwide is dedicated to addiction recovery and hosts shows related to any kind or form of recovery.

Doublewide Productions has three forms of revenue creation, or 'products'. The first form of revenue is the air time for radio shows. Hosts can buy a time slot to host their own show on one of the channels, a typical show is a one-hour weekly show. The second form of revenue is advertising. Advertisers can buy advertising space on the websites of the Doublewide Productions' channels, and on the Dave Pratt Live Show. The last form of revenue for Doublewide Productions is the production of commercials. The services of the crew can be purchased to produce (audio) commercials. These commercials are used all over the world and on many different media, not just on the Star Worldwide Networks. These products will be explained in more detail in paragraph 3.4.1.

History of company and owner Dave Pratt

Dave Pratt, owner of Doublewide Productions, has been a celebrity in the radio industry in the Arizona area for many years. Dave was member of a very successful rock band with many fans. Furthermore, he has been working for many radio channels and was especially known for his morning shows, his nickname still is 'The morning mayor'. Over the years Dave has gathered a great number of fans and enjoys a positive name recognition and association. Dave himself claims he owes part of the company's

prosperity to this positive name association, as he started the company under the name of: "Dave Pratt's Doublewide Network".

3.1.1 Mission

The official mission statement of Doublewide Productions is as follows:

"Evolving the climate and currency of broadcast media using new technology"

(Pratt, 2015)

Doublewide Productions is a company with a great passion for (radio) broadcasting, while at the same time understanding that technology is rapidly evolving. Its mission is to evolve the broadcast media world, by integrating all the newest technologies. As a pioneer in the field of (online) radio, Doublewide Productions has the task of convincing people of the benefits of the newer form of radio. One way in which the company achieves this is by changing the currency of broadcast media. This means that Doublewide Productions is changing broadcast media's added value and the ways in which broadcast media companies can monetize or grow revenue. However, important to note is that this mission is the company's long term vision, not the mission of this research. Any accomplishments towards the company mission as a direct result can be seen as fringe benefits.

3.1.2 Vision

The official vision of Doublewide Productions is as follows:

"To be considered the leader of internet radio distribution in the world"

(Pratt, 2015)

Online radio provides the benefit of reaching and attracting a worldwide audience, as it is not restricted to a local area like traditional radio is. Doublewide Productions is already a pioneer in the online radio field, as it is among the first to offer online radio, the company aims to grow and become considered the worldwide leader of internet radio distribution. Doublewide Productions describes itself as 'brand elevator' (Pratt, 2015), which refers to the unique concept of internet radio integrated and combined with all the aspects of social media as a tool for branding. Currently, there are some foreign shows booked on the Radio Star Worldwide channel, and the company is eager to start booking more international shows.

3.1.3 Core Values

Dave Pratt, owner of Doublewide Productions, describes the company's core values as follows:

"To take pride in growing a small family owned and operated company into a world leader, using financial responsibility, strong moral character, and constant hunger to evolve and grow."

Doublewide Productions is a family owned and operated company, which values integrity in every aspect. The pursuit of openness, honesty and responsibility is strong and the company has a constant urge to grow. Each employee of the company and the daily conduct of business attest to this attitude. 'Customer is king' is an expression that describes the personal approach to each customer. Every advice or report of analytics the company gives is given in all honesty, even if this means the outlook for the host is less positive. Furthermore, the company is very open to new ideas to keep evolving and growing.

3.2 Organizational Structure

3.2.1 Organizational Chart

The organizational chart in appendix 4 displays the staff members of Doublewide Productions that are officially on the company's payroll. Besides these staff members, there frequently are freelancers supporting the team. Dave Pratt, owner and founder of Doublewide Productions, fulfills the role of Chief Executive Officer. Pratt is in charge of, and is involved in all sales and marketing activities.

Ed VanderLee is Operations Manager and is in charge of the daily processes at Doublewide Productions. VanderLee can also fulfill the job of Studio Director when needed. Rob Trygg is Executive Producer, and has an overall supporting role, handles IT challenges but is mostly involved in production. Finally, there are three studio directors: Windy West, Michael Maish and Kyle Pratt. The studio directors are the show hosts' point of contact and support. Furthermore, the production and editing of the shows is handled by the Studio Directors. Recently Maish has taken on the role of Director of Graphic Design and is starting to dedicate more of his time to that.

3.2.2 Organizational culture

There is not one official definition of organizational culture, but in an article in the Huffington Post, Jure Klepic mentions the following definition of (corporate) culture: "A culture includes values, visions, norms, jargon, systems, beliefs and work habits. These cultural mores and standards affect the way members of the organization interact with each other, customers, prospects and stakeholders." (Klepic, 2013). Klepic is a digital strategist and has based this statement on relevant and reliable information sources such as books and presentations of business professionals. This definition matches Pratt's belief of organizational culture. A healthy organizational culture will lead the company to be more productive, efficient and successful. The task of a manager is to create an environment for its employees and customers to enjoy themselves, and be comfortable.

Being a family owned and operated small business, the organizational culture is informal, open and personal. All staff members are involved in all the company activities, and their opinions and ideas are highly valued. Each staff member is encouraged and enabled to keep growing and evolve without experiencing unhealthy pressure. Doublewide Productions' management believes in creating an open environment, in which everyone feels valued, free and supported. Both the management and employees perceive the organizational culture as practicing a policy of honesty, in both internal and external communication. All statements or reports are made with complete transparency, regardless of the consequences for business. This enforces the open organizational culture of the company.

3.2.3 7-S Model by McKinsey

The 7-S Model by McKinsey (Peters & Waterman, 1982) assesses a company's alignment of Strategy, Structure, Systems, Shared Values, Style, Staff and Skills to examine if they reinforce each other. This model also identifies strengths and possible points for improvement. This model has been implemented by the researcher, based on information obtained from relevant staff members.

The result of this model is based on the individual analyses of each aspect, for the full description please be referred to appendix 6. In general, the result of this 7-S analysis is positive, as all aspects complement and strengthen each other. The company is aligned on all seven aspects, providing a positive, effective and efficient conduct of business. There are no major discrepancies between different aspects. It all evolves around the shared values, which are clearly represented in the strategy and the staff, as well as in the other aspects. The flat hierarchy, with the focus on customer intimacy seems to have a positive effect as well. The only point of attention is the lack of focus on the 'world' part of the company. The company is striving to be considered leader in their industry in the entire world. However, this strategy does not seem to be explicitly integrated in all aspects of the conduct of business. For example, desired skills would also concern foreign language proficiency, to be able to communicate with customers from other countries. This worldwide vision would also have to reflect on the staff and structure, as possibly a special foreign department could have to be set up to serve this strategy.

3.3 Financial overview

Doublewide Productions has a fairly rare financial situation. The initial investment was done by the founder, and owner, Dave Pratt. All of the company capital is owner's equity and the company does not have any loan capital. This means that the company is completely debt-free. All the money invested (over 100 000 dollars in the company, at start up and during expansion stages) has come from the owner himself. Dave practices a belief of 'get only what you can afford'. The initial investment was earned back within the first year of operating.

Furthermore, the field of industry that Doublewide Productions is in, allows for this company to have no physical inventory of products. This eliminates costs for inventory, danger of expiration and cost of inventory keeping. Doublewide Productions' legal form is a limited liability company (LLC), more specifically an S-corporation. This means that the owner has sole ownership, and is partly privately protected. It also means that the company does not have to publish any (financial) records for the public. The projected gross profit for 2015 is one million dollars, this is before commissions and tax (Pratt, 2015). This is a growth compared to previous years.

The company works with a profit margin on its products. The costs price for an hourly talk show is \$350 with a selling price of \$1500, providing the company with \$1150 (76%) profit per show. For music shows, the cost price is \$150 for an hourly show with a selling price of \$495, providing the company with \$345 (69%) profit per show.

3.4 Marketing mix

In this chapter, one can find more information about Doublewide Productions' current marketing mix, which consists of the product, price, place and production.

3.4.1 Product

Doublewide Productions has three main products: Shows, Advertising space and Productions. Neither of these products are physical products, and therefore are considered services.

Shows

Doublewide productions services both individuals and companies. One can book a show with Doublewide Productions. The staff will then assign the show to a particular channel, currently there are five different channels. Each channel has a different theme or purpose, please be referred to paragraph 3.1 for more information. In the typical situation, a show hosts comes in once a week to do a one-hour show. However, there are possibilities to do a daily or monthly show. Show hosts do not have to sign a contract, which means they can cancel per month. The benefit for the show hosts that stay with the company is that the rate never increases for them.

All show hosts get a Studio Director assigned that guides them through the entire process. Furthermore, Doublewide Productions offers all show hosts with a comprehensive brand solution package, which includes a personalized landing page on the website with social media integration. This is a unique offering in this field of business, and is set up to help show hosts get the most out of their show. On the Doublewide Network, Rock Star Worldwide and Radio Star Worldwide channels, the show hosts can design their own shows to their own wishes. The Recovery Star Worldwide channel hosts only shows with a recovery related topic. The Music Star Worldwide channel shows work in a slightly different way than the other shows. Show hosts are bound by a minimum 50% of music content for each show.

The shows on Music Star Worldwide is in the introduction phase of the product life cycle. The company is at the stage of building awareness about the product, as most people are not aware of the possibility of hosting a personal music show. The shows on the other channels are in the growth phase of the product life cycle. Subsequently, the company has added additional service to improve the quality of the product.

Advertising space

There are two forms of advertising with Doublewide Productions. One of them is the sponsoring of a particular show, which is something that the show hosts set up themselves. Doublewide Productions is not involved in this process or proceeds. The other form of advertising takes place on the Doublewide Productions networks. Advertisers can buy space on either of the channels' landing page in the form of banners. Furthermore, advertisers can buy space on the Dave Pratt Live show, which has a large listener base. Additionally, there are a few larger options of advertising in development, such as sponsoring of the studios.

The more analytics the company gets from visitors on the site or social media, the more value it poses to potential advertisers. This product is in the growth phase of the product life cycle, as the value of the advertising space keeps increasing, and therefore the demand is increasing.

Productions

The last product of Doublewide Productions is productions. Individuals or companies are able to purchase a production of a commercial. This production will be executed by top industry talent within Doublewide Productions and be made available to the client for further repurposing. The productions are in the maturity stage of the product life cycle. This means that the initial strong growth is starting to slow down. At the moment, productions at Doublewide Productions are in a stable, constant phase. The focus therefore is on protecting market share and maximizing profit.

All of Doublewide Productions' products can be considered shopping goods. These goods are not bought often, larger amounts of money are involved and consumers go out and compare different suppliers of these goods. Consumers have an information need before they decide on the purchase. Therefore, informative advertising and personal selling are important tools for Doublewide Productions.

3.4.2 Price Shows

Doublewide Productions hosts five different channels, each of which serves a different purpose. A distinction can be made between talk shows, and music shows.

Talk Shows: The content of these shows are fully controlled by the show hosts.

The price point for a weekly one-hour show is \$1500 per month. For \$2250 show hosts get a weekly two-hour show. These prices could be negotiable in case of long term dedication. Staff that brings in a show gets a 30% commission each month the show stays with the network. Other people that bring in a show get 15% commission each month the show stays with the network.

On these shows, Doublewide Productions uses value-based pricing, which means the product is priced based on the value it poses to the customers. Directly compared to the prices of competitors on terrestrial radio stations, these prices may be considered high. However, even though the cost price of a show might be low, the (added) value of Doublewide Productions' shows comes from the on-demand availability and increased quality and therefore the product is valuable for the customers.

Music Shows: The show hosts on Music Star Worldwide are bound by a minimum of 50% of the content to be music.

The price point for a weekly one-hour show is \$495 per month. Show hosts can purchase a weekly 2-hour show for \$750, and a weekly 3-hour show for \$950. Show hosts that want to do more hours, will get a volume discount. Due to the low price point on these time slots, Doublewide Productions does not give commissions on Music Star Worldwide shows. The company uses penetration pricing for the shows on Music Star Worldwide. This product is new to the market, and the main objective of the company is to gain awareness and market share. At a later stage, these prices will be reviewed and possibly raised.

Advertising Space

Doublewide Productions implements a time-based pricing strategy on their advertising space. The same amount of advertising space may cost many times more during prime-time than it does during the off-hours. The reason behind this is that advertising during prime-time will present a lot more value for the advertisers because of the large reach. The average advertising space, which consists of a banner on the website and a daily run of a commercial on the Dave Pratt Live show, is being sold for \$5000. The studios are in the process of becoming officially sponsored by a car dealership, bringing in \$10 000 per month.

Productions

Companies can purchase the production of a commercial for \$1000 per commercial. This commercial will be made available for repurposing and does not have to be played on the network. For \$5000 per month, Doublewide Productions will produce unlimited commercials for that company.

A very common pricing strategy in The United States is direct price comparisons. This tactic mentions the competitors by name, characteristics and price in direct comparison with their own products. Doublewide Production does not express this as much in written communication, but they will, however, help their customers see the different price points.

3.4.3 Place

Doublewide Productions makes use of direct distribution. There are no intermediaries in the channel, which makes the company completely independent of any suppliers. Doublewide Productions can be considered the producer of the service and they deliver directly to the consumer. The only way for new show hosts to purchase a time slot is directly with the company's owner, Dave Pratt, which means that the company uses exclusive distribution.

Furthermore, Doublewide Productions utilizes a pull strategy. This means that the communication is targeted at the consumers directly, trying to create and maintain demand amongst the consumers.

3.4.4 Promotion

Doublewide Productions uses many forms of promotion, which are listed and explained below.

- **Advertising**

- Truck

Doublewide Productions has a truck that has visuals of the company. This truck is being used for exposure during large events which attract a lot of visitors. The main objective of this promotional tool is exposure and to create awareness about the brand (opportunities).

- Dave Pratt Live

The Dave Pratt Live show is Dave Pratt's own radio show that airs on weekdays. During this show, Dave and Rob host a show about different current topics. Both of them are known people in the radio broadcasting industry, therefore, this show is used as a way to retain loyal listeners. During this show, promotion is made for the company.

- Printed media

All staff members of the company have business cards with the company logo on it. Furthermore, there are flyers available with the main information and benefits of hosting a show. These are distributed at the office and handed out at events to create Brand knowledge. Furthermore, there are stickers with the company logo, which are used to achieve exposure and brand awareness. Lastly, the company has recently started to use company (roll-up) banners for more visibility at events.

- **Online marketing communication**

- Website

Doublewide Productions has a company website. This is the company's main form of promotion, therefore, a lot of money was invested to create a website of the highest quality. This page functions as the homepage, and hosts the Doublewide Network channel. From there, visitors can click on the other

channels. Every landing page has different banners, video clips or images about the company's offerings. Each landing page shows an overview of the shows hosted on that channel. Each show has a separate landing page with links to previous recordings and social media pages. Any content that is posted on the website goes through a program called Express Engine, which is a tool to enhance Search Engine Optimization.

- Facebook

Doublewide Productions has recently created a Facebook page on which they promote the company, this page is listed as Star Worldwide Networks. Pratt also has a Facebook page, on which he regularly posts about shows, special guests or other promotional messages. In these posts, a link to the company website or Facebook is always provided.

- **Exhibitions**

Recently, the company started taking parts in conventions. Apart from the yearly Rock Star Worldwide boot camp, the company has taken part in conventions related to recovery, business conventions and other large events. This has proven to be an effective way of attracting new customers, therefore, it will continue to participate in relevant conventions.

- **DM communication**

- Newsletter

Doublewide Productions has an online database to which it frequently sends out a newsletter or announcements about upcoming happenings. This database consists of former and current show hosts, sponsors and potential leads.

- **Personal Selling**

Due to the selection of distribution, Doublewide Productions extensively makes use of personal selling. Each prospect is solicited directly by the owner of the company, in later stages of the process other staff members are included to support the sale process. This tactic matches well with the organizational culture of the company.

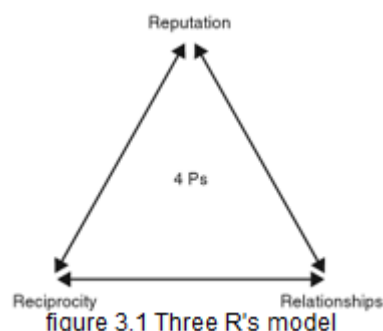
- **Word-of-mouth**

Promotion through word-of-mouth is a crucial form of promotion for Doublewide Productions. The great experience show hosts get with the company forms the right base to convince other people of the benefits of hosting a show with Doublewide Productions. Furthermore, the staff members are all strongly involved with the company and will talk to their social circles about the possibilities of hosting a show. To strengthen personal promotion, the company implements a reward system, which consists of commissions on new shows that are brought in.

3.4.5 Three R's model

In addition to the traditional marketing mix, there is a model concerning three R's; Reputation, Relationship and Reciprocity (Storm, 2011). This model was originally designed by Prof. Dr. CM Storm, professor of Marketing and Market Research at the University of Tilburg. Please be referred to appendix

5 for a copy of the article.



The model, shown in figure 3.1, evolves around reputation, relationships and reciprocity. These factors enforce each other, and the process could start with any of these three R's. It is important for any type of company to be aware of these three R's in addition to the traditional marketing mix, as that does not pay enough attention to customer retention. Reputation depends on what the external environment thinks of the company, and how the internal environment feels about it. A good reputation could incentivize Reciprocity (transaction) as it attracts new potential customers, and strengthens relationships with existing customers. In turn, a good relationship directly strengthens

transaction, as customers tend to be more loyal to companies with whom they have a good relationship with.

Doublewide Productions is a company that is focused on, and creates value through, customer intimacy (further explanation in chapter 3.5) and long-standing relationships. Therefore this model is an appropriate model to evaluate the company's marketing strategy.

Doublewide Productions has a customer focused (marketing) strategy, which is the corporate identity it hopes its corporate image, and consequently its reputation, reflects. To ensure this, all of the processes are set up in a way that the customer always comes first. It is important that every experience with the company is a stimulating one to the relationships. Both positive and negative feedback are welcomed by the employees and handled with all respect and urgency. This creates an open environment, which allows long-term relationships with customers which in turn strengthens their loyalty to the company.

3.5 Business Model Canvas Analysis

The Business Model Canvas (Osterwalder, 2004) is a theoretical conceptual model that is designed to document a company's business model. It analyzes its Infrastructure, Offering, Customers and Finances. For the purpose of this thesis, the Business Model Canvas model was presented to members of the staff, and they were asked to write down their thoughts on a post-it and stick it on the board. That way the entire business model was analyzed from all different employees' perspectives. After that, the board was put together and analyzed by the researcher.

Doublewide Productions' offering, or value proposition, is to provide the show hosts with a platform to deliver a message, reach a large audience and support their brand. Furthermore, the studios offer a means for creating and supporting relationships. Extremely important factors in these offerings are the consistent quality and service.

The infrastructure of Doublewide Productions consists of the key activities, key resources and partner network, and it deals with **how** the company delivers their value propositions. Key Partners of Doublewide Productions could be divided into two categories. The first group is partners that support a specific channel, and therefore share in the profits of that specific channel. Recovery Star Worldwide and Rock Star Worldwide each have a partner that is strongly involved in growing and supporting the channel. The second group of partners deliver either products or services to support the staff's activities. For example, there are partners involved for streaming, data, website, internet and phone lines and technical support. On the other hand, the company needs resources to deliver their value proposition. In Doublewide Productions' case, these resources are mainly technical or human. The technical resources consist of the studio equipment, website, distribution technology and communication media. The staff is another major resource for the company, as they provide the service. Desired skills or traits are patience, openness, friendliness, pro-active, engaging and selling skills. Finally, the key activities that are necessary mainly focus on current customers. Studio directing, customer relations, engaging in extensive conversation, attention and awareness and people skills are extremely important. Furthermore, management has an important role in keeping order in the ever changing environment. Also the soliciting of new potential business is done mainly by the management.

The customer segments of Doublewide Productions are difficult to segment, as they target the Mass Market. The company targets both Business-to-Business, profit and non-profit, and Business-to-Consumer. These segments are reached through social media networks or through personal communication via email and phone. New potential customers are targeted through direct selling, performed by the owner and usually by email. Doublewide Productions' customers are expecting an intensive relationship that is open, honest with easy accessible staff. Quick responses, professionalism and flexibility are things that are expected of the staff.

Finally, the cost structure and revenue streams need to be considered in the company business model. The main costs are the lease of the building, the staff, technical support / music licensing and marketing

expenses like web design and conference travel. At times of expansion, or innovation, studio additions are also heavy costs. On the other hand, the main sources of income are the fees of the radio shows, commercial productions and advertising space. These customers are paying for, respectively, personal and professional service on the radio shows, experience and quality of the commercial productions and the reach/ exposure / audience for the advertising space. Furthermore, money is made on personal consultation services with Dave Pratt. Customers are paying mostly by credit card or check and are billed at the office or over the phone, at their convenience.

3.6 Competitive Strategy

In this paragraph, the competitive strategy of Doublewide Productions will be elaborated. Different models will be used to identify how the company creates value and what they stand for.

Porter's Competitive Generic Strategies model (Porter, 1998) illustrates how a company pursues a competitive advantage over its competitors in its market. There are three generic strategies; Focus, Differentiation and Cost Leadership. A focus strategy means that a company focuses on a niche market, it will specialize in the specific needs and wishes of this niche and that will lead to more brand loyalty. A differentiation strategy means that the company is always trying to make its offering more attractive than that of the competitors. A cost leadership strategy means that a company is trying to gain market share by reducing costs so it can offer the lowest possible price. It is important for a company to stand out in one of these strategies, to avoid being stuck in the middle, which would indicate that the company does not have a competitive advantage.

A company's score can be calculated by answering a set of questions. The exact scores and answer to those questions can be found in appendix 8. Doublewide Productions scores highest on differentiation, which means that the company creates value by standing out from its competitors. Companies with this competitive strategy strive to make their product or service increasingly more attractive than those of the competitors. Doublewide Productions does this by offering a total package with a highly personal approach. Show hosts do not just obtain a produced show, but the company functions as a 'brand elevator' (Pratt, 2015). This means that each customer receives the full support of the staff in strengthening their brand, especially by means of SEO (Search Engine Optimization). This is an added value that most of the competitors do not offer, more information on the competitors can be found in paragraph 4.3. The company uses this personal approach as part of their value creation strategy. This strategy was analyzed by the researcher by means of the Treacy & Wiersema Value Strategy model (Treacy & Wiersema, 1995).

According to the model, there are three different value strategies on which a company can focus and try to excel in: Customer Intimacy, Product Leadership and Operational Excellence. Customer Intimacy concerns companies that thrives on relationships with customers and design their daily conduct of business around customer satisfaction. Product Leadership is about constantly innovating and striving for the newest product and the highest quality, Research & Development is extremely important on this value strategy. Operational Excellence is about optimizing processes to cut costs, a company will strive to offer its product for the most efficient price. It is important that a company excels in just one value strategy, but meets industry standards on the other two aspects. This model is relevant for Doublewide Productions as it gives more information about the company's current strategy, how it creates value and how it tries to stand out from the competition.

In brief, Doublewide Productions excels in Customer Intimacy, indicating that it focuses on customer relationships and designs processes and services around the customer. Constant focus on customer satisfaction is done through activities such as preparing sales packages to help show hosts sell their show or organizing mixers to enable hosts to network with their social circles. Also Product Leadership is pursued by the constant upgrades of the studio equipment. Although the company scores relatively low on Operational Excellence, it still meets industry standards due to its control of the supply chain. Companies' scored on the Treacy and Wiersema Value Strategy model can be computed by answering a set of questions. The exact scores and answers to those questions are given in appendix 6.

3.7 Supply Analysis

Analyzing the supply aspect of Doublewide Productions is useful in determining whether there are any strengths or weaknesses that could prove to be useful in devising strategic options to achieve the objectives of this research.

3.7.1 Partners

Doublewide Productions offers services rather than physical products, therefore, the company does not have many suppliers or partners. There are three partners that supply Doublewide Productions with resources.

- Triton Triton handles the live streaming of the shows on the networks of Doublewide Productions. Therefore, it could be seen as a stream distributor. Doublewide Productions pays a monthly fee to keep using their services.
- Modern CO Modern CO provides and installs the data at Doublewide Productions. Data includes all the servers and modems needed to keep the business running daily. There is no monthly fee for this service, only a one time purchase at installation.
- Liquid Media Liquid Media hosts the Doublewide Productions' website. This website is one of the most valuable resources of the company. A monthly fee is paid for hosting and service of this web host.

These suppliers supply critical resources for Doublewide Productions to run the company. Without the streaming, data or website the company would experience substantial setbacks, as the entire product offering evolves around the online aspect (live stream, on-demand availability, SEO).

3.7.2 Supply Chain Analysis

A Supply Chain illustrates the process from input to final goods of a company. By streamlining this process a company can reduce costs and needed time. The supply chain for a producer of services differs immensely from the supply chain of a producer of goods as clearly supported in an article by E. Taylor, Marketing graduate of Boise State University (Taylor, 2010).

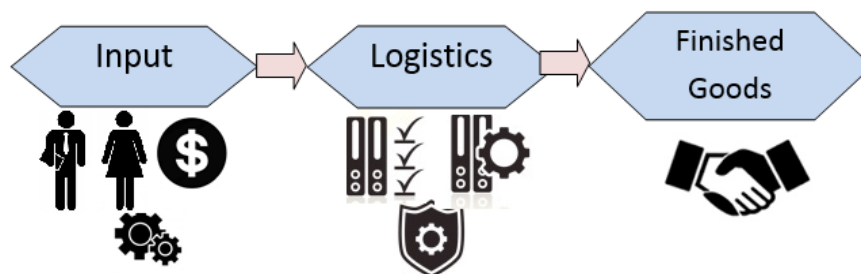


Figure 3.2 Supply Chain Doublewide Productions

Doublewide Productions' supply chain, as shown in figure 3.2, looks quite different than the typical supply chain. First of all, the company provides services, not tangible products. Therefore, there is no production/ manufacturing of goods in the supply chain. Moreover, for this reason, the logistics do not consist of moving tangible products but is about streamlining the process. Additionally, Doublewide Productions makes use of exclusive distribution, eliminating all intermediaries in the supply chain.

The input for a company like Doublewide Productions consists mainly of labor (people), capital investments and technology. The staff of the company forms the biggest and most important input for Doublewide Productions, as they add a great deal of value. The second source of input is capital investment. Investments are needed for supplies to enable the staff to do their job, such as office supplies. Additionally, a large part of investments in Doublewide Productions goes towards technology. In order to provide the quality that they strive for, the technology needs to be updated continually, and new studios have to be equipped at set-up.

The logistics part of the supply chain in Doublewide Productions' case is about speeding up the communication / information flow. This is done by investigating, purchasing and upgrading servers and

software to ensure a reliable, fast and efficient flow of information. This is how the company can control and optimize their largest expenditure; cost of labor. The finished good of Doublewide Productions is not a tangible product, but a service. A finished good means that the service is completed. The goal of the finished products is always to have a satisfied customer. The company values this greatly, as they are highly aimed at customer intimacy.

Opportunities for optimization of the supply chain should come from enhancing the information flow, or by creating profitable relationships. The goal is to reduce costs and make the process from input to customer faster. Doublewide Productions could assess their internal communication to see if there are any delays in the process that could be eliminated. Furthermore, potential cooperation could take place with companies that complement Doublewide Productions' strengths. An example of such a cooperation could be a company that handles Search Engine Optimization.

3.8 Conclusion Internal analysis

From the internal analysis it has become clear that Doublewide Productions is a healthy and functioning company. Although the staff only consists of a couple of members, most the aspects of the business are well represented and executed. The only department that could use some more representation is the sales department, as currently the owner is the only person actively engaging in sales. The organizational culture within Doublewide Productions is informal and personal, which is reflected in every aspect. This has allowed the employees, and the company, to build and maintain positive customer relationships.

One of the main benefits that Doublewide Productions has is that they do not require their show hosts to sign a contract. This combined with the competitive price points for their products has allowed the company to grow and gain some market share. With the associated celebrity from Dave Pratt personally, Doublewide Productions enjoys a rather large and positive name recognition and brand awareness within Arizona. Outside of Arizona however, Doublewide Productions is not usually associated with radio or Dave Pratt. Therefore, the company has decided to rename the network, not the company name, to Star Worldwide Networks. This name better reflected the company's values and beliefs.

Being a pioneer in the internet radio industry has proven to be a challenging task, as consumers need to be informed and convinced of the benefits over other (traditional) media. With the growing awareness of internet radio, consumers begin to understand that one of the main benefits is the possibility to reach a worldwide audience rather easily. Doublewide Productions' vision is to become known as the world leader in internet radio. This international part of the vision however, may require some implementation. The company has little international experience so far, the personnel aspect of doing international business might currently not be up for the task and budgets are small, due to the recent investments in the company's growth. Overall, the outlook based on internal aspects for Doublewide Productions achieving their objectives are positive.

The purpose of the internal analysis was to answer sub question 1: ***“What are the strengths and weaknesses of Doublewide Productions’ internal environment?”***. The answer to this question, in brief, is the following:

Strengths of Doublewide Productions' internal environment are: no contract obligations for show hosts, associated status from Dave Pratt, personal character of the company, the possibility of reaching a worldwide audience and the competitive price of the products. Weaknesses in the internal environment are: a lack of sales deployment, little brand knowledge outside of Arizona, small budgets and only little international experience. These strengths and weaknesses will be used in the implementation in Chapter 5.

4 External Analysis

In this chapter the current external environment; the customers, competitors, distribution, the USA market and the (digital) radio industry, is analyzed. The purpose of this chapter is to identify opportunities and threats for the strategic options and to answer the following sub questions:

2. *What are the opportunities, threats and trends of the external market?*
3. *What does the concept of off-hours entail?*
4. *What are current examples of off-hours programming in the United States?*
5. *What are the main benefits of the off-hours?*
6. *What customer segments would these benefits of the off-hours attract?*
7. *What substitutes or competitive products of the off-hours are available on the market?*

4.1 DESTEP Analysis

The DESTEP Analysis takes into account the external market that a company is operating in, and divides it into demographic, economic, socio-economic, technological, ecological and technological aspects. This creates a complete image of relevant trends or information of the market. For Doublewide Productions the current external market is the United States of America.

4.1.1 Demographic analysis

Below are some key (relevant) demographic statistics of the United States, according to the most recent numbers of 2014.

Population	318 892 103
Population growth rate (year)	0.77%
Literacy	99%
School Life Expectancy	17 years
Youth unemployment (15-24)	17.3%
Urbanization	82.4%

Table 4.1: Key Statistics USA, source: (CIA Factbook, 2014)

According to (CIA Factbook, 2014), the current population of the United States of America is estimated at 318 892 103 (July 2014), making it one of the largest countries in the world. American population is ever growing, at a yearly rate of 0.77%. The total surface of the United States is about 9.8 million square kilometers, and includes a lot of nature area. The urbanization rate is rather high, at 82.4%, which means that a large percentage of the total population is concentrated in urbanized areas, such as cities. For (traditional) radio it is a positive given that large audiences can be reached in relatively close areas.

The total literacy rate in the United States is high at 99%, which indicated that most people age 15 and over are able to read and write. This is directly linked to education, which is relatively high and growing in the USA. In 2014, the school life expectancy overall was 17 years, which includes all education from primary to tertiary. However, the youth unemployment rate, 17.3% of people aged between 15 and 24, is rather high. The USA ranks number 73 on the world list of youth unemployment, with number 1 being the worst (62.8) and number 147 the best (0.8%). Overall unemployment is, and has always been, an issue in The USA.

4.1.2 Economic analysis

Below are some key (relevant) economic statistics of the United States, according to the most recent available numbers.

GDP Per Capita (PPP)	\$52 800 (2013 est.)
Size of Services sector	77.7%
Inflation rate of consumer prices	2% (2014 est.)

Table 4.2: Key Economic Statistics USA, source: (CIA Factbook, 2014)

The Gross Domestic Product (GDP) per capita in 2013 was \$52 800, and has increased slowly over the years, this puts the USA in 17th place on the world list. Even though consumers have more money to spend, there is still inflation in consumer prices, 2% in 2014. This means that people can buy less with the same amount of money. In the United States of America, just like in many other developed countries in the world, the services sector is by far the biggest economic sector.

4.1.3 Socio-economic analysis

According to (Forbes, 2014), a new trend on the American market is that consumers are looking for a way to escape their busy lives. They are looking for experiences to relax, and just enjoy their free time. New forms of experience / escape are popping up in the market to meet this need.

Another trend is the consumers' wish for personalization. Products made for a very large audience are not appreciated as they were before. Consumers are expecting product/ services and experiences to be tailored to their specific needs and wishes. This is driving companies to reconsider their offerings and personalize them to the different customers.

Another trend, as stated by (TrendWatching, 2015), with regards to brands is that consumers expect brands to take a stand on societal matters, or express their opinions. A next step consumers appreciate brands doing is to motivate other people to get involved in an issue.

4.1.4 Technological Analysis

According to (Marketline, 2014), the United States of America had a mobile penetration rate of 98.6% in 2013, and about 81.3% of the population in 2012 had access to the internet. Even though these are the last official recorded data, it is safe to assume that these numbers have increased since. Smartphones have become increasingly 'smarter', which means they are able to perform new and more complicated tasks with every innovation. Currently, streaming radio might still take up a considerable amount of data and therefore might be expensive. Mobile phone providers have packages with unlimited data, but the speed is turned down considerably once a certain usage is reached. However, Wi-Fi is becoming increasingly more common in houses and public places. This means that users can stream over the Wi-Fi in a lot of areas, which saves them costs.

There is a new system emerging on the market called: DAB+. This systems allows for a better reception of terrestrial radio channels. This is a different type of physical radio, and is also becoming available through a chip in smartphones. This product has been introduced worldwide, however, the coverage of this system in most countries is not at an adequate level to be considered a real threat. Furthermore, this system does not eliminate the problem of reach, as internet radio does.

According to (Forbes, 2014), one could speak of a 'new industrial revolution', in which users are becoming creators. Technology nowadays is evolving extremely rapidly, whilst becoming more comprehensive for a larger audience. This has two implications, one is that users are able to create and share new technologies that are meeting their needs in a better or more effective way. The second implication is that consumers are expecting the same thing from companies, the technology always has to be up to date and involving the newest tricks.

4.1.5 Ecologic Analysis

There are no ecological trends on the United States market directly relevant to the conduct of business of Doublewide Productions.

4.1.6 Political Analysis

The United States of America is in favor of international trade. Therefore, there are numerous (free) trade agreements that The USA is involved in. The most important one that the USA is part of, is the World Trade Organization (WTO). On top of that, there currently are about 20 countries that are in a free trade agreement with the US. Furthermore, negotiations are in progress for trade agreements with the European Union, among others.

4.1.7 Conclusion DESTEP Analysis

There certainly are a number of trends or developments on the United States market that could have implications for Doublewide Productions. First of all, the GDP per capita is slowly rising, meaning people have more money to spend. However, the lasting extreme inequality implicated that a large portion of the money is owned by a small portion of the population. In general, the United States is a comfortable place to do (international) business, as it has many trade regulations / agreements in place. The technological developments evolve mostly around the mobile phone penetration / use, which is a favorable trend for Doublewide Productions. However, this trend asks for continuous technical development for the company. Lastly, social trends in the US implicate that consumers are looking for a means of escape, to which Doublewide Productions may respond with their offerings. Another trend is personalization of offerings, which should be considered as well.

4.2 Customer Analysis

The current customers of Doublewide Productions have been analyzed by means of a survey, conducted by the researcher amongst all current show hosts of Star Worldwide Networks. 50 surveys were sent out, of which 27 were returned completed. More information about and justification of the survey and the results please be referred to appendix 12 and 13.

The vast majority of shows on Star Worldwide Networks are talk shows, 89% of the survey respondents indicated that their show was a talk show. The motivation of the shows on the network are predominantly business related, as 70% indicated that the main reason behind the show is business (for profit). 15% indicated their motivation is business (non-profit) and a small percentage of 15% hosts a show for personal reasons. Dave Pratt indicated that the average time of a show on the network is 6-12 months. The survey results indicate that only 33% of the respondents had been with the network for longer than a year.

The respondents were asked to rank certain factors in order of importance. Affordable pricing was chosen most frequently. Also in total scoring, affordable pricing came in first place, followed by experiences staff, quality distribution, state of the art studios, branding benefits and lastly the mobile app. The main motivation for hosting a radio show varies per show hosts. Promoting business was the predominant motivation in the survey, scoring considerably more points than any other factor. Doing it for fun / enjoyment or monetizing by selling advertising were the two factors following promoting the business. Branding benefits also proved to be an important motivation for show hosts, while curiosity was not of significant relevance. Other factors like passion, credibility, freedom and starting something new were mentioned in the survey.

Customers of Star Worldwide Networks are generally looking for a platform to launch their message to their audience. Therefore, they have a number of alternatives to choose from to satisfy this need. The survey outcomes indicate that more than half of the current show hosts had considered traditional radio or television before deciding on an internet radio show. Other considered alternatives, in order, are a blog, print media, social media and a show from home.

The current show hosts on the network are all hosting their show during 'regular hours', mostly between 9AM and 6PM. When picking a time slot for their show, the show hosts' work schedule and personal convenience were the main considerations. After that, the audience preference plays a large role in setting a time, followed by, preference for day or night time and lastly the degree of business at the studio (availability).

There are many goals that show hosts set for their radio show, the survey went over this subject to find out more about the desired goals with regards to the listener audience. A vast majority (74%) indicated to hope to acquire new customers through their radio show. 41% of the respondents are aiming for stimulation of (live) interaction during the show. Listeners giving feedback or input for content proved to be an important desired goal for show hosts as well. Additionally, listeners repurposing the on demand

podcast and improved customer relationships are goals that are strived for by about 30% of the show hosts.

The survey also went into the experience that the show hosts have had with the benefits of internet radio (over traditional radio / mediums) on their customer relationship strategy. The on demand availability of the podcast came out as the most important benefit of internet radio, followed by the high quality. Both the worldwide audience and easy integration with other social media had been of positive influence on the show hosts' relationship with their customer.

The respondents were furthermore asked about how their listeners relate to the radio show. 63% indicated that there are various levels of engagement, 30% indicated that listeners use personal communication to relate to the show and 26% indicated that listeners experience the show as an intimate form of communication.

4.3 Competitor Analysis

The two main competitors in the American Digital Radio industry with the most similar offering are WebTalk Radio and Voice America. The websites of both these companies have been consulted and analyzed for the purpose of doing this competitor analysis.

Direct comparison

This direct comparison is based on the internal analysis and the detailed description of both of the competitors separately, please be referred to appendix 9 for the full analyses. Doublewide Productions' direct competitors WebTalk Radio and Voice America are all operating in the Internet Radio industry. However, each company is conducting its business in a slightly different way. For example, WebTalk Radio does not provide live streaming of the radio shows, but only provides on demand podcasts. Furthermore, WebTalk Radio does not have a mobile app for their listeners, Doublewide Productions and Voice America do. Additionally, WebTalk Radio has an approval process of new show ideas, while the other two companies welcome all show types to their network.

Doublewide Productions is the only company of the three that does not require show hosts to sign a contract. This lowers the threshold for potential show hosts to jump aboard, but also creates financial uncertainty for the company. Furthermore, the price of hosting a show at Doublewide Productions is very competitive compared to its competitors. At Voice America show hosts are paying more per show, for similar services, at Webtalk show hosts may pay a lower price per show, but the offering is considerably lower as well; shows are not aired live.

Apart from the direct competition from similar companies, Doublewide Productions is also experiencing indirect competition from substitute products / services. Most people use a radio show as a medium to send out a message, and therefore have a wide choice of alternatives to satisfy that need. Some examples of other appropriate mediums are traditional radio or television, print media, blogs and podcasting from home. From the survey it became clear that the most competition comes from traditional radio or television, 52% of the respondents considered this as an alternative for the internet radio show. Furthermore, 33% considered blog, 33% print media and other considered alternatives were social media and a radio show from home. 19% of the respondents indicated that they did not consider any other alternatives when signing up for an internet radio show.

4.4 Distribution Analysis

Distribution is an important part of Doublewide Productions' business model. However, there is no physical distribution taking place, just digital distribution of the content. Each radio show is recorded through a program called: Sports Sounds PRO at the studio, it is then edited, converted and saved onto the server. From there, it is stored in Dropbox and distributed through a company called 'Triton'. This distribution enables the recording to be downloaded and listened to from the server to the listeners' devices. The podcasts are available on the website (RSS feed) and on iTunes and be edited and repurposed from there.

4.5 Industry Analysis: The (Digital) Radio Industry

There are three types of radio: Terrestrial radio (AM/FM), Satellite Radio and Digital or Internet Radio. Terrestrial radio, better known as AM/FM radio, is emitted over airwaves, it is also commonly being referred to as 'traditional radio'. The reception range of terrestrial radio is generally limited to about 50-100 miles. Satellite radio is emitted over satellite, giving it the advantage of a great reception range. There is only one supplier of satellite radio; SiriusXM. Digital or Internet radio is radio that is being broadcasted over the internet. For the purpose of this research, the external analysis of the radio industry will focus mostly on the digital radio industry.

The radio industry is rapidly changing, including the preferred ways of listening to radio of consumers. Dave Pratt, owner of Doublewide Productions, started his company because he believed digital radio is the future. The first signs of this shift have become noticeable. Norway was the first country to announce a complete switch-off of the traditional FM radio stations (Radio digitalisation in 2017, 2015). They also believe that digital internet is the future, and has a great deal of benefits. This complete switch-off was anticipated for a couple of years, and the government had set criteria that had to be met in order to set this switch in motion. These goals, dealing with coverage, added value, audience and accessibility, were met and therefore the government officially announced to switch-off of the FM radio stations.

An article by Emarketer (2014) mentions that "Digital radio listeners are now at mass-market proportions, representing just more than half of the population and nearly two-thirds of internet users." (Emarketer, 2014). This indicates that Internet Radio is being widely accepted and used as a new medium of listening to radio. This is largely due to the changing listening preferences. The main trend in the digital radio industry is the shift to non-desktop devices, like mobile phones. Consumers are much more on the go, and are now considering and expecting this time to be filled with their preference of choice. The rise of the smart phones, tablets and apps are responding to this need, allowing users to continue their activities while on the move. According to (Nielsen, 2015), radio listening is closely tied with work and being away from home.

A market research company called Nielsen, does market research into the (digital) radio industry each year, surveying respondents in the radio metros in the USA. Furthermore, they base their analyses on information provided to them by US government-licensed radio stations. They have investigated the different listening preferences of different age groups (Millennials, Generation X and Boomers) and ethnic groups (Hispanic and African-American). Overall, the weekdays are most popular, peaking on Thursday and Friday. Radio listeners spend on average 13.6 hours per week listening to radio, the most popular day part is mid-day (10AM-3PM). About 64% of these radio listeners listen while they are away from home. Internet streaming companies have started playing into this trend. For example, Apple is introducing a new music streaming service, for which they have asked famous artists to provide or control the content. Users can listen to this service for free, but will have to pay to get rid of ads. (NU, 2015)

Consumers that want to create their own radio show, or recording, have the option to do this themselves at home, or at a professional studio like Doublewide Productions. The main added value, of a professional studio is the higher quality and experience of the staff. If the purpose of the radio show is to reach a large audience, and monetize the show, the radio host has to take a number of factors in consideration. Firstly, the costs of the different ways of broadcasting a radio show range quite a bit. Show hosts can decide to build a home studio, from where they record and distribute the radio show. The costs for home studios have gone down over the years, however, they could still be considered an investment. A 'basic' studio would require a minimum investment of \$400 and a monthly fee of \$40 for distribution. This basic equipment is the very minimum a person needs to record a radio show, and will lack considerably in quality. A 'semi-professional' studio would require a minimum investment of \$3000 and a monthly fee of \$40 for distribution. This studio equipment is a considerable upgrade from the

basic equipment, and will add in quality and recording options. For a full breakdown of the home studios equipment, please be referred to appendix 10. An important note is that extensive knowledge and skills of the equipment is necessary to get the most out of it. Therefore, a large group of show hosts chooses to build their show with a professional network, ensuring the quality, and creating a care-free experience.

As briefly explained in paragraph 1.1, the (digital) radio industry is also familiar with the term 'prime-time', although it might not be as defining as in television. It is more common to speak of off-hours, which are the hours that are not popular to the main customer segments. For Doublewide Productions, those hours are the hours between 9PM and 5AM. The concept of off-hours could be described as: "a period of time other than regular business hours" (Merriam-Webster, 2015). These hours are unpopular hours among the main customers, and require a specific target group. The actual product itself would not be of lesser value during these times, but the lower perceived value comes from the inconvenient time, and considerably less to no live listeners for people that operate during normal business hours. However, for some people, businesses or industries, these off-hours might be hours of business. Furthermore, due to time zones across the world, different zones could be in their prime-time during off-hours in Phoenix. With the on-demand availability, the time of recording is not as important for most show hosts, as their audience can listen to it at their own convenient time. However, shows that are focused on live interaction will have to pick a time during which their audience is able to tune in.

Each media company handles off-hours programming in the United States differently. For example, Voice America, direct competitor of Doublewide Productions, runs rebroadcasts of shows that were aired during the day. This way, there is always content on the live stream and it created a selling point to their show hosts, as they are getting more exposure of their radio show. A traditional radio station (FM) plays music during the off-hours, which is not content from their show hosts but simply content to fill up air-time. Television off-hours programming varies per channel, USA Networks and Tru TV air older episodes of regular TV shows, or rebroadcasts all through the night. BRAVO TV airs regular TV shows until 4AM and then has a two hour paid programming slot, FX TV has paid programming all night. Paid programming varies and is usually used for longer commercials/ promotions of products or services.

One main benefit of off-hours is the often lower price point. The paid programming is a good example of this, instead of paying a high price for a short commercial, companies can purchase a larger time slot for their promotions. The downside is that the reach and exposure of off-hours time slots is a lot more limited. A benefit of off-hours in internet radio, or more specifically at Doublewide Productions, is the fact that show hosts can reach their live audience in case those are best reached during local off-hours. For example, if the live audience in the Netherlands of a Phoenix show is best reached at 10 AM their time, then the show would have to be aired at 1AM Phoenix time.

Taking all this into consideration, possible customer segments that are most likely to be attracted to these Doublewide Productions' off-hours are either industries that operate at night. One could think of the taxi industry or security industry. Another segment could be consumers in other time zones around the world, their prime time could be off-hours in Phoenix. From the survey it became clear that the current show hosts are not likely to be incentivized by a lower price point. They did indicate however that they were likely to be motivated to book during off-hours if they were focused on a live audience, and that live audience was listening during those hours. It became apparent from the interview with radio show 'Blade' (Blade, 2015) that the current customer segments might be attracted to the off-hours by offering rebroadcasts of their earlier aired shows.

4.5.1 Porter's Five Forces (Porter, 1998)

Porter's Five Forces model analyses the competitive position of the company in a certain industry, based on the power of new entrants, buyers, substitutes, suppliers and competition. Please be referred to appendix 11 for the result of the analysis.

Doublewide productions' buyers have the least power in the industry, with a total score of 2. This indicates that buyers do not have a lot of power to drive down prices. This is due to the fact that there are no large (groups of) buyers; the buyers do not vary much in size, therefore if a customer is lost it will not affect the company much in terms of numbers. Products are not standardized to a high degree, therefore it becomes harder for buyers to switch suppliers; this decreases their negotiating power. Suppliers have moderate power to drive up prices in the industry, mainly due to the fact that there are not many suppliers in the industry. For players in the industry it is somewhat hard to switch suppliers, contributing to the power of the suppliers. The most important supplier in this industry is of distribution (of bandwidth) and servers; making it a hassle for companies to switch all the existing content over. The suppliers' names are not well known and are no important factor in the decision making process of the buyers.

The threat of substitutes is fairly substantial in the industry, looking at the nature of use of the product. Radio can be used as a marketing tool, and therefore there are many alternatives buyers can consider. It is fairly easy for buyers to switch over to a substitute, especially in the case of Doublewide Productions because of the fact that they do not make their show hosts sign a contract. Buyers can try to use substitutes to try to create the same value as the product poses. However, the product has a fairly well value for money ratio, also compared to the substitutes. This increases the power of the company in the industry.

The threat of new entrants is relatively high, as it is relatively easy to enter this market. No player in this industry has the sole ownership or right to use certain technologies or distribution channels. If a new player wanted to start a (internet) radio company, the initial investment would be relatively high in terms of money, decreasing the threat of new entrants. However, new entrants do not have to expect counter measures from existing players. Another factor that adds to the threat is the fact that buyers are only loyal to a certain point to a brand, and are reasonably likely to switch companies.

These four factors all contribute to the degree of rivalry in the industry, which totals to a 2.6. This indicated an average intensity. Competitors have some power because there are competitors out there for Doublewide Productions that offer similar products, some for a lower price. This makes it easy for unsatisfied customers to switch companies. However, Doublewide Productions does have a unique added value, which their competitors do not offer, this strengthens their position within the industry.

4.6 Cultural Analysis

Geert Hofstede created a model to assess a country's culture on six dimensions: Power distance, Individualism, Masculinity, Uncertainty Avoidance, Long Term Orientation and Indulgence. Below one may find the results for the United States and its implications.

'Power distance' indicated to what degree society is accepting of power distance existing. This means, that one person has more power than another person. A high score on Individualism would indicate an individualistic society, one in which everyone takes care of himself and their direct circles. On the other end of this spectrum is a collectivistic society, one in which people rely on each other. Masculinity refers to a competitive society, which places focus on (personal) achievement. A low score would indicate a feminine society, which places more focus on caring for one another and the quality of life. 'Uncertainty Avoidance' indicates to which degree a society has a need for rules. 'Long Term Orientation' refers to the focus that a society places on the past, present and the future when facing challenges. Finally, 'Indulgence' refers to 'the extent to which people try to control their desires and impulses' (The Hofstede centre, 2014).

Figure 4.3 shows the results of the Hofstede analysis for the United States. A relatively low score on Power Distance indicates that a great hierarchy is not commonly appreciated. Instead, most American companies have a rather flat organizational structure. This fact combined with an extremely high score on individualism implies a number of things. First of all, it implies that the United States of America is one of the most individualistic countries. It is more common to think in terms of 'I', instead of 'we'. Second, when it comes to business, managers and employees expect to be asked for their input or opinions and to be involved in many company activities. Lastly, these two factors create a need or

desire for open and direct communication, both internally as externally. Americans are known to engage in interaction rather quickly with people they do not know that well yet.

The USA scores a high score of 62 on Masculinity, which means that the society is driven on personal achievement and competition, especially when this is combined with the individualism. It is common to talk about one's success openly, and to always strive to be better than other people. In general there is a rather strong focus on competition. A lot of American systems are focused to encourage competition, and reward 'the winner' when they meet specific quota. Furthermore, conflict is not seen as something bad, but as something useful to bring out the best of people. These attitudes create a motto of: 'Live to work', placing a lot of stress on (business) achievement and showing success.

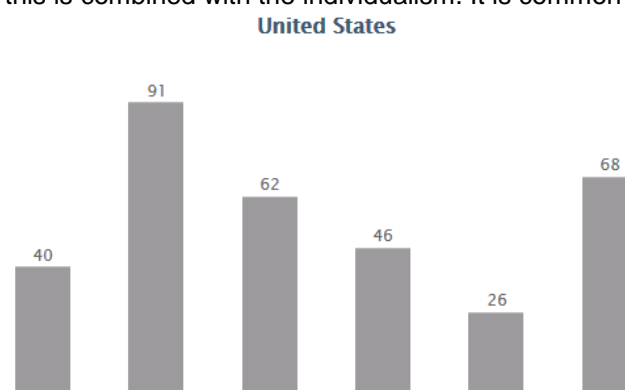


Figure 4.3 Hofstede analysis USA (The Hofstede centre, 2014)

The score of 46 on uncertainty avoidance is below average. This means that new ideas or innovations are fairly well accepted in the United States. People are open to new ideas or opinions of other people, to a certain degree. However, from a government perspective, there is a lot of control and regulations. Furthermore, the United States score extremely low on Long Term Orientations, which indicates that a lot of stress is put on the short term. For example, businesses measure their results frequently to keep track of progress. Finally, a score of 68 on indulgence means the American society is an indulgent society. This results in a "work hard play hard" (The Hofstede centre, 2014) attitude, which means that people are willing to work hard, to enjoy an indulgent life. Even though the country is divided, and there is a large inequality of income, Americans tend to spend their money to increase quality of life.

Implications for Doublewide Productions

The organizational culture of Doublewide Productions, as explained in paragraph 3.2.2, is highly direct and open. This seems to be an appropriate strategy for the American market, considering the low power distance score. Employees expect to be asked for their opinions or input, which is also common at Doublewide Productions. However, this type of communication is also desired externally, with both customers and consumers. It is usual for companies to interact with each other rather quickly, therefore Doublewide Productions should not withhold from engaging in conversation with potential customers or partners. Considering the high masculinity and extremely high individualism, Doublewide Productions should, at all times, keep in mind that the average American is focused on (short-term) success and achievement. If the company could be of any assistance to help the customer to reach his or her goals, this will reflect on a positive customer relationship and satisfaction.

4.7 Conclusion External Analysis

The external market looks promising on demographic, economic, socio-economic, technological and political level. The GDP has been slowly rising, and is forecasted to continue at that pace. Socio-economic trends are favorable to the offering of Doublewide Productions. Firstly, consumers are looking for relaxation or the need to escape their busy lives. Secondly, there is a strong demand for personalization of goods, services and communication. Furthermore, mobile and internet penetration are extremely high and are expected to keep growing. Technology in general is evolving at a rapid pace and becomes smarter and capable of more things.

Doublewide Productions' two main (local) competitors are WebTalk Radio and Voice America. The main benefits that Doublewide Productions has over its competitors is the given that hosts do not have to sign any contract and their prices are competitive. Furthermore, WebTalk Radio does not offer live streaming and their studio, and that of Voice America, are of considerably lower quality than those of Doublewide Productions. In conclusion, although competition in general is increasing, Doublewide

Productions currently has a relatively strong competitive position. This was confirmed by the Porter's Five Forces analysis; it indicated that there is no specific force in the industry that extremely worsens Doublewide Productions' competitive position. The threats of rivals and substitutes are something to keep an eye on.

In the (digital) radio industry, a shift is taking place from terrestrial radio to internet radio. The main reason for this is the on-demand availability, which was also supported by the results of the survey. The first country, Norway, has announced that it will shut down all FM radio in 2017. Another trend in the industry is that technology is ever evolving. New innovations are continuously brought onto the market, which allows Doublewide Productions to keep increasing the quality of its product. However, a consequence of this trend is that the price of home studio has significantly declined. Some show hosts might be tempted by that trend to record a show from home. An important benefit of the shift to internet radio is the worldwide reach. Consumers in other regions, and thus time zones, can easily host a show from Doublewide Productions' studio. This could be a real opportunity for the company to seize.

The external analysis has answered the following sub questions:

2. What are the opportunities, threats and trends of the external market?

In brief, the opportunities on the market are the socio-economic trends (relaxation, personalization), evolving technology allowing for higher quality, the shift in radio listening, the downfall of traditional radio and the existence of time zones. The threats in the market are the increasing competition, threat of substitutes and decreasing prices of home studio equipment.

3. What does the concept of off-hours entail?

Off-hours can be described as hours other than regular business hours. These hours are not as popular amongst most people and require a specific target group. The actual product is not any different during these hours while the perceived value is less because of the inconvenient time. In case of Doublewide Productions, these hours are between 9PM-5AM.

4. What are current examples of off-hours programming in the United States?

Examples of off-hours programming are: rebroadcasts, old episodes of current shows, new episodes of current shows, music format (no interaction) or paid programming.

5. What are the main benefits of the off-hours?

The main benefit of off-hours is a lower price point. The afore-mentioned examples each have a lower price than they would have during regular hours. A specific benefit of Doublewide Productions' off-hours is the fact that show hosts can reach a live audience in another part of the world in their convenient time.

6. What customer segments would these benefits of the off-hours attract?

Likely segments that could be attracted to the off-hours are consumers or businesses in the night industry in Phoenix, as the off-hours are their hours of business. Furthermore, consumers or businesses in other time zones may be interested because off-hours Phoenix time might be prime-time or convenient times for them.

7. What substitutes or competitive products of the off-hours are available on the market?

Examples of substitutes or competitive products on the market are: home studio, social media, blog, vlog, traditional TV or radio and a recording during regular hours with a broadcast during off-hours.

5 Strategy

5.1 SWOT analysis

The strongest positive and negative points of the internal and external analysis are chosen and weighed against each other to identify possible points of action in the company strategy. Please be referred to appendix 15 for a schematic representation of the SWOT analysis.

Strengths:

S1: No contract obligations for hosts

From the competitor analysis (paragraph 4.3) it became apparent that Doublewide Productions holds a valuable unique selling points over its competitors. At Doublewide Productions, show hosts never have to sign a contract, allowing them the freedom to cancel at any time.

S2: Associated status from Dave Pratt

Doublewide Productions is directly associated with Dave Pratt, who has built considerable local name recognition (paragraph 3.1). Being considered an expert in the field gives credibility to the company. Dave Pratt continues to make appearances to maintain his positive image, and therefore this benefit to the company.

S3: Personal character

Doublewide Productions has an extremely personal approach on all aspects, to the customers, in internal communication and to the external environment. This makes the company approachable, and invites for open and honest communication with anyone.

S4: Worldwide audience

An internet radio company enjoys the benefits of a worldwide audience, since it streams over the internet and therefore is available from anywhere in the world. This is a considerable advantage over other mediums. Please be referred to appendix 18 for a more detailed description of the worldwide reach.

S5: Competitive price points

After comparing Doublewide Productions against its two main competitors, it became apparent that Doublewide Productions has competitive price points, staying under the price of their competitors, and offering great value for money.

Weaknesses

W1: Reliance on word-of-mouth

As became apparent from the survey, Doublewide Productions relies on word-of-mouth, and referrals for the acquisition of new customers. There is no sales team, as all sales are handles by the owner himself. Therefore, many sales opportunities remain unused at this time.

W2: Little brand knowledge outside of Arizona

Due to Dave Pratt's personal name recognition and fame, Doublewide Productions is well known in the greater Phoenix area and the rest of Arizona. Outside of Arizona however, where less people know of Dave Pratt, the company has not established much brand awareness or knowledge.

W3: Small budgets

Doublewide Productions is a relatively young company, that has grown considerably fast over the past years. This has called for multiple investments, and therefore, the budgets for other activities like Marketing are currently small.

W4: Little international experience

Currently, Doublewide Productions has only little experience with international business. Two shows from other countries are scheduled to begin in June of 2015. Therefore, potentially welcoming shows from other time zones may require internal adaptations.

Opportunities:**O1: Socio economic trends**

As became apparent from the DESTEP analysis (paragraph 4.1.3), the socio economic trends in the American market are favorable for Doublewide Productions. A need for relaxation, escape from busy lives and personalization of goods and services are all trends that the company could easily play into.

O2: Evolving broadcasting technology

Due to the broadcasting technology always evolving, Doublewide Productions can increase the quality of their studio, and therefore also of their services to the show hosts, advertisers and productions.

O3: Shift in Radio listening

Technology is changing rapidly, with new devices or applications continuously coming to the market. These innovations allow listeners to listen to radio easier and more frequent, by enabling them to listen when away from home. This is a real opportunity for Doublewide Productions as the listener number will increase. Consumers are starting to move away from traditional radio and towards internet radio, as the on-demand availability allows them to listen to the show at any time.

O4: Time Zones

One benefit of internet radio, and especially of Doublewide Productions, is that hosts from all over the world can host a show from where they are at, through Skype. International potential customers live in other time zones, which means that their prime / convenient time could fall during off-hours Phoenix time.

Threats:**T1: Increasing competition**

Doublewide Productions was a pioneer on the field of internet radio; they were one of the first companies to start operating in this field. However, with internet radio getting more awareness, there are new internet radio stations being started up, which causes more competition for Doublewide Productions.

T2: Substitutes

(Internet) Radio is a marketing tool, amongst other things, and therefore is experiencing a lot of indirect competition from substitutes. Traditional radio / television, blogs, print media and social media are examples of substitutes that form a threat for Doublewide Productions. The costs and benefits of these substitutes vary per medium.

T3: Decreasing prices of home studio equipment

The prices for home studio equipment are decreasing, which means that consumers can build their own studio for less money. Although hosting a show from home might not be suitable for most beginner hosts, it poses a threat to Doublewide Productions.

5.2 Confrontation matrix

Doublewide Productions	Opportunities						Threats		
Strenghts		O1 socio-economic trends	O2 Evolving technology	O3 Shift in listening	O4 Downfall traditional radio	O5 Time zones	T1 Competition	T2 Substitutes	T3 price home studio
	S1 no contract	4	0	0	0	0	5	5	5
	S2 Pratt name association	0	0	0	0	0	5	4	0
	S3 Personal character	5	0	0	0	4	5	5	5
	S4 Worldwide audience	0	0	4	5	5	3	5	3
	S5 Competitive price	4	5	5	5	5	5	4	5
		W1 Lack of sales	0	0	0	3	5	5	5
W2 brand knowledge		0	0	4	5	5	5	5	0
W3 Small budgets		1	1	0	0	1	5	4	4
W4 International experience		1	0	2	4	5	4	3	0

Table 15.1 Confrontation Matrix, based on SWOT analysis in Appendix 12

The three options that can be derived from table 15 are the following:

- Option 1: S4, S5, O1, O2, O3, O4, O5 Attack Strategy
- Option 2: T1, T2, S1, S2, S3, S4, S5 Defense Strategy
- Option 3: T1, T2, W1, W2, W3 Withdraw Strategy

These options answer the following sub question: ‘‘8. What combination of strengths, weaknesses, opportunities and threats could form a base for strategic development?’’. Considering Doublewide Productions’ ultimate goal of devising a strategy for growth, the first option seems most suitable. The attack, or growth, strategy will be exploited in order for the company to reach its objectives.

Ansoff (1957) created a model to design a growth strategy that includes the market and the product, and whether to keep the existing ones or create new ones. For Doublewide Productions the following growth strategies are suitable with regards to the main research question:

- Market Development:** If Doublewide Production were to pursue the market development growth strategy, new markets would have to be tapped into with the existing product. New Markets for the radio shows could be (local) industries that operate at night, for example the taxi or security industry. Another example of new markets for Doublewide Productions are other time zones, as the off-hours Phoenix time are prime time in other time zones. From the survey it became apparent that the current markets/ customers do not seem to be the appropriate target group for these off-hours. Therefore entering new markets might have to be necessary to achieve the objectives.
- Product Development:** This strategy would require a different product for the existing markets. A new product that could potentially interest the current show hosts is a rebroadcast of the shows, which means that the show is broadcasted at the regular time and then rebroadcasted during the off-hours. Some respondents in the survey suggested that rebroadcasting of existing shows might potentially be interesting. Another possible product development is to create a

certain format for the off-hours, offering a 24-hour content on a certain topic for listeners of the channel in general, rather than listeners of specific shows separately.

3. **Diversification:** Pursuing this strategy would require developing a new product and entering new markets with it. In order for this strategy to be successful Doublewide Productions could create a new concept for the off-hours, which will consist of longer time slots available for webinars / recording of commercials. The studios at night time have a certain ambiance, with the view of Scottsdale and all the lights. Companies or individuals can come in to record their webinars, videos or commercials. This product would be more focused on separate occasions rather than a weekly repetition.

The other growth strategy 'Market Penetration' does not seem applicable in this case, because of the outcomes of the survey. It became apparent that the current show hosts are not likely to be incentivized to book their activity on the off-hours as the main motivation for picking a time is personal convenience. Therefore, keeping the same product for the same market would most likely not lead to solving the company's challenge of filling the off-hours.

5.3 SFA model (Johnson & Scholes, 2008)

The three growth strategy options are tested on suitability, feasibility and acceptability. Then, the most applicable option will be chosen and implemented. Suitability assesses whether the strategic option fits the problem definition. Feasibility assesses the strategic option on different aspects of the organization to determine if it is a realistic option. Acceptability determines to what degree the strategic option will be accepted by different stakeholders. The devised strategic options have been scored by the researcher in accordance with VanderLee. For the motivation of the result of this model, please be referred to appendix 17. This paragraph answers the following sub question: *"9. What strategic development would best support the company's objective of selling the off-hours' time slots?"*.

The model in appendix 17 clearly indicates that the first option, market development, is the most suitable, feasible and acceptable option for Doublewide Productions to achieve its objective of filling the off-hours, while still generating at least half of the normal revenue. From the survey it became extremely apparent that the off-hours time slots would be most attractive to show hosts in other favorable time zones as work schedule, follow by personal convenience, were most important factors indicated during the show hosts survey for setting a time for the radio show.

Product development in the form of rebroadcasts also seemed like a possibility. However, the mere fact that with this strategy the company would not be able to generate 50% of the general revenue, this strategy became irrelevant. Product development in the form of a set format for the off-hours is definitely a strategy that the company has interest in. However, this strategy has not been implemented in the regular hours yet, as currently it does not fit in with the company's business model. This strategy could be researched in a later stage, but is ruled unsuitable for this research.

6. Implementation

This chapter presents the implementation plan of the market development strategy chosen in chapter 5. It covers the target groups, communication objectives, communication strategy, marketing communication mix and a mile stone planning with the budget.

The worldwide reach of internet radio poses a real opportunity for Doublewide Productions to fill its off-hours. These Phoenix off-hours might be prime time or convenient times for consumers in other time zones. Phoenix does not have a set time zone, but changes between Pacific Standard Time (PST) to Mountain Standard Time (MST) during the year. For the sake of this research, Phoenix time will be defined as MST. The time difference from Phoenix to the following continents:

East coast of the US	+3 hours	South America	+2-4 hours
Europe	+8-9 hours	Africa	+7-10 hours
Asia	+10-19 hours		

For the initial phase of targeting new markets, Doublewide Productions will target three regions:

- Region 1: Great Britain (the UK & Ireland)
- Region 2: Germany & the Netherlands
- Region 3: Scandinavia (Denmark, Sweden, Norway)

Most of the inhabitants of these regions speak at least Basic English. The show hosts can do their show in their language of choice, but it would be convenient if they can communicate with the staff to discuss their wishes and have the recording run as smoothly as possible. For example, show hosts have to indicate to the Studio Producer when to start the breaks, the music and when to bring on the guests on the phone. Besides the basic level of English, these regions were selected based on the location analysis explained in appendix 18 and due to the fact that they belong to the developed world. Furthermore, these regions have had positive relationships with the USA in the past. This allows for a credible and trustworthy image of American products or services, as a lot of innovations originate in the USA.

6.1 Marketing communication target groups

The most suitable, feasible and acceptable strategic option for Doublewide Productions to meet its objective of filling the off-hours would be to enter new markets with the existing product. Solely the radio show (product) will be taken into consideration for this implementation plan. In order to determine the marketing communication target groups, the (world) market will be segmented on three different levels of variables; general, domain-specific and brand-specific. This paragraph answers the following sub question: “10. What are the characteristics of the potential target market?”

6.1.1 General variables

▪ Geographic variables

The chosen regions are all located in (Northern) Europe and are in relatively close range to each other. The countries have been divided based on characteristics and common categorization. Most of the potential target group will be located in urbanized areas or business districts. The initial goal is not to conquer the entire market, but to attract some shows in different countries to initiate the international footprint.

• Socio-economic variables

An important socio-economic variable is the business-to-business segment, as it became apparent from the survey that the main motivation (85%) for hosting a show is business. The initial analysis of the current show portfolio indicates that most of the shows are businesses or entrepreneurs that either are looking to train or educate its customers. A first example is a home improvement company that educates and trains customers on the newest trends, tips and tricks by means of the radio show. A second example is a marketing academy that uses the radio show to educate and train its customers

by bringing on different experts or by discussing and evaluating a company training event that took place. A last example is a sexual health educator that uses the radio show both to educate people on the different aspects of (sexual) health and to monetize the show by promoting an adult store sponsor. In short, companies or entrepreneurs that are in the business of services rather than products seem to profit most of a radio show over other media, as they have more information to get across to their customers. For the new markets it is therefore recommended to target small- and mid-sized companies in the services industries that have the financial room to invest in marketing activities. The entrepreneurs that will be targeted should be in the middle income class and have had some secondary education. The family cycle of the market segment is not relevant for the segmentation for Doublewide Productions. Especially employees involved with the company's marketing or communication are interesting to target, as internet radio can be seen as a marketing tool. Furthermore, the majority of the target group can most likely be reached through social media. Currently it is common for companies to have company pages on Facebook, Twitter, Google+, LinkedIn and YouTube. Often times these social media pages will have a direct contact function or will provide contact information.

▪ **Psychological characteristics**

Psychological characteristics of hosting a radio show at Doublewide Productions are:

1. Credibility; The survey results indicated that according to show hosts hosting a radio show gives the show hosts credibility in their industry, for example by having guest experts on the show.
2. Status; Show hosts also indicated that having a radio show "sets you apart from others".

The segment that Doublewide Productions should be targeting is entrepreneurs and businesses with a drive to lead / educate / entertain a crowd or that are an expert in their field. The radio show is a platform for entrepreneurs and businesses to launch and elevate their message.

6.1.2 Domain-specific variables

▪ **Involvement**

Purchasing a radio show at Doublewide Productions usually requires a high involvement from the customers. First of all because hosting a show requires some skills and especially continuous input of time and effort from the show hosts. Second, there are a lot of alternatives to consider when choosing marketing tools, hosting a radio show is not the cheapest option and therefore customers tend to do research and gather information to make a measured decision. Lastly, internet radio is a rather new concept, consequently, consumers have questions about what all is involved in the process to get a greater understanding. It is quite common for show hosts of Doublewide Productions to ask the company for analytical information or numbers of listeners / downloads their shows get, this affirms the high (informational) involvement.

▪ **Benefits sought**

According to the survey, benefits sought of hosting a radio show at Doublewide Productions, in order of relevance, are: comfort (experienced staff support, on-demand availability), value for money (affordable pricing), quality (of distribution and studios) and branding opportunities. By positioning the company as pioneer and expert in the field and combining that with internet radio being a new concept could attract consumers in the chosen regions to do business with Doublewide Productions. The company has already had positive results and experiences with internet radio, and therefore offer potential new customers comfort, in knowing the company knows what it is doing and the possibility to do the show from any place (even the office) and have it be of high quality. The show hosts do not need any equipment to host a show, they just Skype in and the show will run through Doublewide Productions' studio equipment. The same goes for any shows' guests.

Furthermore, the on-demand availability is another main benefit. The recording of each show is presented to the show hosts in the form of an MP3 file, compatible with browsers, Apple products and Androids. Both the show hosts and listeners can take this content and repurpose it to their wishes. The content will always be available, different from traditional radio where the content is only live.

▪ **Product use**

The product can be used as a platform to send out a message, and can easily be utilized as a marketing tool. Furthermore, the show can also be monetized by the show hosts. This means that the show hosts own all the time on the show, and will get all the income of sponsor money. The results of the survey indicate that 74% of the show hosts see the show as a way to acquire new customers. From the Survey Follow-Up interviews it also became apparent that the on-demand availability of the podcast are extensively used for repurposing of the content by the show hosts. Furthermore, the product is being used as a symbol of creditability and status, according to Bade (Blade, 2015).

6.1.3 Brand-specific variables

Doublewide Productions has chosen to carry out 'Star Worldwide Networks' as brand for the company. This was a deliberate decision that came from the name association with Doublewide Network, doublewide hints to a type of trailer van. Therefore, the company recently went through a network name change.

▪ **Brand Knowledge and Attitudes**

Attitudes of consumers towards Star Worldwide Networks are based on the brand knowledge, which means that the brand is judged on certain features. The survey results indicated that the following features are important to show hosts: Value for money, Quality of distribution, Quality of the studios, Experience of the staff, Mobile App and the Branding benefits. It is important for Doublewide Productions to not create a false image of their offerings when targeting new markets, to avoid dissatisfaction. During the Survey Follow-Up interviews some show hosts indicated that not all of their expectations about support from the company were met, which led to some mild dissatisfaction. Doublewide Productions can learn from this, and possibly adjust the message in a way that it is most clear what exactly show hosts may expect from the service. The most common misperception is that show hosts tend to think that the company will find listeners or sell the show. Although the company does help show hosts elevate their brand (by means of SEO mostly), the responsibility of promoting and selling the show lies with the show hosts.

▪ **Buying intentions**

In order for Doublewide Productions' marketing communication to be most effective, it is smart to target the consumers with buying intentions, as the message for them would come at the right time. Reaching consumers when they are making a decision to buy, can influence the brand choice. Segments of potential customers that might have the intention to buy are traditional radio personalities (or businesses with previous radio experience) that are no longer on the air, new companies that are designing a marketing strategy and companies that are growing. According to (Blade, 2015), who used to be a traditional radio personality himself, indicated that this is a group that would be very interested in the concept of internet radio. They already have some experience with radio, but have usually outgrown traditional radio and are therefore looking for a newer, better version. New companies and companies that are growing that are looking to design or expand their marketing mix might be recipient to information about internet radio as a marketing tool.

▪ **Buying and usage behaviors**

There are five distinctive groups when it comes to buying and usage behavior: brand-loyal users, brand switchers, users who are loyal to another brand, new users and non-users. For Doublewide Productions' marketing communication, the best groups to target are the brand switchers and new users. Brand switchers are convinced of the benefits of (internet) radio, and have some experience with it, the aforementioned radio personalities would fall under this category. The second group, non-users, would make a good target group for Doublewide Productions, as internet radio is a relatively new concept. Therefore, there is an enormous amount of consumers who have never heard of or tried internet radio that could be convinced of the benefits with an effective marketing communication strategy. Brand-loyal users are not relevant to target, considering that Doublewide Productions will be targeting new markets, in which

they do not have any, or only few, users yet. Users who are loyal to another brand could be targeted in a later stage, possibly with a sales promotion to convince this group to switch brands. This strategy is being pursued on the company's home market but will initially not be implemented for the new target markets. Non-users will also not be targeted in this marketing communication strategy.

6.2 Marketing communication objectives

6.2.1 Product life-cycle Doublewide Productions

In the United States the product (radio show) of Doublewide Productions is currently in the growth phase of the product life cycle. At the start of the company, the introduction phase, it was just the Dave Pratt Live Show. After they successfully proved that a show could be monetized it started taking on some customers. When those shows became successful, the company entered the growth phase as consumers could see the positive results of other shows. When Doublewide Productions will be entering the selected markets, the product will begin back in the introduction stage. The main reason for this is the fact that the new markets are not aware of the characteristics, functions and benefits of internet radio. The company does have shows in the United States to prove results, however, local successes will be needed to reach the growth phase of the product life cycle. This has implications for the communication objectives for this strategy, as the initial focus will lie on brand communication objectives before the company can focus on behavioral objectives. Also the brand life cycle, which will be in the introduction phase in the selected markets, confirms that the first objectives to be met should be about brand awareness.

6.2.2 Marketing communication objectives Doublewide Productions

Doublewide Productions' company objective is to be considered the leader of internet radio distribution in the world. The company's main marketing objective is to increase turnover, especially on the off-hours. The official main research question is: "How can Doublewide Productions book 20% of all booked shows between 9PM and 5AM within one year, while generating at least 50% of the regular revenue on these off-hours time slots?".

With these objectives in mind, the marketing communication objectives will now be set. These objectives are divided into different categories; category need, brand awareness, brand knowledge, brand attitude, behavioral intention, behavior facilitation, behavior and satisfaction. Since the company will be targeting new markets in which consumers have very little to no knowledge of the brand, the marketing communication objectives will focus on category requirement, brand awareness, informational positioning (with some transformational aspects) and brand use. Satisfaction objectives are not of highest priority at this stage, but will have to be kept in mind.

The main brand communication objective is : "To provide 10% of the target group of information about internet radio and its benefit within 6 months and create active brand awareness amongst this 10%", a combination between category need and brand awareness. Sub objectives were set up for brand knowledge and brand attitude. The main behavioral communication objective is: "To get 10 consumers to purchase a radio show within one year". This objective is supported by the sub objectives for behavioral intention and behavioral facilitation. All the sub objectives and a more detailed description per objective can be found in appendix 19.

These objectives were set up and monitored in accordance with the DAGMAR model (Colley, 1961). This model states that only when advertising goals have been set clearly beforehand, they can be measured. This model is based on high involvement hierarchy (Floor & Van Raaij, 2011, p. 153) and the AIDA model. Therefore, this model is relevant for Doublewide Productions, as its product is high involvement.

DAGMAR Stage	MARCOM Objectives	Goal
Awareness ↓	Category Need Brand Awareness	To create awareness by reaching 10% of the target group with information about internet radio and Star Worldwide Networks.
Understanding ↓	Brand Knowledge	To create the right association of what Star Worldwide Networks can mean to the consumers.
Conviction ↓	Brand Attitude	To convince consumers that Star Worldwide Networks meets their needs, demands and wishes best.
Action	Behavioral intention Behavioral facilitation Behavior	To get consumers to contact Doublewide Productions for more information and eventually to sell 10 shows within the first year.

Table 6.1 DAGMAR model (Colley, 1961) for Doublewide Productions

6.3 Marketing communication strategy

6.3.1 Positioning

When devising a marketing communication strategy it is important to first position the brand in relation to other brands in the perception of customers. Categorization is the first step in this process. Although a company does not have full control over in which category a product will be placed by the consumers, it can aim for a certain category. The radio shows of Doublewide Productions would be best placed with marketing or branding tools. The unique concept of internet radio makes it a platform for show hosts to send out their message and strengthen their brand. This is a significantly different category than traditional radio. In traditional radio it is very uncommon for consumers or businesses to have their own radio show. Instead, they use traditional radio as a platform for their advertisement. At Doublewide Productions show hosts can use the show to advertise their business as well as play (and sell) advertising on the breaks.

The promise, or proposition, that Doublewide Productions makes to the consumers is the following: *to provide hosts with a cutting-edge and innovative platform to deliver your message, elevate your brand and reach a worldwide audience, while guiding and supporting you throughout the entire process*

An informational positioning would fit Doublewide Productions' strategy best in the new markets. The benefits of using this brand are linked to functional features of the product/service. Doublewide Productions' offering is clearly different than that of competitors, especially compared to the traditional radio. In order to emphasize this benefit, informational positioning would support the value proposition best. Especially since the consumers will not be aware of the differences between internet radio over traditional radio, but these differences are what brings the real value. Star Worldwide Networks can be positioned as the only or best brand in the category. It is important that all communication will be consistent and distinctive.

The transformational aspect of the positioning would have to highlight the psychological functions of Star Worldwide Networks and internet radio. For the static communication content, this will have to be done by a consistent slick and modern design of the ads. On social media, videos can be used to carry transformational messages. For example, short interviews with satisfied customers can be used or animated success stories of existing shows. Furthermore, the existing video graphic design is already targeted on transformational values, in which the customer should feel like being on top of the world, leading in the field and well taken care of.

6.3.2 Communication strategy

The communication strategy for a new product is to emphasize the functional benefits (informational) of the product before moving on to emphasize the benefits of the specific brand. The common confusion with internet radio as a product is the fact that consumers associate it with traditional radio. With traditional radio being a show host is not available for anybody. With internet radio any individual or

company can host a show. Furthermore, there are no formats so show hosts have absolute freedom regarding the content of the show. Additionally, all time on the show is owned by the show hosts, allowing them to sell advertising and monetize the show. This means that show hosts can actually make money on hosting a radio show, when the sponsor incomes are higher than the price of the show. This is a new and unfamiliar concept, therefore it should be strongly emphasized in the marketing communication message. Additionally, other than traditional radio, internet radio has a worldwide reach and the benefit of podcasting. The reach of the show is no longer limited to a certain range, and convenience of listening is no longer limited to live broadcasting. Listeners of the show can download and listen the podcast at their convenience, making the listeners much more targeted. Each listener has consciously and deliberately chosen to listen to the podcast because it sounded interesting to them, this indicated that though the number of listeners might be smaller, the value is much higher.

Some benefits about the brand (transformational) that should be communicated are firstly Dave Pratt's experience in radio, making him a credible expert in the industry. Secondly, the newest technologies that are being used in the studio assure an extremely high quality. A concern for the new market might be that show hosts cannot record the show from in-studio, but have to call in through Skype. The technologies at the Doublewide studios are equipped to record Skype shows without it being of lesser quality. This must be emphasized and proved in the communication. Lastly, the comfort that the support of the experiences staff brings. Every show hosts receives a personal landing page on the website, graphic design support, production of commercials, a studio director that guides them throughout the show, editing of the show and the availability of the podcast.

This strategy will help Doublewide Productions reach its objectives of category need, brand awareness, brand knowledge and hopefully some brand attitude. Furthermore, to reach the behavioral objectives, it might be wise to implement a 'trial run', for interested consumers to test the product so they can actually see and experience what it is like and what the quality is. Communicating the possibilities of these trial runs will stimulate consumers to contact the company for more information, which is an objective for behavioral intention. This trial run will mostly focus on getting proof of the quality of the Skype recordings, and a presentation with practical examples of existing shows. This will be explained in more detail in paragraph 6.5.

6.4 Choice of marketing mix

This paragraph and paragraph 6.5 answer the following sub question: *"11. How should this target market be approached?"*

6.4.1 Product

Doublewide Productions' full product portfolio is described in paragraph 3.4.1. For this research, solely the radio shows will be presented to the new markets. Any new shows that will be booked will be placed on the Radio Star Worldwide channel or any of the new upcoming channels depending on the type of show. Technically spoken, no changes are needed to accommodate potential show hosts from the target regions. Doublewide Productions has already successfully implemented Skype into the studios' technology and have succeeded in creating the same quality as in-studio recordings.

6.4.2 Price

In principle, the new international customers will get the same value as the current customers. Currently, there is no basic distinction made in the price between local show hosts that record their show in-studio and out-of-state show hosts that record via Skype. Furthermore, the initial price strategy should be penetration pricing. This lowers the threshold for show hosts to take a chance with the company and it allows the company to use these shows to build credibility in the new markets through proof of success. This penetration price will be set at \$999 per month. The company will stay make acceptable profit on this price, and for consumers this price stays under the psychological threshold of 1000.

In a later stage, the price will be set at \$1249 due to the fact that the company may not be able to record commercials in the language of preference of the show hosts. As this is an added value of hosting a

show at Doublewide Productions, the price can be slightly lowered (compared to the original price of \$1500). However, once a show hosts commits, their price will never increase.

6.4.3 Place

The distribution will stay the same as currently, consumers can only purchase directly from the company. This is due to the personal and high involvement aspect of the product and due to organizational reasons, like fitting a show into the company time schedule. The current distribution of content is sufficient to service the new markets, as both the live streams and podcasts are available worldwide.

6.4.4 Promotion

The selected promotional tools will be mostly online rather than offline sources, because Doublewide Productions will not be able to have a physical presence in the new markets. The chosen online marketing sources consist of:

- Social media pages: Facebook, Twitter, Instagram, LinkedIn
- Website
- Direct mailing

The offline marketing source will be magazines. The selected promotional tools will be further elaborated on in the execution of the creative concept in paragraph 6.5.1.

6.4.5 People, Processes, Physical Evidence

Doublewide Productions' current internal capacity regarding personnel will not be sufficient to handle this market development strategy. One full time position should be assigned to the needed market research, marketing content creation in cooperation with other employees and communication with interested consumers. This person will be referred to as 'Person X'. When the sales start to close, Person X could be assigned as the studio director for these shows. Therefore, Person X needs to have excellent (international) social skills, as well as analytical abilities and a creative and proactive mindset. This may seem like a lot of responsibility for one person, however, the entire company will assist in different aspects to support this strategy. The importance of assigning a single person is to have someone to oversee the strategy and make sure the company is on track with the plan.

Another benefit of having Person X is to streamline the company processes regarding this strategy. Person X should always act in accordance with the company's shared values and the desired means of communicating by the consumers. Having one central point of contact for all communication (before, during and after) will lead to a better perception of processes. The physical evidence aspect is not relevant for this strategy.

6.5 Execution of creative concept

In this paragraph one can find the specific plan of execution of the creative concept. *"The concept is the creative translation of the proposition"* (Raaij, 2011; Floor & Van Raaij, 2011, p. 191). The selected marketing communication and the mile stone planning with a budget calculation will be elaborated on. Furthermore, a financial forecast and risk analysis was made in paragraph 6.6. Finally, a plan for the monitoring and evaluation of this creative concept was set up in paragraph 6.7. This paragraph answers sub question 11 and : "12. *What needs to be done internally to enable this approach?*"

6.5.1 Selected marketing communication mix

Facebook

Facebook is a free social medium that will be utilized in the marketing communication strategy. Besides the Star Worldwide Networks page, which is already active, targeted Facebook ads will be bought to reach the target group. The primary goal of these ads will be to attract consumers to the company's Facebook page, which directs visitors to the company website. Another goal of these ads would be to get brand exposure amongst the target group.

As Doublewide Productions does currently not have the budget to utilize television spots in the marketing communication strategy, the Facebook page will be used to feature short clips with informational and transformational messages. These videos will be created by Michael Maish, Director of Graphic Design, and therefore will not cost the company extra money. Distributing them on the company's social media pages will allow the message to reach a large audience, and to be shared by users which in turn will lead to more exposure. The goal is to create interaction on these posts, as interaction on Facebook will increase the exposure of the post.

Direct mailing

A database of important marketing and radio institutes or individuals in the target markets will be created. These institutes will be targeted with an email with information about the features, characteristics and benefits of internet radio, and the added value that Star Worldwide Networks could bring to the table. The goal is to create category need, brand awareness and brand knowledge to these institutes. For example: Marketingfacts is a Dutch Facebook page that has 50 000 followers, which regularly posts articles about marketing tools. If Doublewide Productions would target this company with the informative email, chances are that Marketingfacts will write an article about it or even contact the company for more information. This article would reach their entire following, each of which are potentially interesting consumers or companies because they follow this page because of their interest in marketing.

Magazines

For the selected markets, relevant business magazines will be researched. Advertising space will be bought for the most important magazines. These magazines do not need to be the most prominent and expensive ones, but will have to have a significant reach to the target group. The ads will be mostly informational in the initial phase, as the consumers first need to be made aware of the product, rather than the brand. The goal of these ads is to create curiosity in the mind of business people. In turn, they will go out and search the company, where they will be targeted with the more transformational and personal messages set out in this strategy.

Additionally, the company website and other social media will be kept up to date and active to strengthen the marketing communication strategy. For example, the 'become a host' and 'about us' page will be adapted to be more focused on the new markets as well.

Trial run

Once consumers have taken the step to contact Doublewide Productions for more information, a trial run can be offered to them. Person X will be responsible for the scheduling and handling of the trial runs. During these trial runs, the interested consumer will call in through Skype and do a mini recording of about 10 minutes. Person X will run a short music break to simulate a real recording. After the recording, Person X will give the consumer a short presentation over Skype, highlighting the main benefits of hosting a show at Star Worldwide Networks and answering all questions that may arise. After the trial run Person X will send the audio file to the consumer, so he / she can listen to the quality.

Market research

The chosen regions will have to be investigated further before they are targeted to determine the exact size, market potential, political aspects, communication preferences and cultural aspects. Pratt can brief Person X on the information he wishes to obtain about these regions and Person X will spend about 50 hours per region in the preparation phase. This research, in combination with the research for the direct mailings, will produce a (CRM) database with entrepreneurs and businesses that can be targeted with this marketing communication strategy.

6.5.2 Mile stone planning and budget plan

	month:	0	1	2	3	4	5	6	7	8	9	10	11	12	Who	Costs	
Facebook																	
\$ 3,500.0	Content creation														All	\$ 450.0	3 hours a week
	Content active														All	\$ -	
	Ads creation														Maish	\$ 50.0	4 hours total
	Ads active														Pratt	\$ 3,000.0	300 per month
Direct mailing																	
\$ 562.5	Create database														Person X	\$ 250.0	20 hours total
	Design mailing														Pratt	\$ 200.0	4 hours total
	Send out mailing														Person X	\$ 75.0	6 hours total
	Follow up mailing														Person X	\$ 37.5	3 hours total
Magazines																	
\$10,287.5	Create ads														Maish	\$ 62.5	5 hours total
	Research magazines														Person X	\$ 125.0	10 hours total
	Select magazines														Pratt	\$ 100.0	2 hours total
	ads active														Person X	\$10,000.0	
Website	Content adaption														VanderLee	\$ 25.0	1 hour
Socials	Content upkeep														All	\$ 150.0	1 hour a week
																\$14,525.0	
Market Research															Person X, Pratt	\$ 2,000.0	50 hours per region Person X, 2.5 hours briefing
Trial runs	on request														Person X	\$30 * X	\$30 per run

Table 6.1 Mile stone planning and budget plan

Table 6.1 shows the mile stone planning, division of labor and cost calculation. The total fixed costs of these marketing communication tools are \$14 525 and \$2000 in the first year for market research. This includes all calculated labor costs of all involved employees. Hourly salaries were set at \$50 for Pratt, \$25 for VanderLee and \$12.50 for all other employees. Furthermore, the variable costs are \$30 per trial run, these costs are based on cost of labor and time used of studio. A more specified and in-depth explanation of this mile stone planning can be found in appendix 20.

6.6 Financial Forecast and risk analysis

A 3-year financial forecast was made for this creative concept. This forecast includes a pessimistic, a realistic and an optimistic scenario. The calculations and results are displayed in appendix 21.

Looking at the company's objective of filling 20% of all booked shows during the off-hours within one year, this would indicate that a minimum of 10 shows will have to be booked. It is assumed that all shows booked through this creative concept will book during off-hours. Looking at different scenarios, this objective will not be met in the pessimistic but will be realized in the realistic and optimistic scenario. Furthermore, all three years in the realistic scenario show a positive result ranging from \$21 215 to \$85 711.

The pessimistic scenario shows a negative result of \$9187 in the first year, however, in the second and third year the company is predicted to make profit. A loss in the first year is not uncommon for a company that is entering a new market. Especially considering the expected positive results in the second and third year, the investment could be made back in a timely manner. The optimistic scenario meets and exceeds to objective of booking 10 shows within the first year. Additionally, all three years indicate that the company will be making a profit on this creative concept.

In conclusion, the risk of this creative concept for the company is relatively small. In all scenarios, the investment is forecasted to be made back within three years, and profit to be made. The needed investment in the creative concept solely consists of the marketing budget, which is \$14 525 plus \$30 per trial run in all years and \$2000 extra in the first year for market research. Even in the worst case scenario of the company not selling any shows in the new markets, these costs will not do considerable damage financially. Furthermore, since the company does not rely on the revenue that this plan would

generate, the continuity of the company is not in danger. The revenue of the regular business hours are bringing in enough money to keep the company financially healthy and able to continue to grow. There are no other risks related to this strategy, as the company will not have to deal with inventory or production. In the United States employers are not obligated to give their employees a fixed contract. This means that Person X can be hired on a trial basis and work part time in the beginning and when needed his or her hours can be increased. In case of complete failure of the strategy, Person X could either be assigned to a different position or can be fired without consequences for the company.

6.7 Monitoring and Evaluation

This paragraph answers the following sub questions:

13. How could the effectiveness of the plan be monitored?
14. How and when will the plan be evaluated?

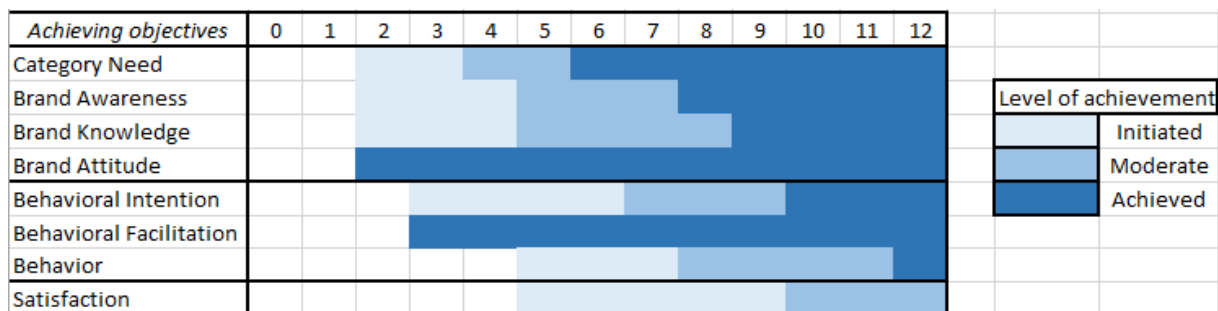


Table 6.2 Mile stone planning of achieving objectives

Table 6.2 displays the forecasted probability of the desired achievement of the set objectives of this strategy. This table can be used in the monitoring and evaluation of this strategic marketing communication plan. Pratt indicated that it is common practice at Doublewide Productions to monitor a plan at every next step of the process. Looking at table 6.1 and 6.2 these specific moments of monitoring would be:

- Month 6: Monitor the results of the first Facebook ad and the response to the follow-up of the direct mailing.
- Month 9: Monitor the second follow-up of the direct mailing.
- Month 12: Monitor the results of the second Facebook ad and the response of the third follow-up of the direct mailing.

Furthermore, quarterly monitoring of the received interaction from Facebook, the direct mailing, the magazines and the other social media pages is advised to ensure that the company stays on track and to identify what might be needed to enhance the process.

After 12 months, the plan will be evaluated on the following questions:

- Did this plan lead to 50 lead generations?
- Did this plan lead to 10 closed sales?
- Are 20% of all shows booked during off-hours? (after the first year)

7 Conclusions and recommendations

In this chapter conclusions are drawn and recommendations made with regards to answering the main research question: *“How can Doublewide Productions book 20% of all booked shows between 9PM and 5AM within one year, while generating at least 50% of the regular revenue of those off-hours?”. The answer to this question has resulted in an implementation plan, written by the researcher, by whom it is believed that the executing of this plan would lead to solving the company’s challenge.*

Important to take away from the internal analysis is the strong competitive position that Doublewide Productions enjoys, its differentiation strategy is strengthened by the strong focus on customer relationships. However, the lack of sales deployment and a conservative way of investing may prove to be hurdles in the achievement of the objectives.

The external analysis of the current market looked promising, especially the technological trends and the shift in radio listening. The internet and mobile phone penetration are high, enlarging the reach of internet radio. Furthermore, the internet has made the world a smaller place. That combined with the worldwide reach of internet radio creates an important benefit for Doublewide Productions to fill the off-hours, as these hours are regular business hours for consumers in other time zones. Consumers in other time zones proved to be the target group that could be most attracted to the off-hours. This is based on the outcome of the survey as respondents indicated that personal convenience and the work schedule are most important considerations when picking a time. Respondents of the survey follow-up interviews also shared this idea. The off-hours are most likely to experience threat from the following substitutes and competitive products: Traditional TV / Radio, blog, print media, social media, home studio and the regular hours of business.

Strategic options were derived from confronting the internal and external factors, and tested on suitability, feasibility and acceptability. The market development strategy; entering new markets with the existing product was selected. The product for this strategy is the time slots of air time and the new markets have been divided into three regions: Great Britain (UK & Ireland), Germany & the Netherlands and Scandinavia (Denmark & Sweden). These regions are recommended based on a location analysis and due to the fact that each country belongs to the developed world in which furthermore a basic command of English is common. Although the company’s vision is to become considered world leader of internet radio, it is not the purpose of this implementation plan to conquer the selected regions, but to initiate the international footprint / show portfolio of the country. Any accomplishments towards the company’s long term vision as a direct result of this implementation plan can be seen as fringe benefits.

The target markets are all located in (northern) Europe. Because the survey indicated that 85% of the shows are business motivated, businesses were selected as a target group. The recommended target group will consist of small to medium-sized companies and entrepreneurs in the services sector, who are looking to educate / train their customers. This group is most likely to be found in urbanized areas or business districts. As a radio show on internet radio closely resembles and can be used as a marketing tool, individuals involved with marketing or communications would be most effective to target. This segment will be targeted by means of a (CRM) database that will be set up, and which is part of the creative concept of this thesis.

Objectives for this strategy are mainly concerned with category need, brand awareness and ultimately behavior. The researcher recommends that an additional employee is hired to be assigned to this specific market development strategy. This individual is referred to as ‘Person X’ in the report. Person X would have to have excellent language, communication and analytical skills. It is recommended that a single person (Person X) is in charge of carrying out the tasks set forth in the creative concept, both for internal and external communication. In the preparation phase before the start of the implementation plan, in-depth market research should be conducted to gather important information about the chosen regions such as the exact market size, market potential, political aspects, communication preferences and cultural aspects.

The value proposition of Doublewide Productions will be: *"To provide hosts with a cutting-edge and innovative platform to deliver your message, elevate your brand and reach a worldwide audience, while guiding and supporting you throughout the entire process"*. In order to bring this message to the chosen target groups, promotional tools such as: Facebook ads, direct mailings, ads in magazines, website and other social media pages should be implemented. Furthermore, the researcher strongly recommends that the company introduces 'trial runs', which are short trials that can be done with interested consumers of the target markets. This will provide the consumers with proof of the quality as well as a sneak peek into the experience with the company. All employees have a role in the one-year mile stone planning of the creative concept.

The financial forecast of the realistic scenario shows a positive result in all three years. Also the objective of booking 20% of all shows during the off-hours is forecasted to be achieved. The pessimistic scenario does not meet that objective and shows a negative result in the first year. However, even in this scenario, the investment will become profitable within three years.

In conclusion: ***How can Doublewide Productions book 20% of all booked shows between 9PM and 5AM within one year, while generating at least 50% of the regular revenue of these off-hours time slots?*** Doublewide Productions can achieve this by introducing the time slots of air time into three new regions: Great Britain, Germany & the Netherlands and Scandinavia for a (penetration) price of \$999 per show. The company would have to target small to mid-sized companies and entrepreneurs in the services industry that are looking to educate / train their customers. Star Worldwide Networks should position itself as expert and pioneer in the internet radio field. Informational benefits of internet radio should be communicated, followed by transformational values of the brand such as comfort, quality and status. Furthermore, Doublewide Productions would have to work on meeting brand- and behavioral communication objectives by investing \$16 525 into a marketing budget for market research, Facebook ads, magazine ads, direct mailings, creating and upkeep of content and the hiring of a new employee. Trial runs would have to be implemented for interested consumers of the target markets to increase the conversion rate of leads into sales.

Finally, a recommendation to Doublewide Productions that is not specifically related to answering the research question is to consider offering rebroadcasts for current shows during the off-hours. This was mentioned by different respondents during the survey follow-up interviews.

8 Reflection

8.1 Reflections on methodology

With regards to the used methodology, some revisions have been made compared to the plan of action. In addition to desk research and qualitative research, quantitative research has been added. At the time of writing the plan of action, conducting interviews with some of the current customers seemed like enough primary data. However, at a later stage quantitative research was done through a survey that was sent out amongst all current and active show hosts. This survey was sent out to 50 shows, of which 27 were returned. Because the results of the survey would speak about the current show hosts, a response rate of 54% can be considered as generalizable. The purpose of this survey was to draw some preliminary conclusions about the motivations for hosting a show, benefits sought, relation between type of show – listener target group and time of show, competition and possible motivations to book during off-hours. These conclusions were then used as a basis for the qualitative research; the survey follow-up interviews. Out of the 16 sign-ups, 6 were selected and interviewed. This selection consisted of local and out of state shows, music shows and talk shows, men and women and business and personal shows. These interviews were semi-structured and allowed for free input of the respondents. Unfortunately, not all interviews had a desirable outcome as one of the respondents used the opportunity to express discontent about some of his experiences with the company. This may have been due to a lack of perception of authority of the researcher and might be avoided next time by handling interviews more formally. As planned, interviews with different staff members have been conducted at several stages of the research. During these interviews the researcher made sure to ask about facts, and when it concerned an opinion, this was taken into account.

The sources used for desk research were books that are used in the courses at HU, articles derived from government website or market research companies, official government or company websites and previous research reports. All sources were checked on reliability by checking the author and source for relevant back ground. Hindsight, the theoretical conceptual models selected in the plan of action might have been too focused on standard practice reports written by the researcher during the studies at HU. Not until feedback was received from an outsider's perspective, did it become clear that especially the internal analysis does not lead to information needed to answer the sub and main research questions. Therefore, many of these models have been moved to the appendices to serve as back ground information. Some of the selected models overlapped on many aspects, such as the business model canvas & the 7-S model by McKinsey and the Porter's Generic Strategies model (Porter, 1998) & The Treacy & Wiersema Value Strategy (Treacy & Wiersema, 1995). Therefore, the main points of these models were combined and the full explanation moved to the appendices. Nothing was revised with regards to the models used in the external analysis, strategy and implementation. These models proved to be a handy tool in coming to substantiated conclusions.

The reliability of the primary research was tested by comparing the results of the survey with the results of the survey follow-up interviews and the customer analysis which was done by the researcher prior to the survey and interviews. The results from the survey and interviews were similar enough to the hypothesis formulated during the customer analysis to ensure reliability. Furthermore, the survey was anonymous and the follow-up interviews were done between the researcher and interviewee only, adding to the reliability of the outcomes. Validity has been safeguarded by continuously checking if the methods were measuring what were supposed to measure with both the company supervisor and the university supervisor.

8.2 Reflections on answering the research question and sub questions

Describing the main research question proved to be more difficult than expected. One of the challenges was due to the fact that this type of thesis is not common in the USA. Therefore, it was hard at times to get the research question to an academic level while keeping the practical usefulness intact. Furthermore, making the research question SMART took longer than expected, as there was an uncertainty on how to quantify the objective. Finally, Pratt decided on a percentage of all booked shows,

because at the start of the internship no shows were booked during off-hours. For the purpose of calculations and clarity of the research, this 20% was converted to 10 shows based on the 50 surveys that were sent out.

Additionally, in the first version of the plan of action, the sub questions were too focused on the expected structure of the thesis. After feedback of the university professors, these sub questions were made more practical to actually answering the main research question. These sub questions have all been answered by the means of the used methodology and have led to a complete answering of the main research question. Some of the sub questions such as the implementation sub questions could have been broken up into different sub questions, but in the end it would have produced the same information. Furthermore, in the original plan of action, the chosen type of report was an international marketing plan. However, hindsight this plan has taken the form of a strategic marketing plan, as this fit the main research question better. Additionally, after market development was chosen as the strategic growth strategy, there was a need for a communication plan on how to reach the target group in the new markets. Therefore a communication implementation has been added. A more diverse set of communication tools could have been added to this implementation plan, however, they have been kept in check with the company's realistic spending capabilities to assure this plan would actually be useful for the company.

A weakness of this thesis is that the mile stone planning set up in the plan of action proved to be somewhat ambitious. The analysis phase took longer than expected, leaving less time for the implementation phase, which could have used a little more time. Furthermore, assuring that all involved parties were on the same page took more effort and time than expected as well. The final conclusions drawn in this thesis are defendable, because they are based on different research methodologies such as desk-, quantitative- and qualitative research which has been tested on validity and reliability in paragraph 8.1. Furthermore, no needed information to answer the sub questions or main research question was missing after the research. These facts have allowed to researcher to come to substantiated conclusions.

8.3 Recommendations for further research

Now that the implementation plan has been written and it is clear that the best strategy is market development, some recommendations can be given for further research. As described in the implementation plan, a thorough market research is advisable to gain more information about the exact market size, market potential, political aspects, communication preferences and cultural aspects. This market research should produce a CRM database of the target group to effectively. Due to lack of time this market research could not be included in this thesis.

Furthermore, if Doublewide Productions wants to be able to track quantifiable progress of the marketing communication objectives, a baseline measurement could be performed. This measurement could give the company insight into the current degree of category need, brand awareness, brand knowledge and brand attitude. Then at the end of the implementation of the creative concept, the same measurement could be performed in order to measure the progress on these objectives. However, this would be a research of substantial size and would require a large investment. Based on the conservative way of financing and small budgets of the company, this research might be exorbitant. Measuring by means of simply tracking sales might be sufficient as the main objective is to increase turnover.

Instead of conducting a survey and interviews with current customers, potential new show hosts could have been questioned. The reason this was not done is that the company is looking to initiate its international footprint and therefore is not focused on conquering a certain market but would rather see a diversity of countries in its portfolio. Furthermore, the current show portfolio indicates that show topics range tremendously. Therefore, picking a few random potential customers would not have produced generalizable results. Instead, finding out more about the current show hosts motivations behind hosting a show and the decision making process and finding relationships between certain factors had provided a better base to draw conclusions on with regards to the main research question.

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Appendix 1: Glossary of terms

ASCAP:	American Society of Composers, Authors and Publishers is one of the three music rights organizations in the USA.
BMI:	BMI is one of the three music rights organizations in the USA.
Dave Pratt Live Show:	This is Dave Pratt's (owner) radio show that airs every morning from 08:00 to 09:00 AM Phoenix time.
Digital Radio:	Is used in the same way as Internet Radio but refers specifically to podcasts.
Doublewide Productions:	Official company name, not to be confused with the Doublewide Network, which is one of the channels.
Internet Radio:	Refers to radio that emits over internet, especially refers to the live broadcasting.
Off-hours:	The Off-Hours mentioned in this report refer to 9PM – 5AM Phoenix time (time zone UCT – 07:00)
On-demand:	All radio shows will be recorded and made available as a file for use after the live recording. Each show has a landing page the Doublewide Productions website with the recording of each of their shows.
Phoenix time:	Phoenix, Arizona is in time zone UCT-07:00
Satellite Radio:	Refers to radio that emits through satellite. There is only one supplier of Satellite Radio: Sirius.
SESAC:	SESAC is one of the three music rights organizations in the USA.
Show Close:	The official audio recording that functions as the close of a show.
Show Open:	The official audio recording that functions as the introduction to the show.
Star Worldwide Networks:	Official (new) name of the network that the different channel are on, not company name.
Studio Director:	Studio Directors support the radio shows during recording, edit the shows for On-Demand use and provide overall support to show hosts. Doublewide Productions employs four Studio Directors.

Terrestrial radio: Refers to radio that emits over airwaves. AM and FM radio frequencies belong to terrestrial radio. Is also being referred to as 'traditional radio'.

Appendix 2: List and motivation of used theoretical conceptual models

- **6-W Model:** This model was used to gather information that lead up to the problem description and the research question. The theory of this model has been used to come to appropriate main and sub questions, as well as objectives for this research.
- **Business Model Canvas** (Osterwalder, 2004): This model was used to give a comprehensive image of the company's business model. It maps out the Key Partners, Key Activities, Key Resources, Cost Structure, Revenue Streams, Value Proposition, Customer Relationships, Channels and Customer Segments. This model was conducted with the cooperation of different staff members, including Pratt and VanderLee.
- **7-S Model McKinsey** (Peters & Waterman, 1982): This model was used to identify strengths and weaknesses of a company by using seven components: Shared Values, Structure, Strategy, Systems, Skills, Style and Staff. This model was combined with the business model canvas to identify possible strengths or weaknesses in the internal environment of Doublewide Productions that needed to be considered in the strategy.
- **Treacy & Wiersema Value Strategy** (Treacy & Wiersema, 1995): This model was used to identify by means of which value strategy Doublewide Productions creates value (Product Leadership, Customer Intimacy or Operational Excellence) and how well they score on each one. This model was combined with Porter's Competitive Generic Strategies to identify the company's competitive strategy. Furthermore this model has helped identify the value proposition of the company.
- **Porter's Competitive Generic Strategy** (Porter, 1998): In addition to Treacy & Wiersema Value Strategy, this model was used to identify how Doublewide Productions differentiates itself from the competition and how value is added.
- **3-R Model** (Storm, 2011): The 3-R Model could be viewed as an extension to the Marketing Mix. This model includes Reputation, Relationship and Reciprocity, which are factors that concern customer retention. This is especially relevant in companies like Doublewide Productions that are extremely reliant on their customers.
- **Porter's Five Forces Model** (Porter, 1998): This model has given a clear image of the company's position in the market of operation, and the attractiveness of that market. It has mapped out the power of different groups: substitutes, consumers, new entrants, competition and possible new entrants.
- **DESTEP model:** This model was used to map out the USA market. It analyzed demographic, economic, social, technical, ecological and political aspects.
- **SWOT Analysis + confrontation matrix:** This combination of models has been used for this research because it combines all the important strengths, weaknesses, opportunities and threats of Doublewide Productions to identify points of interest.
- **Ansoff Growth Strategy** (Ansoff, 1957): After using the SWOT analysis and Confrontation Matrix, this model was used to identify which growth strategies pose an opportunity for the company to pursue.

- **SFA model** (Johnson & Scholes, 2008): This model was used to assess which of the Ansoff Growth Strategy options would be most suitable, feasible and acceptable for the company. Furthermore, gave a degree of suitability, feasibility and acceptability for all options.
- **DAGMAR model** (Colley, 1961): This model was used as a guidance model for the marketing communications objectives. The DAGMAR model was selected because it supposedly also included a more comprehensive understanding of the communication target group and the steps they go through when it comes to responding to a message. However, this model was far less comprehensive as initially thought. As an addition, the book: Marketing Communication Strategy (Floor & Van Raaij, 2011) has been used as a theoretical guide to writing a communication plan.

Appendix 3: Used Methodology & Theoretical conceptual models per sub question

Sub question	Methodology	Theoretical model
1. Internal environment	This sub question has been answered by doing a thorough internal analysis of the company. A number of theoretical model listed aside have been used. Furthermore, interviews have been conducted with the staff (primary qualitative research) and the current customers of the company. Finally, company documents and books have been used to answer this sub question.	Business Model Canvas 7-S Model Mc Kinsey Treacy & Wiersema Value Strategy Porter's Competitive Generic Strategy 3-R Model
2. External market	This sub question has been answered by doing a thorough external analysis of the market. The theoretical models listed aside have been used for this analysis. Furthermore, books that are used in the courses at HU, articles derived from government website or market research companies, official government or company websites and previous research reports. Finally the survey and interviews were used.	Porter's Five Forces Model Business Model Canvas DESTEP analysis
3. Off-hours	This sub question was answered by conducting desk research into the concept of off-hours.	
4. Examples programming	This sub question was answered by doing desk research into existing night programming in the United States. Different media, such as internet radio and traditional radio have been analyzed.	
5. Benefits off-hours	This sub question has been answered by using the results of the survey and the input of respondents during the survey follow-up interviews.	
6. Customer segments	This sub question was answered by first conducting interviews with relevant staff members to gather their insights. Then, an extensive buyers' analysis has been done by analyzing company documents and	

	using the survey and survey follow-up interview results.	
7. Substitutes & Competitive products	This sub question was answered by means of the survey and survey follow-up interviews with the current customers.	
8. Combination for strategic development	This sub question has been answered by analyzing the gathered information for previous sub questions and applying theoretical conceptual models mentioned aside to it. These models have been the tools to come to the substantiated conclusions based on proven theories.	SWOT + Confrontation analysis Ansoff Growth Strategies
9. Most suitable strategic development	The outcome of the previous sub question formed the base of this sub question. The options have been assessed by means of the model mentioned aside. This model has formed the guideline to come to a founded conclusion and answer to this sub question.	SFA Model
10. Characteristics target market	This sub question has been answered by expanding the buyers' analysis conducted for sub question 4. A location analysis has been conducted, derived from the official analytics website. Furthermore, the book: Marketing communication strategy (Floor & Van Raaij, 2011) was used a guideline to answering this sub question.	
11. Approach target market	This sub question was answered by applying learned theory to the identified information for sub question 10. The aside mentioned model, and the book Marketing Communication Strategy (Floor & Van Raaij, 2011) have been used to develop a communication strategy for the target market.	DAGMAR model
12. Internal adaptation	This sub question was answered by combining all the gathered information and analyzing it to identify what is needed to realize the desired approach. Then, interviews with relevant staff members were conducted to assess whether the current internal capacity was big enough to accommodate the new strategy and whether changes would have to be made internally.	Marketing Mix
13. Monitoring	This sub question has been answered by using previous research as example, the researcher's knowledge and the input of the owner were all taken into consideration. Furthermore, the book: 'Wat is Onderzoek' (Verhoeven, 2010) contained useful information.	

14. Evaluation	This answer to this question was agreed on between the researcher, the University and the owner of Doublewide Productions.	
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Appendix 4: Organizational chart

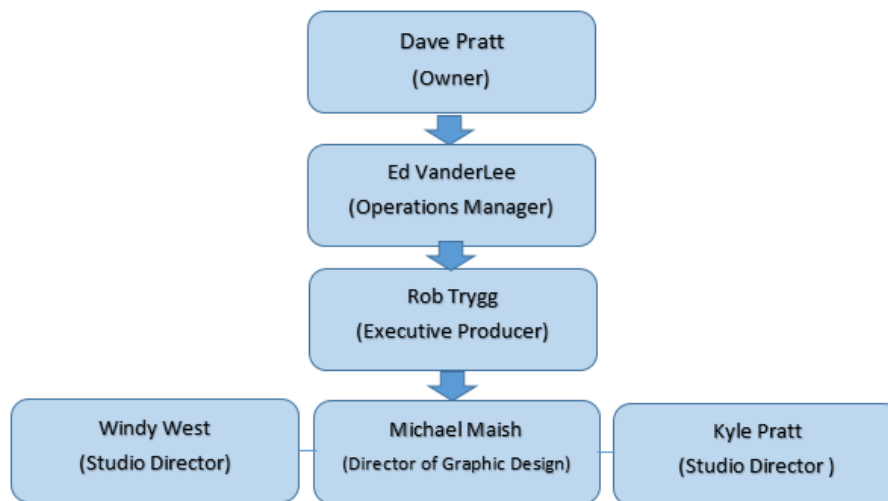


Figure 4.1 Organizational Chart Doublewide Productions

Appendix 5: Article about three R's

The text below was selected and copied from the complete report (Storm, 2011), as this part proved to be relevant to the research for Doublewide Productions.

FROM THE 4 Ps TO THE 3 Rs

We have already shown that the four Ps are no longer adequate in terms of customer retention; they merely offer a tactical advantage. The three Rs stand for reputation, reciprocity and relationships. They constitute a strategic counterpart to facilitate real customer-centric operations.

Figure 4.2 shows a model based on the relationship between an organization and its customers, regardless of what type of organization. One example would be a company like AXA, a major global insurance company, which interacts with customers who have taken out an insurance policy with them, or a professional football organization like FC Barcelona, which maintains relations with sponsors.

Reputation

Reputation is based on the way people think and talk about the organization concerned, both inside and outside the organization. What do people say about the organization? The image of the organization in the eyes of others can be decisive to the organization's success. A good reputation will attract people, including potential customers. We will illustrate the importance of reputation by means of an example concerning a client and a contractor (an event agency).

Satis&Fy, one of the leading full-service production companies in Europe, is selling a concept for an event to Levi Strauss. When the exchange has taken place or, in other words, when Levi's has instructed the agency to elaborate and execute the concept, Levi's may decide to assign the agency another event project. In this way, a relationship arises between the client and the contractor. In this respect, it is crucial that the client's expectations, in this case the expectations of

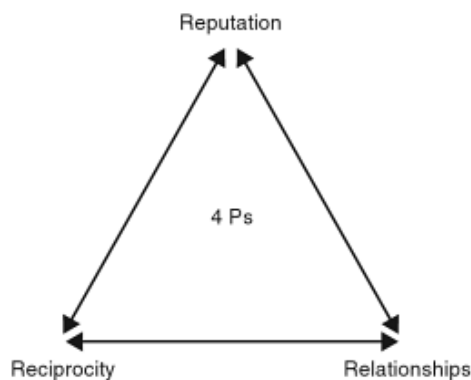


Fig. 4.2. Reputation, reciprocity and relationships (source: Storm, 1992).

Levi's, are exceeded every time. The relationship thus developed may confirm the event agency's reputation, which completes the circle.

A good relationship does not always need to begin with an organization's reputation, which is not what the model of the three Rs in Fig. 4.2 implies either. After all, it is also possible for a customer to have a positive experience with a supplier, giving his image of this supplier a positive influence, which may result in a lasting relationship. The three Rs are bound inextricably with each other and support each other.

Reputation does not come by accident. If an organization has opted for relationship marketing, this will require a certain line of approach: start thinking in terms of relationships instead of transactions. The people inside an organization must be fully aware of the fact that customer-centric operations are an absolute necessity and everyone must act accordingly. Computer systems are available for this purpose. A database, or customer relationship management system (CRM system) containing customer data, is a good place to start, but it is not the only possibility. It is the employees who will have to get things done, and to this end, their mode of action will have to change. An organization may have the most sophisticated computer systems in the world, containing every conceivable piece of information on its customers, but if it really wants to put this information to optimal use, its employees – especially those who have direct contact with customers – will have to act appropriately. Customer relationships cannot be imposed; they have to be invited from inside the organization. One way of putting it is that the personnel of a company has to fit like a glove with the company's DNA. This is the key ingredient for a good reputation. Moreover, reputation is something that is determined by customers. This does not mean that once a good relationship has been built, it will continue for all eternity. Companies will have to prove themselves over and over again. The customer's expectations will have to be fulfilled – and even exceeded. With the advent of the three Rs, the four Ps have not become superfluous; they make up the foundations on which the 3R model rests. If the visitors' needs are not satisfied, during or after an event, then the relationship will not be formed, let alone a good reputation.

Relationships

A customer is someone with whom an exchange is accomplished, based on a one-off activity.

Diller's definition aptly describes the characteristics of a relationship:

A relationship is an interactive process between a buyer and a seller, which involves the purchase and use of goods and/or services, which is driven by economic and non-economic goals, and which is direct, integrative and concerns more than one transaction.

(Schijns, 2000)

Apparently, a relationship implies a person with whom a connection is established through an interactive process, and this connection is of a higher order than the transaction itself. A relationship does not even have to be driven by economic goals. Relationships occur in a wide variety of forms: potential customers, customers, local residents, government bodies, suppliers, stakeholders, employees. The interactive process is decisive, since relationships have a behavioural as well as an experiential dimension. The effects of the interactive process depend on the factual contacts, and on the subjective assessment of those contacts. This is the reason why a company can lose a pitch – in which a spectacular concept for an event is presented – despite a long-existing relationship with a client. The pitch was good, but the click just was not there.

The why of relationships

Relationships are based on mutual benefits. A relationship must bring benefits to both the company and the customer. Organizations would do well to focus on specific customers:

- customers that strengthen the organization's reputation
- customers who are appropriate to the organization's knowledge and skills.

Entering into a relationship produces three advantages: interaction, understanding and stability.

First, interaction is important. A customer can give feedback on the company's performance, in both a positive and a negative sense. Negative feedback produces input to do better the next time; for instance, to fine-tune certain processes or to maximize contact intensity. Positive feedback can be important in establishing whether or not the company has listened well to the customer's needs and whether or not all of the customer's objectives have been achieved. The most important thing is that contacts between customer and company are maintained and that both parties keep talking to each other without reproaching each other. What is worse than a client who says that everything is all right but who thinks the opposite?

Second, sustained contacts between a potential customer and a supplier will give both parties a better insight into the business operations. What does the company stand for; what are its core values; what kind of people does the company employ? There are numerous questions that are not given any thought whenever a new exchange takes place. The know-how of the company is taken into consideration. This will increase efficiency.

Third, and thanks to relationship marketing, customers will be less inclined to turn to competitors. Loyal customers are less sensitive to the advances of other parties or the possibility of a lower price.

Reciprocity

Reciprocity is what it is all about. The company's reputation and relationships may be excellent, but if there is no exchange, it will endanger its business continuity. The exchange not only must take place but also it must leave behind a positive feeling and confirm the company's reputation, especially so after the actual transaction. Just think of the evaluation of an event, after-sales care, effective complaints handling and quick and correct answering of questions.

Appendix 6: Specified analyses of 7-S model Mc Kinsey (Peters & Waterman, 1982)

Strategy: Doublewide Productions' vision is 'to be considered leader of internet radio distribution in the world'. It intends to achieve this by 'evolving the climate and currency of broadcast media using new technology' (Pratt, 2015). Staff is the most important resource of the company to achieve this objective, as they add the value and are flexible to go with the pace of growth.

Structure: Hierarchy is barely noticeable in Doublewide Productions, as it is a fairly flat organization. There are three managers, each in charge of a different core activity, the other employees all have the same function. However, all members of the staff, including the managers, work together on all projects and help each other where needed. Decision making is ultimately done by the owner, but is extensively discussed with all involved staff members. There is a very open style of communication.

Systems: The website is the largest system that runs the company. All shows, both live and the for-demand recording, are placed on the website. This is where also where the company creates Search Engine Optimization (SEO) input. Additionally, the staff uses a system called 'Sports Sounds Pro' to direct all the shows. All shows are directly edited and made available for on-demand listening right after the recording of the live show. This is a process that the company uses to keep on track of business.

Shared Values: Doublewide Productions' core values are: *"To take pride in growing a small family owned and operated company into a world leader, using financial responsibility, strong moral character, and constant hunger to evolve and grow."* (Pratt, 2015). There is a rather open, honest and direct communication culture, and all staff members share and act out the company values.

Style: Employees of Doublewide Productions are more cooperative than competitive, which comes from the shared values. It is not a company where internal competitiveness is highly valued, but the overall growth is something everyone works on together. Therefore, employees tend to work together with the management on all projects to achieve the best possible result.

Staff: The company consists of the Owner, Operations Manager, Executive Producer and a team of Studio Directors. As the company keeps adding new shows, there is a need for more Studio Directors, as the burden on each of them grows the more shows the network gets. Applicants are reviewed on personality and communication skills rather than technical skills. These skills fit the company values more than the technical skills, which can be taught during training.

Skills: Personal communication skills are the most desired skills of the staff. The company's strong focus on customer intimacy requires these skills from the staff. Therefore, as mentioned above, applicants are reviewed on those skills more than any other. The management is highly satisfied with how the current team is meeting these requirements, as they have built and are maintaining positive customer relationships with the company. Employees are not assessed on their skills in an official way or yearly review. Instead, the constant flow of communication also includes positive, and constructive, feedback to the staff.

Appendix 7: Result Treacy & Wiersema Value Strategy Analysis

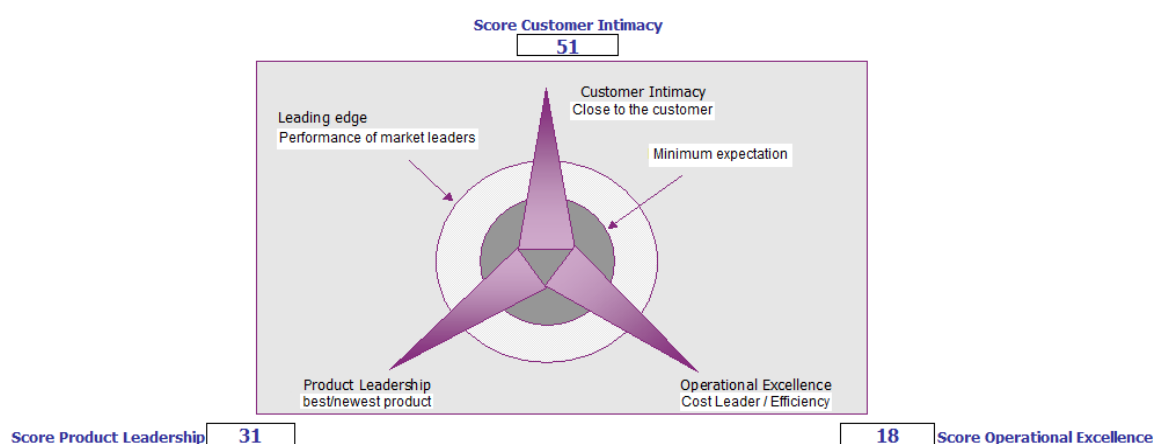


Figure 7.1 Result of Treacy & Wiersema Value Strategy for Doublewide Productions (Treacy & Wiersema, 1995)

According to Treacy & Wiersema, there are three different value strategies on which a company can focus and try to excel in: Customer Intimacy, Product Leadership and Operational Excellence (Treacy & Wiersema, 1995). Customer Intimacy concerns companies that thrive on relationships with customers and design their daily conduct of business around customer satisfaction. Product Leadership is about constantly innovating and striving for the newest product and the highest quality, Research & Development is extremely important on this value strategy. Operational Excellence is about optimizing processes to cut costs, a company will strive to offer its product for the most efficient price. It is important that a company excels in just one value strategy, but meets industry standards on the other two aspects. This model is relevant for Doublewide Productions as it gives more information about the company's current strategy, how it creates value and how it tries to stand out from the competition.

Companies' scores on the Treacy and Wiersema Value Strategy model can be computed by answering a set of questions. The exact scores and answers to those questions are given in figure 7.1 and table 7.2. According to the model, Doublewide Productions meets minimum industry standards on all value strategies. It is of the utmost importance that a company does so, to avoid negative associations. Furthermore, it is clear that the company excels in the Customer Intimacy value strategy, with a score of 51. This indicates that the company puts most focus on the customer, and always puts them first. Also processes are designed around the customer rather than solely reducing costs or inventing new products. This matches with the corporate culture and shared values of Doublewide Productions.

Each customer uses the product in a different way, to serve a different purpose. This requires a personal approach on every aspect of the business. Constant improvement of the customer experience is highly practiced in the company. Examples of this are sales packages the company creates for a show host to help them sell advertising or mixers (get-togethers with some food and drinks) at the studio to help the host network with its social circles. Furthermore, show hosts can always change the format of the show, the name, the time, the landing page or the commercials without any additional charges.

The relatively high score of 31 on Product Leadership indicates that Doublewide Production also focuses on constantly innovating and striving for the highest quality. The constant upgrades of the studio equipment are an example of this. Furthermore, currently the company is in process of adding video to their product offering, following the latest trends.

Doublewide Productions scores relatively low on Operational Excellence, which might be a cause for concern. This means that the company does not place a lot of focus on reducing costs and optimizing processes. However, when one considers Doublewide Productions' business model, it becomes clear that the company is also meeting minimum requirements on this aspect. Doublewide Productions regularly evaluates the prices of their products to see if they can be lowered or have to be raised. Also, there are no intermediaries in the channel, allowing Doublewide Productions to streamline the entire process, allowing them to keep their prices at a widely accepted and competitive level.

Waardebod: Verdeel 20 punten over de onderstaande drie mogelijkheden. U kunt 1 stelling 20 punten geven of 2 stellingen 10 punten elk, of 1 stelling 5 een ander nog eens 5 en de derde 10 etc., etc. Dit afhankelijk van de mate waarin u het van toepassing acht op uw bedrijf.

Stelling 1: Wij bieden onze klanten een ongekennde combinatie van prijs, assortiment en gemak om van ons aanbod gebruik te maken; m.a.w. de totale kosten (combinatie van geld, tijd, moeite) voor onze klant om bij ons te kopen zijn minimaal ten opzichte van de geleverde prestatie (product + dienst eromheen).	Score 5
Stelling 2: Wij bieden onze klanten een ongekennde prestatie van onze producten; telkenmale verrassen wij de markt en onze klanten door opnieuw de grenzen van onze product-prestaties te verleggen en deze beloften weten we ook waar te maken (zowel in research, als ons productieapparaat is 'top-of-the-bill').	5
Stelling 3: Wij bieden onze klanten een ongekend goed gevoel met de totaaloplossing van onze producten en diensten, die wij hen bieden; onze service is persoonlijk, altijd vriendelijk en deskundig en afhankelijk van de individuele wensen van onze klant wordt het aanbod aangepast en onze dienstverlening uitgebreid.	10

Proces (werkproces van 'zand tot klant'): Verdeel 4 punten per onderwerp over de drie mogelijkheden. U kunt 1 stelling 4 punten geven of 2 stellingen 2 punten elk, of 1 stelling 1 een ander nog eens 1 en de derde 2. Dit afhankelijk van de mate waarin u het van toepassing acht op uw bedrijf.

1A. De doorlooptijden in het totale proces zijn tot een absoluut minimum gereduceerd	1
1B. Research & Development is het belangrijkste onderdeel van ons proces	1
Wij focussen continu op het ontwikkelen van een totaaloplossing voor een individuele klant	2
2A. Ons totale proces wordt sterk centraal gestuurd	1
2B. Marktonderzoek speelt een belangrijke rol in onze ontwikkelingen	1
2C. Onze processen worden continu aangepast aan de wensen van onze klanten	2
3A. Kostenreductie in ons proces behoort niet meer tot de mogelijkheden.	0
3B. Snelle ontwikkelcycli zijn ingebouwd in ons standaard werk	2
3C. Klanttevredenheid is de belangrijkste maatstaf voor onze proces-inrichting	2
4A. Uitval/ het foutenpercentage in het proces heft het theoretisch minimum bereikt	0
4B. Parallele ontwikkeling van nieuwe concepten is ons procesmodel	2
4C. Onze klant heeft altijd een duidelijk beeld waar wij mee bezig zijn	2
5A. Procesoptimalisatie is ons vak	0
5B. Ons marketingproces richt zich op het continu uit-exploiteren van onze producten	2
5C. Relatiemanagement is ons primaire proces	2

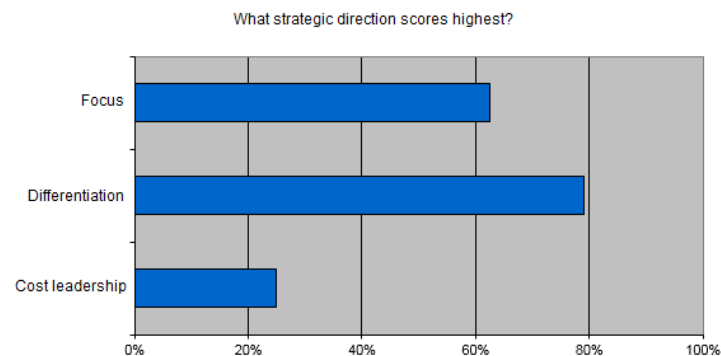
Structuur (organisatie): Verdeel 4 punten per onderwerp over de drie mogelijkheden.

1A. Onze activiteiten zijn sterk gestandaardiseerd	1
1B. R&D is een separate afdeling met ruime budgetten	0
1C. Onze activiteiten zijn sterk variërend, afhankelijk van onze klanten	3
2A. Onze planning is sterk centralistisch en 'top-down'	1
2B. Productontwikkeling is in de top van onze organisatie verankerd	1
2C. Onze planning is 'bottom-up' opgebouwd per klant	2
3A. Bevoegdheden zijn zeer helder vastgelegd; wij werken altijd met handboeken	0
3B. Er is een grote mate van vrijheid binnen ruime kaders	2
3C. Medewerkers die het operationele contact met de klant hebben zijn in grote mate beslissingsbevoegd	2
4A. In onze organisatie zijn veel controlepunten ingebouwd	1
4B. Wij passen onze organisatie continu aan, aan nieuwe producten / projecten/ concepten	3
4C. Klantrelatie management is verankerd in de top van onze organisatie	0

5A. De organisatiestructuur is zeer eenvoudig te "tekenen" ('een harkje')	2
5B. Ons organigram lijkt meer op een 'heela' dan een 'harkje'; wij werken met losse teams rond projecten	0
5C. Ons organigram is een omgekeerde piramide met de klant aan de bovenkant	2
Systeem: Verdeel 4 punten per onderwerp over de drie mogelijkheden.	
1A. Ons totale proces is in hoge mate genormeerd en vastgelegd in systemen	0
1B. De systemen volgen onze producten van dag tot dag	2
1C. Onze systemen richten zich met name op het kunnen selecteren van klanten	2
2A. Al onze transacties worden geautomatiseerd verwerkt	0
2B. De meeste aandacht bij onze systeemontwikkeling zit in 'ontwikkelingstools'	1
2C. Al onze klanten kunnen snel en eenvoudig inzichtelijk worden gemaakt	3
3A. De facturering verloopt volledig elektronisch	0
3B. De systemen zijn dusdanig flexibel dat ze continu kunnen mee veranderen met nieuwe projecten	2
3C. Onze eind-klanten kunnen zelf direct in het systeem inloggen	2
4A. Onze leveranciers zijn direct gekoppeld aan het systeem	0
4B. Ons systeem 'dwingt' ons om met een hoge frequentie nieuwe producten/ concepten te introduceren	0
4C. Onze systemen draaien met name rond klantbehoud en herhalingsaankopen	4
5A. Onze klantenservice wordt ondersteund met de laatste stand der techniek om vragen snel en efficiënt af te werken	2
5B. Klantenservice wordt continu getraind over onze laatste nieuwe producten, omdat deze zo vaak veranderen	0
5C. Ook de klanten die ons verlaten hebben volgen wij in ons systeem	2
Cultuur: Verdeel 4 punten per onderwerp over de drie mogelijkheden	
1A. Onze mensen zijn sterk gemotiveerd om fouten te voorkomen	1
1B. Onze mensen zijn sterk gemotiveerd om continu nieuwe ideeën te ontwikkelen	1
1C. Onze mensen zijn sterk gemotiveerd om tevreden klanten te creëren.	2
2A. Ons beloningssysteem beloont efficiency	1
2B. Ons beloningssysteem beloont creativiteit	2
2C. Ons beloningssysteem beloont klanttevredenheid	1
3A. Onze Werving & Selectie is gericht op het selecteren van efficiënt werkende mensen	1
3B. Onze Werving & Selectie is gericht op het selecteren van innovatieve / creatieve mensen	1
3C. Onze Werving & Selectie is gericht op het selecteren van klant gedreven mensen	2
4A. Iedereen is doordrongen van de noodzaak tot kostenbesparing	0
4B. Iedereen is doordrongen van de noodzaak tot continue productverbetering	2
4C. Iedereen is doordrongen van de noodzaak tot klanttevredenheid	2
5A. Ons management is een toonbeeld van efficiency	1
5B. Ons management is een toonbeeld van creativiteit	1
5C. Ons management is een toonbeeld van klantgedrevenheid	2

Table 7.2 Supporting questions and answers of Treacy & Wiersema Value Strategy (1995) for Doublewide Productions

Appendix 8: Result Porter's Generic Strategies analysis



Graph 8.1 Result of Porter's Generic Strategies analysis (Porter, 1998) for Doublewide Productions

	Volledig mee eens		neutraal		Volledig mee oneens
Kostleiderschap					
1. Klanten hechten een groot belang aan prijs, product uniformiteit over de tijd, is minder belangrijk.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
2. Door omvangrijke productie zijn schaalvoordelen te behalen.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
3. Uw bedrijf heeft toegang tot distributiekkanalen die ten opzichte van andere kanalen in de branche weinig kosten.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. In de toekomst zijn nieuwe productiemethoden mogelijk die leiden tot kosten besparingen per geproduceerd product.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
5. U heeft een goed ontwikkeld accounting systeem, waaruit heel nauwkeurig kostprijs informatie is te halen.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. Personeelskosten zijn geen prijs opdrijvende activa, bijvoorbeeld omdat binnen de branche gemakkelijk aan personeel is te komen of, omdat een groot deel van de waardedoelvoegende processen geautomatiseerd zijn.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Differentiatie					
1. U bent of wenst op korte termijn één van de grotere spelers in de markt te zijn.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. De markt is op te delen in duidelijk van elkaar te onderscheiden segmenten.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
3. Uw bedrijf is sterk in innovatie.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. U bezit een sterk marketingapparaat met voldoende capaciteiten om verschillende proposities aan verschillende doelgroepen in de markt te kunnen promoten.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. Er bestaan goede relaties met meerdere distributiekkanalen, zodat elk segment op een unieke wijze bediend kan worden.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. Het aanbod (product of service) leent zich voor variatie.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Focus					
1. Het product of uw medewerkers onderscheiden zich duidelijk van andere aanbieders in de markt (dit kan ook op prijs zijn).	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. De markt is op te delen in duidelijk van elkaar te onderscheiden segmenten.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. Kopers vragen om maatwerk.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. De onderneming heeft een vergrote affiniteit met een deel van de markt, waardoor de onderneming dat deel van de markt beter aanvoelt.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
5. De markt is redelijk ontwikkeld (volwassen).	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. Het bedienen van slechts één segment van de markt biedt voldoende potentie voor wat betreft winst, omzet en groei doelstellingen.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Table 8.2 Supporting questions and answers to Porter's Generic Strategies analysis (Porter, 1998) for Doublewide Productions

Appendix 9: Detailed description of main competitors

WebTalk Radio

WebTalk Radio was founded by an entrepreneur with successful terrestrial radio experience. The rise of internet radio was the driver to start up an internet radio company, which still is backed up by the terrestrial radio syndication called: Matrix Media. WebTalk Radio uses the terrestrial radio channels to draw listeners to their online radio network, combining the strength of both mediums. At WebTalk Radio, people can apply to become a host, after which they will be reviewed and either accepted or denied. If approved, show hosts have to commit to a 26 week schedule. All the shows are prerecorded and are not aired live. Show hosts get support from different members of the staff in areas of sales, tech support and professional broadcasting. Sponsoring on the shows on the network are done by the network, and advertisers can pick which show they want to advertise on. This indicates that the advertising revenue is going to the network rather than the show hosts individually.

The recorded shows are archived on the WebTalk Radio website, iTunes and in some cases Stitcher. The website of WebTalk Radio is technically very simple. The shows are listed either alphabetically, or divided into categories like sports, living green and education & family. The shows are listed by name of the show only, and do not have any customized graphics, rather than a picture of the host in some cases. WebTalk Radio has a Facebook and a Twitter page, with respectively 1487 likes and 3431 followers. Currently the Facebook page is relatively silent, whereas the Twitter page gets daily interaction. The company does not have a mobile app. Prices of hosting a show with WebTalk Radio

cannot be found on the internet. According to Dave Pratt, prices start at \$400 per month, and can go a lot higher depending on the services. This price is considerably lower because the company does not air any shows live.

Voice America

Voice America is a large internet radio company. The company has a management that has a background of terrestrial radio, technical engineers and a large amount of producers. Josh Bernstein, former employee (producer) of Voice America, elaborated on the employee system. "The producers are basically glorified sales people, that work in cubicles on selling as many shows as they can" (Bernstein, 2015). These producers sell from a script, and make 20 – 25% commission on each sale they make, and are not actually involved with the producing of the show.

Show hosts can apply for a show, which will be aired live and made available for on-demand if approved by Voice America. According to Bernstein, this approval process is extremely lenient and in reality never disapproves shows. An initial investment is needed as well as a 13 week commitment. The costs of this 13 week purchase is \$6700. Each show is aired live at a set day and time, and rebroadcasted 12 hours later. Additionally, each show gets a landing page on the company's website, with an archive of their previous shows which are available in MP3 and on iTunes, a biography and a personalized banner. Furthermore, show hosts get one commercial produced, and own 6 minutes of advertising time on their show. The revenue of sold advertising goes to Voice America and the producer and the show hosts share the commission. The commission is generally divided 50% - 50%, however in some cases the percentages are 20% - 80%, depending on who actually made the sale. The shows are divided into different channels with different topics like business, sports and women.

Voice America has a studio in Phoenix, from where they record the local radio shows. These studios are "not as nice; old, dark and dingy" (Bernstein, 2015). Voice America has a mobile app, which allows their listeners to listen to their favorite podcasts on their mobile phones or tablets. Furthermore, the company has a Facebook page with over 23 000 likes and a Twitter page with 24 000 followers. Both of these social media platforms are being actively used and are experiencing a lot of interaction with show hosts and listeners. The website is technically modern, functions well and has other platforms like social media integrated effectively. Bernstein explained that when a show host does not renew the contract, Voice America charges \$250 per month to keep the archived shows on the company website.

Appendix 10: Cost breakdown Home Studio Equipment

These equipment list and corresponding average prices are based on the interview (Vanderlee, 2015) conducted with Ed Vanderlee, and comparative desk research on (Amazon, 2015). Two types of home studios can be distinguished, the basic and the semiprofessional home studio. The basic will allow the user to record, edit and distribute a show. However, important to consider is that the quality of this home studio is considerably lower and only very basic edits / effects can be made. The semiprofessional studio will allow the user to record, edit and distribute a radio show, of high, professional quality and with practically full access to edits and effects.

The equipment needed to set up a **basic** home studio will cost on average \$400 investment and \$40 per month, assuming that a computer does not need to be purchased:

- | | | | |
|------------------|------------|-------------------|--------------|
| • Computer | \$700 | • Editing program | \$Free-\$400 |
| • USB Microphone | \$50-\$200 | • Skype | \$Free |
| • Headphones | \$5-\$200 | • Distribution | \$Free-\$100 |

The equipment needed to set up a **semiprofessional** home studio will cost on average \$3000 and \$40 per month, assuming that a computer does not need to be purchased.

- | | | | |
|-----------------------|--------------|----------------|--------------|
| • Computer | \$700 | • Preamp | \$300-\$1000 |
| • Microphone | \$300-\$450 | • Soundcard | \$150 |
| • Microphone stand | \$50 | • Protection | \$200 |
| • Mixer board | \$500-\$1000 | • Fan | \$100 |
| • Mixer board program | \$150 | • Distribution | \$Free-\$100 |
| • Editing software | \$400 | | |
| • Digital Recorder | \$100 | | |

Appendix 11: Result Porter's Five Forces Analysis

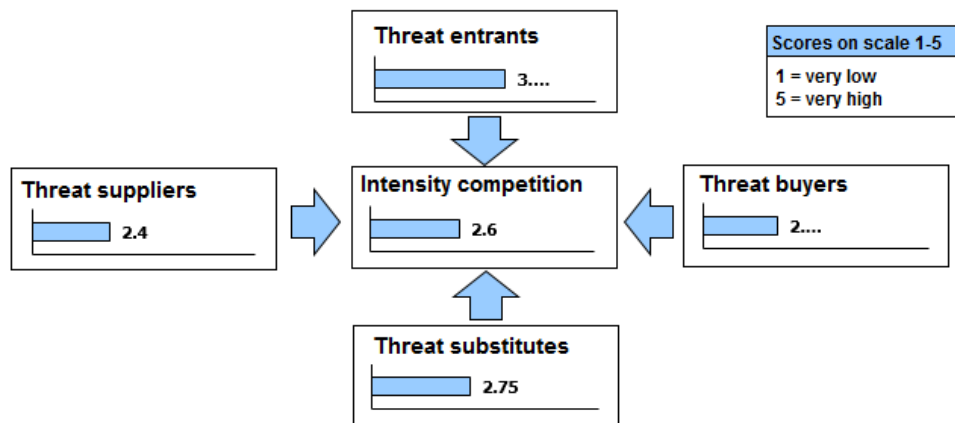


Figure 11.1 Result of Porter's Five Forces analysis (Porter, 1998) for Doublewide Productions

Toetreders

Is er sprake van schaalvoordelen binnen uw markt?

Is er een omvangrijk kapitaal vereist om toe te treden tot uw markt?

Is er een gerede kans op tegenacties van bestaande bedrijven bij toetreders op uw markt?

Kunnen toetreders gebruik maken van bestaande distributiekanaalen?

Hebben toetreders toegang tot bestaande of nieuwe technologieën?

Zijn klanten loyaal aan een merk?

Kunnen toetreders over (overheids)subsidies beschikken?

Bestaan er hoge drempels om van leverancier te wisselen?

geheel niet

in lichte mate

niet echt

zeker

zeker

in lichte mate

niet echt

in lichte mate

Afnemers

Is er sprake van één of enkele grote afnemers(groepen)?

Zijn de producten of diensten homogeen van aard (weinig gedifferentieerd)?

Worden de afnemers van uw markt geconfronteerd met lage marges?

Speelt kwaliteit een grote rol in de koopbeslissingen van afnemers van uw markt?

Hebben de afnemers van uw markt toegang tot informatie over hun leveranciers en hun aanbod?

Bestaan er hoge drempels om van leverancier te wisselen?

geheel niet

niet echt

niet echt

zeker

in lichte mate

niet echt

Leveranciers

Wordt de bedrijfstak gedomineerd door een enkele leverancier (of door een geconcentreerde groep van leveranciers)?

Is het merk van de leveranciers 'gewild' binnen uw markt?

Bestaan er hoge drempels om van toeleverancier te wisselen?

Leveren leveranciers een belangrijke bijdrage aan de kwaliteit/bewerking van producten binnen uw markt?

Worden de leveranciers van uw markt geconfronteerd met lage marges?

Treedt de overheid op als leverancier?

geheel niet

niet echt

in lichte mate

in lichte mate

geen mening

geheel niet

Substituten

Is de functionaliteit van de substituten beter/uitgebreider dan de bestaande producten/diensten?

Overtreft de prijs-prestatie verhouding van de substituten die van bestaande producten?

Is het voor de afnemers gemakkelijk om over te stappen op substituten?

Zijn substituten winstgevend en stellen leveranciers zich agressief op?

niet echt

geheel niet

zeker

neutraal

Concurrentie intensiteit

Is er sprake van een niet of nauwelijks groeiende marktsituatie?

Zijn de producten/diensten op uw markt homogeen van aard (ongedifferentieerd)?

Zijn er veel bedrijven met dezelfde grootte en gelijke concurrentiepositie?

Zijn uitredingsbarrières hoog? (moeilijk om activiteiten te staken)?

Ontbreken er strategische relaties (samenwerkingsverbanden) tussen concurrenten?

geheel niet

niet echt

in lichte mate

niet echt

in lichte mate

Table 11.2 Supporting questions and answers to Porter's Five Forces analysis (Porter, 1998) for Doublewide Productions

Appendix 12: Show hosts survey sample & justification

This survey was written in agreement with the company owner and the university supervising professor. This survey has been sent out to the contact person of each current and active show, which came down to 50 respondents. Per show only one survey was sent out so that each show would have the same influence on the results regardless of the number of hosts, to assure the outcomes of the survey would be representable for the entire group. An online independent survey website (Zoho, 2015) was used for the collection of the survey. The survey invitation was sent out from the intern's company email, with an introductory accompanying message. The respondents were assured that the survey is anonymous and the results would be handled discretely. The main goal of this survey was to find out more about the motivations for hosting a radio show, the decision making process of both purchasing a show and picking an appropriate time. Out of the 50 surveys sent out, 27 were filled out, totaling to a response rate of 54%. The fact that this survey was conducted amongst customers, 54% response rate can be considered sufficient to represent the customer base of Doublewide Productions. The responses are well distributed over the different types of shows, so each category is well represented in the outcomes. When the desired outcome of a question was an order of factors, ranking was used. In contrast, for question for which the total of each factor was desired, multiple answer boxes could be ticked. Lastly, for defining questions, where one answer would have to rule out the other, only one answer box could be ticked. This system added to the validity of the survey.

1. What kind of show do you host?

All shows on the Doublewide Network, Rock Star Worldwide, Radio Star Worldwide and Recovery Star Worldwide are considered talk shows. All shows on Music star Worldwide are considered music shows.*

☐ Talk show

☐ Music Show

2. Is the main reason for hosting your show business or personal?*

☐ Personal

☐ Business (Non-Profit)

☐ Business (For Profit)

3. How long have you been with Star Worldwide Networks?*

☐ 1-6 months

☐ 7-12 months

- ☐ 1-2 years ☐ More than 2 years

4. Which of the following do you rank highest?

Please rank these factors in degree of importance, with 1 being most important and 6 being least important.

- ☐ Affordable pricing ☐ Experienced Staff
☐ Quality Distribution ☐ Mobile App
☐ State of the art studios ☐ Branding Benefits

5. How did you originally find out about Doublewide Productions?

- ☐ Referral ☐ Social Media
☐ Internet ☐ Other (Please Specify)
☐ Radio

6. How did these factors inspire your decision to do a radio show?

Please rank these factors in degree of relevance, with 1 being most relevant and 6 being least relevant.

- ☐ Promoting business ☐ Curiosity
☐ Fun ☐ Branding / Networking
☐ monetizing (selling advertising) ☐ Other (see question 7 to specify)

7. In case you missed a factor that greatly inspired your decision to host a show in question 6, please specify it here:

8. What other alternative mediums did you consider when making the decision to start hosting a show on Star Worldwide Networks?

- ☐ None ☐ Blog
☐ Traditional Radio / Television ☐ Other (Please Specify)
☐ Print Media

9. What was your main consideration when picking a time for your show?

Please rank these factors in order of relevance, with 1 being most relevant and 5 being least relevant.

- ☐ Personal convenience ☐ N/A
☐ Work schedule ☐ N/A
☐ Target audience preference ☐ N/A
☐ Preference for day- or night time ☐ N/A
☐ Less or more busy time for studio ☐ N/A
☐ Other (specify in question 10) ☐ N/A

10. If applicable, please specify 'other' in question 9:

11. What is your goal of hosting your show with regards to your listener audience?

- ☐ Stimulation of (live) interaction ☐ Listeners re-purpose on demand
☐ Improved customer relationships (for example: through in studio meetings) ☐ podcast
☐ Listeners give input for content ☐ Acquisition of new customers
☐ Listeners give feedback on experience with content / quality ☐ Other (Please Specify)

12. Which benefits of internet radio (over traditional radio / mediums) have supported your customer relationship strategy?

Please rank these factors in degree of importance, with 1 being most important and being least important

- ☐ On demand availability ☐ N/A

- ☐ High quality ☐N/A
- ☐ Worldwide audience ☐N/A
- ☐ Easy integration with social media platforms ☐N/A

13. How do you feel your listeners relate to your show?

- ☐ Personal communication ☐ Various levels of engagement
- ☐ Intimate form of media ☐ Other (Please Specify)

14. What would incentivize you to book your show on off-hours?

The hours between 9PM and 5AM are considered off-hours. Please rank these factors in degree of likelihood.

	Not likely	Somewhat likely	Very likely
Lower Price Point	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Additional Privacy / Less Crowded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Live demographics / Live audience preference	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Additional Comment			

.....

15. Would you be willing to participate in a face to face interview with Michelle Tjia, to provide further insight into these matters? If yes, please provide name and email address below for me to contact you.

.....

Thank you so much for taking part in this survey, your input is greatly appreciated!

Appendix 13: Result of survey

Ranking questions have been analyzed in the following way: last choice got a weight of 1, every position up from there went up one point in weight. For example, in question 4, 6 and 9, the first choice was given a weight of 6, question 12's first choice had a weight of 4. For question 14, not likely was given a weight of 0, somewhat likely a weight of 1 and very likely a weight of 2.

Question 1: What kind of show do you host? (Talk show or Music show)

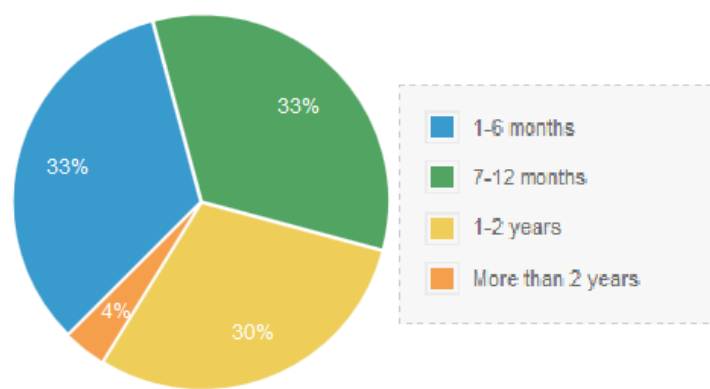
11% of the respondents indicated having a music show, 89% indicated having a talk show.

Question 2: Is the main reason for hosting your show business or personal?

15% of the respondents indicated that the main reason for hosting a show is personal, 85% indicated that the main reason is business related (70% was business for profit, 15% business non-profit).

Question 3: How long have you been with Star Worldwide Networks?

The time respondents had been on the network are distributed fairly even. 33% has been with the company 1-6 months, 33% 7-12 months, 30% 1-2 years and 3% had been with the network for more than 2 years.



Pie chart question 3

Question 4: Which of the following do you rank highest?

The result of this ranking question, in order of importance, was: affordable pricing (117), experienced staff (110), quality distribution (106), state of the art studios (92), branding benefits (81) and the mobile app (61).

Question 5: How did you originally find out about Doublewide Productions?

An extremely high percentage of 56% indicated they

had found out about the company through referral, followed by internet (7%), radio (4%) and social media (4%). Furthermore, the respondents indicated that they had been a guest on a show before or found out through the Rock Star Worldwide boot camp.

Question 6 & 7: How did these factors inspire your decision to do a radio show?

In order of relevance: Promoting the business (139), branding / networking (112), fun (101), monetizing (98) and curiosity (59). Furthermore, respondents were given the opportunity to indicate 'other', which had the following outcomes as result: to gain credibility in the industry, passion, freedom and differentiate from others.

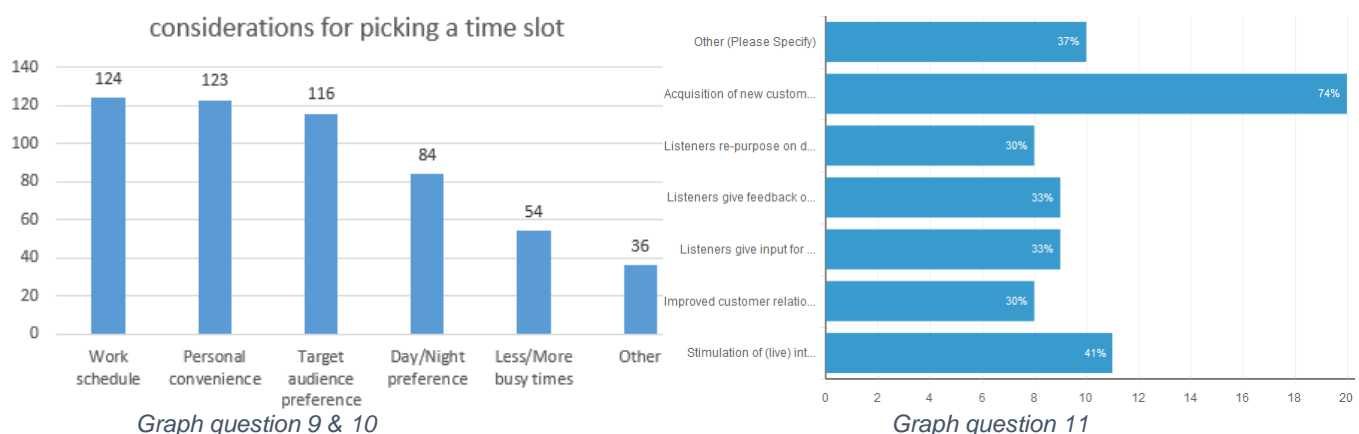
Question 8: What other alternative mediums did you consider when making the decision to start hosting a show on Star Worldwide Networks?

52% of the respondents indicated that they considered traditional radio or television, 33% considered print media, 33% had considered using a blog. 19% of the respondents indicated that at the time of the purchase, hosting a show at Star Worldwide Networks was the only consideration. 22% indicated having other considerations; social media and hosting a show from home (home-studio).

Question 9 & 10: What was your main consideration when picking a time for your show?

It has become apparent from the results that work schedule and personal convenience are most important factors when picking a time slot, closely followed by the target audience's preference. Preference for day or night and the business of the studio are not of much influence on the decision.

Respondents were given the opportunity to specify 'other', responses here however were the give options worded in another way.



Question 11: What is your goal of hosting your show with regards to your listener audience?

Results show that 74% of respondents see acquisition of new customers as a goal of their show, 41% strives for live interaction during the show, 33% hope listeners will give feedback on the show, 33% would like listeners to give input for the show, 30% hope listeners re-purpose the on-demand podcast and also 30% of the respondents see the show as a tool to improve customer relationships. The specified 'other' responses were to educate, entertain and encourage listeners.

Question 12: Which benefits of internet radio (over traditional radio / mediums) have supported your customer relationship strategy?

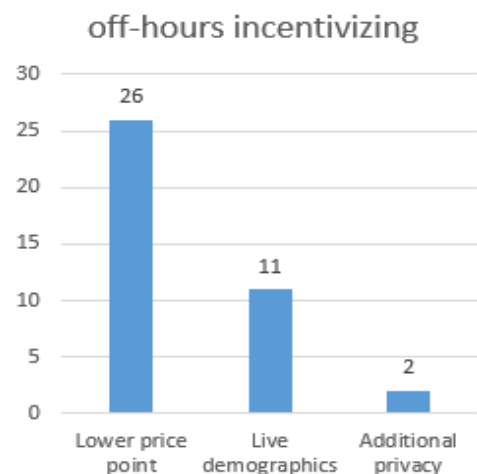
The on-demand availability came in as most important benefit, with a score of 78, followed by the high quality (69), the worldwide audience (57) and the easy integration with other social media (56).

Question 13: How do you feel your listeners relate to your show?

63% indicated they feel listeners relate on various levels of engagement to the show, 26% indicated they think listeners see it as an intimate form of media and 30% use personal communication to relate to the show.

Question 14: What would incentivize you to book your show on off-hours?

Respondents indicated that additional privacy during the off-hours would not be likely to incentivize them to book during off-hours. Live demographics scored 11 points, which means that show hosts would be somewhat likely to book during off-hours if their live audience could be reached at those hours. Lastly, a lower price point proved to be most likely to incentivize show hosts to book during off-hours. However, although 26 is the highest score in this question, a considerable number of respondents indicated 'not likely' to the lower price point answer.



Graph question 14

Appendix 14: Survey follow-up interviews

In the last question of the survey, respondents were given the opportunity to sign up for a personal interview with the researcher. 15 respondents signed up, of which 6 were selected and interviewed. In order to safeguard the reliability of the outcomes the interviews took place behind closed doors between the researcher and the interviewee. This was done so that the presence of staff would not influence the responses given by the respondents. One trial interview took place to measure the validity of the interviews, after this the question topics were altered slightly so that they would measure what they are supposed to measure. These interviews were semi-structured, which means that there was a topic list to discuss but the topics were flexible so that the respondent had all room and freedom to provide input. Some interviews stayed close to the topics while some other frequently went off-topic. The latter provided more useful and out-of-the-box insights. First, the researcher briefly explained the purpose of the thesis. Then, respondents were asked to go into more detail about some topics of the survey in order to find a relation between the type of show, the target group and the chosen time slot. Then they were presented the idea of the off-hours and the need for a strategy. The respondents were asked to provide their opinion and ideas about the possible motivations for the off-hours for show hosts. A number of conclusions have been drawn from the interviews:

- The majority of show hosts is focused on the on-demand availability rather than a live audience
- Therefore, the main consideration for picking a time slot are the work schedule and personal convenience.
- For show hosts that are focused on a live audience, the target group's preferences were most important for setting a time.
- A majority indicated that a lower price point would be somewhat likely to motivate them to book on the off-hours, but they would only be likely to book at 9, 10, 11 PM or 12AM, no later.
- When presented a case in which their audience would be best reached during the off-hours, only a small part of the respondents indicated that would be likely to incentivize them to book during off-hours. This indicates that personal (in)convenience is more important than the audience's preference.
- As ideas for possible off-hours activities or target groups, the night industry, rebroadcasts of existing shows and people in other regions and time zones were mentioned.
- One respondent in particular, who has a long history in radio, mentioned that in his social circles, people that have had been on (traditional) radio at one point, are very likely to be motivated to turn to internet radio to fulfil their needs. He indicated that searching for (former) radio personalities in other regions could be a good strategy.

Appendix 15: SWOT Analysis

Doublewide Productions	Positive	Negative
Internal	<i>Strengths</i>	<i>Weaknesses</i>
	S1: No contract obligations for hosts	W1: Reliance on word-of-mouth / Lack of sales deployment
	S2: Associated status from Dave Pratt	W2: Little brand knowledge outside of Arizona
	S3: Personal character	W3: Small budgets
	S4: Worldwide audience	W4: Little international experience
	S5: Competitive price points	
External	<i>Opportunities</i>	<i>Threats</i>
	O1: Socio-economic trends; relaxation, personalization	T1: Increasing competition
	O2: Evolving Technology	T2: Substitutes
	O3: Shift in radio listening	T3: Decreasing prices of home studio equipment
	O4: Downfall of traditional radio	
	O5: Time zones	

Table 15.1 Summary of SWOT analysis for Doublewide Productions

Appendix 16: Confrontation matrix

Doublewide Productions	Opportunities						Threats		
		O1 socio-economic trends	O2 Evolving technology	O3 Shift in listening	O4 Downfall traditional radio	O5 Time zones	T1 Competition	T2 Substitutes	T3 price home studio
Strenghts	S1 no contract	4	0	0	0	0	5	5	5
	S2 Pratt name association	0	0	0	0	0	5	4	0
	S3 Personal character	5	0	0	0	4	5	5	5
	S4 Worldwide audience	0	0	4	5	5	3	5	3
	S5 Competitive price	4	5	5	5	5	5	4	5
	W1 Lack of sales	0	0	0	3	5	5	5	3
	W2 brand knowledge	0	0	4	5	5	5	5	0
	W3 Small budgets	1	1	0	0	1	5	4	4
	W4 International experience	1	0	2	4	5	4	3	0

Table 16.1 Confrontation matrix for Doublewide Productions, based on table 12.1

Appendix 17: SFA Model

The SFA model should be read as follows: 0=neutral, +=positive, ++=very positive, -=negative, -- = very negative. Option 1: Market development, Option 2: Product development, Option 3: Diversification.

Criterion	Option 1	Option 2	Option 3
Suitability			
<i>Fits to problem definition</i>	++	-	+
Feasibility			
<i>Financially</i>	++	-	+
<i>Organizationally</i>	+	++	+
<i>Economically</i>	++	++	++
<i>Technically</i>	++	++	+
<i>Socially</i>	++	+	++
<i>Politically</i>	+	++	++
<i>Ecologically</i>	++	++	++
Acceptability			
<i>Personnel</i>	++	0	++
<i>Target group</i>	++	+	+
<i>Stake holders</i>	++	+	0
Total	20	11	15

Table 17.1 SFA model (Johnson & Scholes, 2008) for Doublewide Productions for options derived from table 16.1

The options have been evaluated by the researcher in accordance with Pratt and other employees. Option 1 seemed very suitable to the off-hours challenge, option 2 did not because it would not generate 50% of regular revenue and option 3 is somewhat suitable because it would have to attract local customers, to whom the off-hours mostly are inconvenient hours. Option 1 would be most accepted as it meets all objectives and is feasible, option 2 is less accepted as the practice of rebroadcasts does not fit well with the business model and option 3 is somewhat accepted, except for stakeholders as the studios would have to be adapted to accommodate the new company activities.

Appendix 18: World distribution of listeners of Doublewide Productions

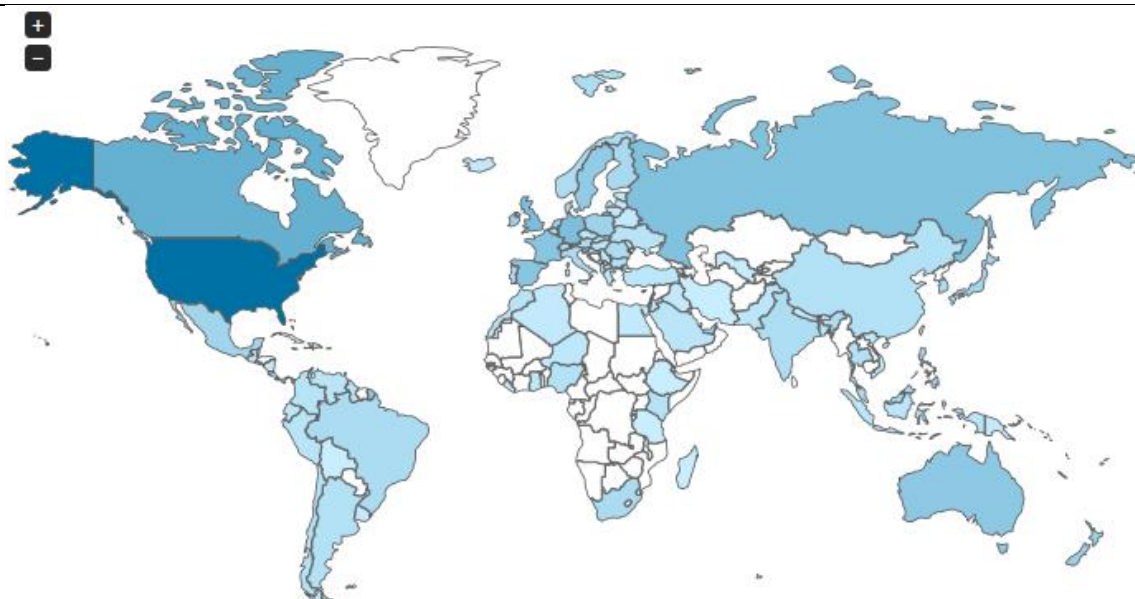


Figure 18.1 World distribution of listeners of Doublewide Productions

Figure 18.1 displays the world distribution of listeners of Doublewide Productions between January of 2011 and the present. It was derived from the S3STAT (S3STAT, 2015) website, which is a website that is being used by Doublewide Productions to track analytics of its website.

According to this website, the top 20 countries in order of most listeners is: USA, Canada, Great Britain, Germany, Russia, Spain, France, Australia, Sweden, Puerto Rico, Hong Kong, New-Zealand, UAE, Poland, the Netherlands, Ireland, Mexico, Japan, Denmark.

Appendix 19: Detailed description MARCOM objectives

▪ **Category need**

Firstly, considering that internet radio is a relatively new product / service, a category need is especially relevant. Consumers first need to be made aware of the product and the uses and benefits that it has. In stage making consumers aware of the product is more important than stressing the brand name. The marketing communication objective for category need for Doublewide productions is: *“to provide 10% of the target group of information about internet radio and its benefits within 6 months”*

▪ **Brand Awareness**

Secondly, after the target group has established some knowledge about the product, and see what benefits it can bring to them if they purchase it, Doublewide Productions will continue to pursue brand awareness. For Doublewide Productions it is important to achieve active brand awareness over passive brand awareness, as consumers will have to actively come up with the brand name at the time of the purchase. In the initial category need stage the brand name Star Worldwide Networks will be named, however, in the second stage the brand will be emphasized more. The company will move away from solely informing about the benefits of internet radio and will start using Star Worldwide Networks in their communication. The goal is to have the brand name stick in the mind of consumers and to have them associate it with the right product category. The objectives for brand awareness are: *“to achieve active brand awareness amongst 10% of the target group within 6 months”* and *“to have Star Worldwide Networks be included in the consideration set of 50% of the group with brand awareness”*.

▪ **Brand knowledge**

Thirdly, as the brand name gets associated with the product, and consumers recall the brand name, Doublewide Productions will try to create brand knowledge. It is important that consumers have the right information about the company, the brand, the product and the benefits so that they can link those to their own values, needs and situations of use. In order to achieve this, the marketing communication will be predominantly informative to emphasize the brand's benefits within the category needs. The objective for brand knowledge is: *“to achieve a correct brand knowledge amongst the target group”*

▪ **Brand attitude**

Lastly for the brand communication objectives, Doublewide Productions will strive to achieve brand preference. This is done through positive brand attitude amongst the target group. Brand attitude is also directly linked to brand knowledge. By creating a correct and positive image about the brand, and emphasizing its benefits over the competitors positive brand attitude may be achieved. Important factors to stress to achieve this are the brand features and benefits, what makes the brand unique and its relevance. It is also important to emphasize that the company is constantly striving to improve and innovate in order to achieve and maintain positive brand attitude. The associated objective is: *“to create a positive and unique image of the brand to create a positive brand attitude”*.

After achieving these brand communication objectives, the company can move on to focusing also on behavioral communication objectives. These objectives are focused on calling the consumer to action, which will result in the actual purchasing of the product / service.

▪ **Behavioral intention**

In this stage, Doublewide Productions will try to motivate the consumers to behave in a certain way. In this case, the company will strive to motivate the consumers to contact them for more information about the product. This is an important step in the sales process, as the personal communication can start at this point. Therefore, the associated communication objective is: *“to bring 50 consumers to contact the company for more information within one year”*. In order to achieve this objective, the marketing communication will include an easy option for consumers to request more information about the product. For example, the consumers could be directed to a page on the company's website where they can enter their name and email address to be contacted. By keeping it as simple as possible for the consumer, it is most likely that they will actually behave in the way the company wants them to.

▪ Behavior facilitation

It goes without saying that making the actual purchase needs to be as easy as possible for the consumer. This comes with implications for the marketing communication, as well as the marketing mix which will be elaborated on in paragraph 6.4. Considering that Doublewide Productions only utilizes direct distribution, meaning that consumers can solely purchase a radio show directly through the company, this objective is of less relevance to the marketing communication strategy, but should be kept in mind regardless.

▪ Behavior

All of the afore-mentioned brand- and behavioral communication objectives lead up to the desired behavior. Doublewide Productions will be utilizing both an open proposition and a closed proposition. As mentioned before, the consumers will initially be asked to contact the company for more information; the open proposition. Following this open proposition, the ultimate goal is to make a sale; the closed proposition. In order to incite consumers to purchase a radio show with Doublewide Productions, a number of communication and promotional tools and strategies will be used, these will be explained in paragraph 6.5.1. The associated, and ultimate, behavior communication objective is: "to get 10 consumers to purchase a radio show within one year".

▪ Satisfaction

Lastly, there is a communication objective to be set for satisfaction. Although this is not as relevant for this research because Doublewide Productions will be entering a new market in which it does not have any customers yet, this is an important objective to keep in mind for a later stage. Besides attracting new customers, it is equally important to keep your existing customers satisfied. Satisfied customers lead to better relationships and brand loyalty, which makes the customers more likely to stay at Doublewide Productions. With its extensive personal communication approach the company will actively assure the consumers that they have made the right decision in order to prevent dissonance; this communication will have a reinforcing function.

Appendix 20: Milestone planning, division of labor and cost calculation

	month:	0	1	2	3	4	5	6	7	8	9	10	11	12	Who	Costs	
Facebook	\$ 3,500.0	Content creation													All	\$ 450.0	3 hours a week
		Content active													All	\$ -	
		Ads creation													Maish	\$ 50.0	4 hours total
		Ads active													Pratt	\$ 3,000.0	300 per month
Direct mailing																	
	\$ 562.5	Create database													Person X	\$ 250.0	20 hours total
		Design mailing													Pratt	\$ 200.0	4 hours total
		Send out mailing													Person X	\$ 75.0	6 hours total
Magazines		Follow up mailing													Person X	\$ 37.5	3 hours total
	\$10,287.5	Create ads													Maish	\$ 62.5	5 hours total
		Research magazines													Person X	\$ 125.0	10 hours total
		Select magazines													Pratt	\$ 100.0	2 hours total
Website		ads active													Person X	\$10,000.0	
		Content adaption													VanderLee	\$ 25.0	1 hour
Socials		Content upkeep													All	\$ 150.0	1 hour a week
																\$14,525.0	
Trial runs	on request														Person X	\$30 * X	\$30 per run

Table 19.1 Mile stone planning, division of labor and cost calculation

*Hourly salaries for calculations were set at \$50 for Pratt, \$25 for VanderLee and \$12.50 for all other employees.

Division of labor and mile stone planning:

In the preparation phase, Person X will conduct an in-depth investigation into the three different regions. Pratt will brief Person X on the desired information and Person X will spend about 50 hours per region. The company Facebook page will have to be constantly kept up to date, therefore new content will have to be created almost daily. All employees are responsible for this activity, and therefore each have administrator access. In the first and sixth month Maish (Director of Graphic Design) will design Facebook ads. These ads will be active from month 2-5 and 7-12.

Pratt will design the direct mailing for the selected marketing and radio institutions and individuals in the preparation phase and fine tune it in the first month. These recipients will be selected from a database

created by Person X in the preparation phase. In month 4 and 7, this database will be expanded by Person X. In month 2, 5 and 8 these mailings will be sent out and in month 6, 9 and 12 Person X will do a follow up on these mailings. The time between the original mailer and the follow-up is 3 months, this seems like an appropriate time to let the information settle in and then follow up to see if there are any questions or comments about it.

Person X will also be researching relevant business magazines in the target markets until month 2, this includes getting quotes and requirements of the ads. In month 2 Pratt will select the magazines that will be used for this strategy. Maish will create the different ads, depending on the specific requirements of each magazine. From month 3 on, the ads will be active depending on the frequency of each selected magazine.

In the preparation phase, the 'become-a-host' and 'about us' page on the company website will be adapted by VanderLee. The rest of the social media platforms, Twitter, Instagram and LinkedIn will be have to kept up to date constantly, this will be performed by all employees.

The trial runs will be performed by Person X, on request of the interested consumers.

Calculation of costs:

All the hours of labor were considered in this calculation of costs, the different hourly salaries are listed above. For Facebook ads will cost 300 per month and will be active for 3 months. This price can be raised or lowered, as Facebook allows users to set their own budget. \$300 a month is a minimum requirement to reach a substantial audience. All other Facebook related costs are labor costs. All of the costs for the direct mailing are labor costs as well. The costs for the magazines consists of labor costs and a budget of \$10000 for the actual placement of the ads. This is also a somewhat conservative investment for ads in a magazine. However, as mentioned before, the selected magazines do not have to be the most prominent ones, as long as they have a substantial reach within the target group. Some may be online magazines, some offline, the costs per ad will differ greatly depending on the type of magazine and size of ad. The upkeep of the other social media platforms and the website is all labor costs. The trial runs cost \$25 per trial run, these costs consist of labor costs of Person X and occupation of the studio.

Appendix 21: 3-year Financial Forecast

		Year 1	Year 2	Year3
Trial runs	Pessimistic Scenario	15	25	40
Sales		3	5	8
Revenue		11988	24980	39968
Cost Price		4200	7000	11200
Marketing budget		16975	15275	15725
Fixed costs		16525	14525	14525
Variable costs		450	750	1200
Result		-9187	2705	13043
Trial runs	Realistic scenario	40	60	75
Sales		10	15	19
Revenue		59940	112410	142386
Cost Price		21000	31500	39900
Marketing budget		17725	16325	16775
Fixed costs		16525	14525	14525
Variable costs		1200	1800	2250
Result		21215	64585	85711
Trial runs	Optimistic Scenario	45	70	120
Sales		15	24	40
Revenue		134865	269784	449640
Cost Price		47250	75600	126000
Marketing budget		17875	16625	18125
Fixed costs		16525	14525	14525
Variable costs		1350	2100	3600
Result		69740	177559	305515

Table 21.1 shows the 3-year financial forecast of the creative concept. Three scenarios were set up, the pessimistic scenario, the realistic scenario and the optimistic scenario.

For the calculation of this financial forecast the following numbers have been used:

The selling price in year 1 is the penetration pricing of \$999 per show. In year 2 and 3, the selling price is set at \$1249. The costs price is \$350 per show per month. In the pessimistic scenario, show hosts on average stay 4 months, in the realistic scenario they stay 6 months and in the optimistic scenario they stay 9 months. In the pessimistic scenario, 20% of the trial runs results in a sale, in the realistic scenario 25% results in a sale and in the optimistic scenario 33% results in a sale.

The marketing budget consists of the fixed costs of \$14 525, as calculated in table 19.1, and the variable costs of \$30 per trial run. In the first year \$2000 will be added to the marketing budget for the market research.

Table 21.1 3-year Financial Forecast of creative concept