

b beats. by dr. dre.
MONSTER



A YEAR OF *BEATS*

5 Heartbeats INC.

Brenda: Team Leader, Product Placement, Promotions, Account Planning

Kahlil: Research Development, Fashion and Brands

Jasmine: Client Services

Cecilia: Marketing Director, Research Analyst

Molly: Research Development, Investor Relations





MISSION STATEMENT

5HeartBeats Incorporated is dedicated to increasing BEATS as a brand, gaining a larger audience, and prove that BEATS is worth the investment.



Beats History

- Released in 2007
- A brand of headphones and loudspeakers
- Created by hip hop mogul Dr. Dre and Interscope –Geffen –A&E Records chairman Jimmy Iovine
- Dre initially wanted to create a sneaker line until Iovine insisted he “screw sneakers and sell speakers” to remain true to his fan base in music



BEATS Products





S.W.O.T. Analysis

- **Strengths**
 - Dr. Dre is a known and respected figure in the hip hop world, stylist, youthful, multi purposeful (listening/recording)
- **Weaknesses**
 - Product is not ethnically diversified, quality does not compete with others, expensive
- **Opportunities**
 - Rising demand for jobs in the recording industry, celebrity endorsers, brandy loyalty
- **Threats**
 - Risks the chance of becoming too common (i.e. sold in common retail stores like Wal-Mart, Hot Topic), loss of customers to other brands



Competitors

Direct



Snoop Dogg's Skull Candy



Ludacris Soul



50 Cent's Sleek

Sub





Situational Analysis

- **Economic Forces**

- Suffering economy

- **Competitive Forces**

- Direct Competitors: 50 Cent Sleek, Snoop Dogg Skull Candy, and Ludacric Soul
- Broad Competitors: BOSE, Apple

- **Sociocultural Forces**

- Society willing to live beyond their means to fit in and have the latest trends



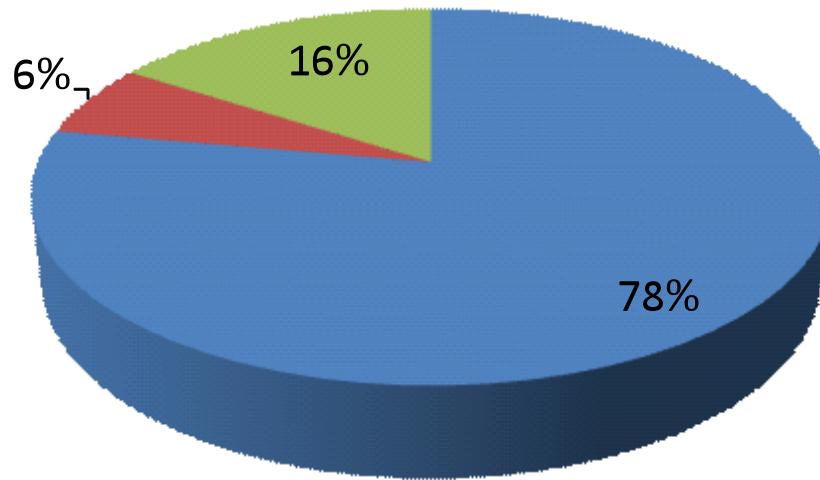
Brand Awareness Survey

- **Objective:** Measure advertising and marketing affects of Beats By Dr. Dre on consumer awareness & knowledge to increase brand awareness.

Why buy Beats by Dr. Dre?

- Iconic
- Fashion
- Quality

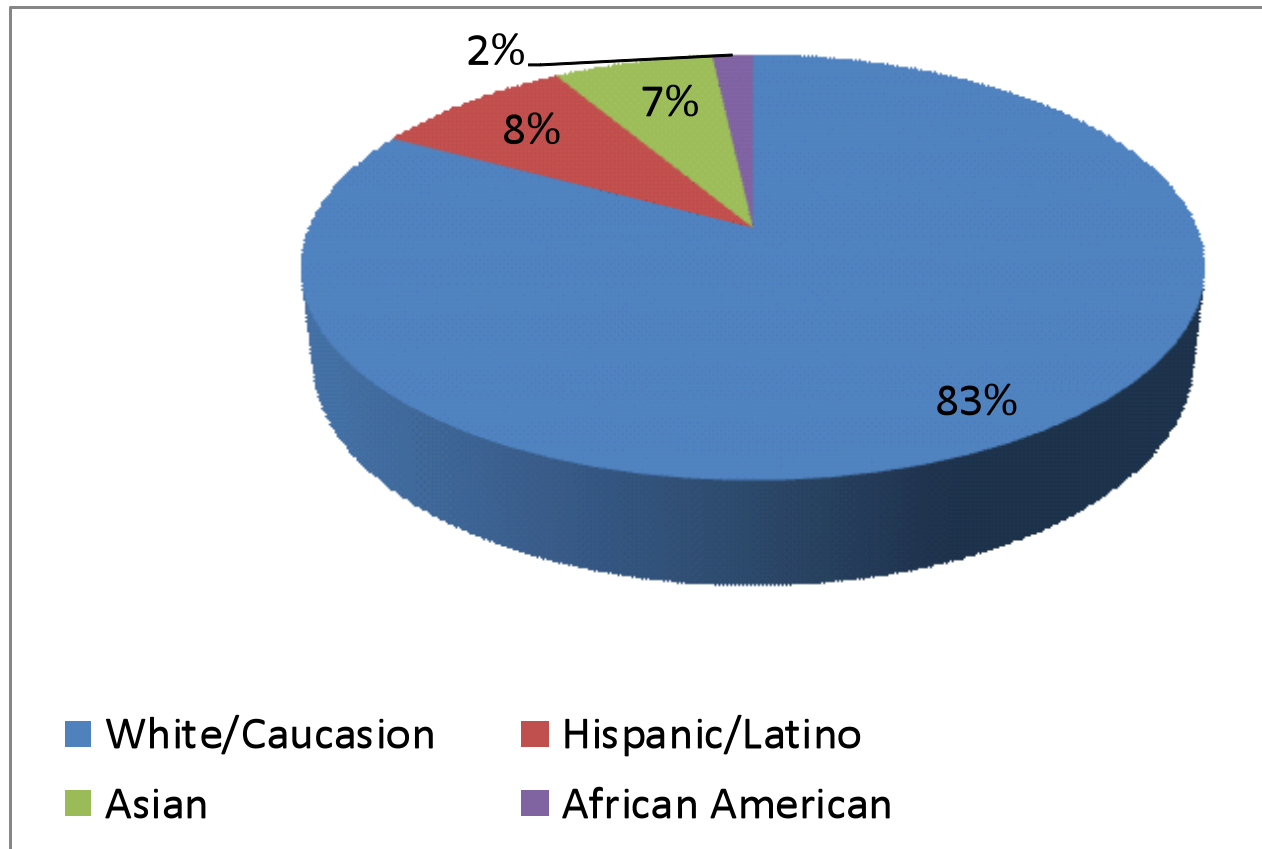
Findings



- Does not own BEATS products
- Owns BEATS products
- Never heard of BEATS products



Findings





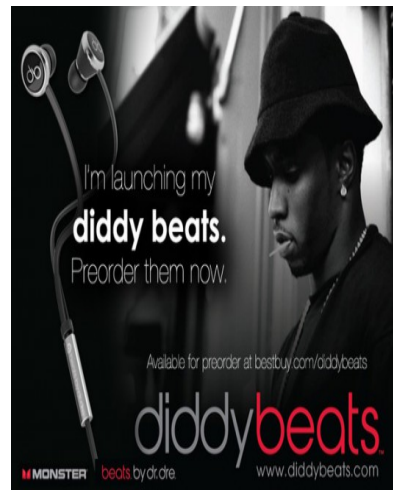
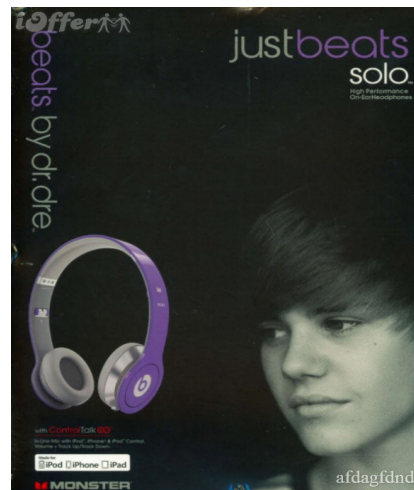
Conclusion from Survey Results

- Zoom in on target audience
- Increase product placement and awareness



Past Campaign Strategy/Objectives

Celebrity Endorsers



- Product Placement

- Music Videos and Movies: shows relevance to music business and show business – Dr. Dre Kush, David Guetta Who's that Chick, Lady Gaga Poker Face and Love Game, Nicole Scherzinger Don't Hold Your Breath, Will.I.Am Check it Out, The Book of Eli film, Taylor Momsen Just Tonight
- Award Shows: BET Hip Hop Awards during freestyle rap cipher (DJ wore them on the turntables)



5HeartBeats Strategy

- Appeal to both male and female audience (unisex)
- Push promotion in urban demographic as well as begin to branch out into suburbia
- Commercial, NIKE Partnership, become strongest competing brand
- Push style feature to appeal as fashionable
- Show connection with fitness and workout
- Increase awareness by product placement



Target Audience

- **Direct Markets:**
 - Ages 16-25
 - Urban communities
 - Hip Hop/R&B heads
 - College kids
- **Submarkets:**
 - Music Industry folk
 - Athletes
 - Fashion lovers
 - Exercise Enthusiasts
 - Slowing making its way into suburbia



Campaign Strategy Objectives

- **Advertising Online:**
 - Target online magazines, Specific content oriented Blogs
- **Online Points of Interest**
 - Beats by Dre Blog: Everything that is Beats by Dre
- **Social media**
 - Contests
 - Consumer outreach

WHY BEATS?

Fashionable



Exclusive



Multi-purposeful



Media Relations

- Majority of our advertisements will be done online due to the increase and high demand of online advertisement and consumer responses



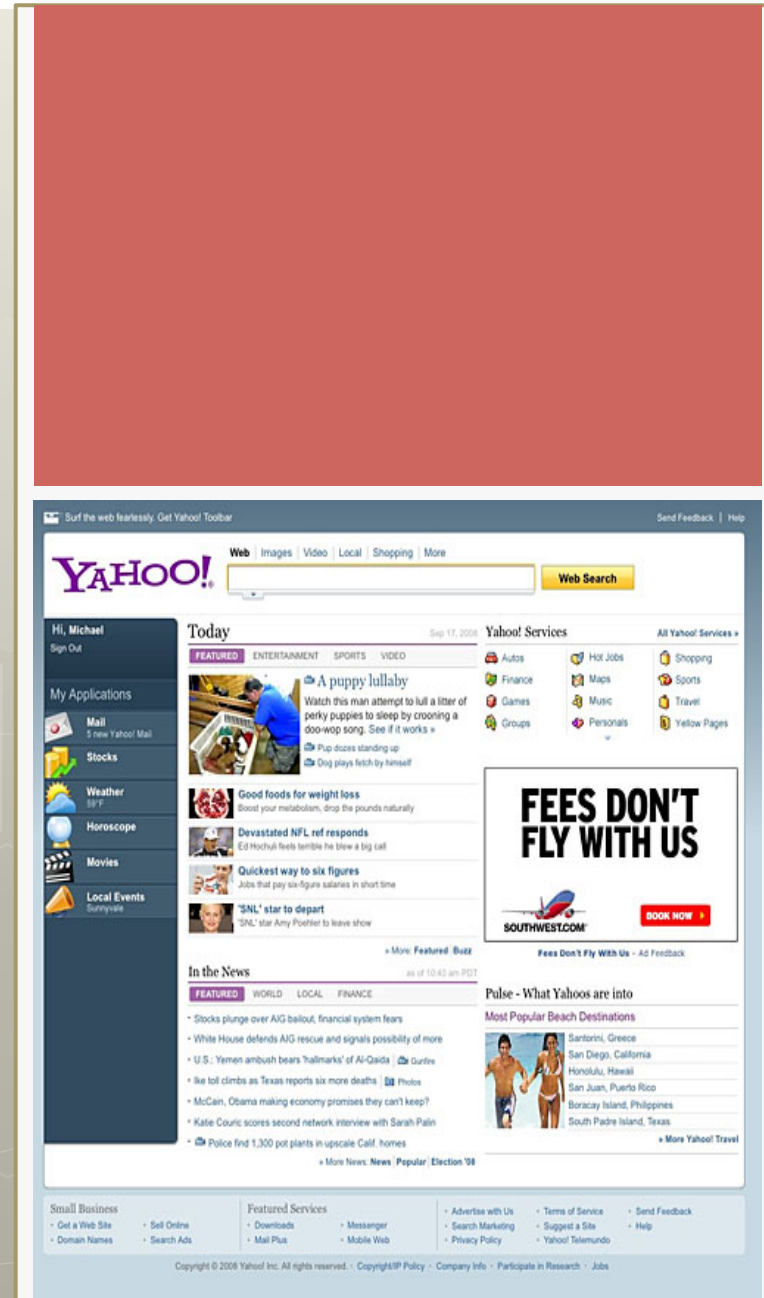
Media Relations

Advertising Online:

-Direct access

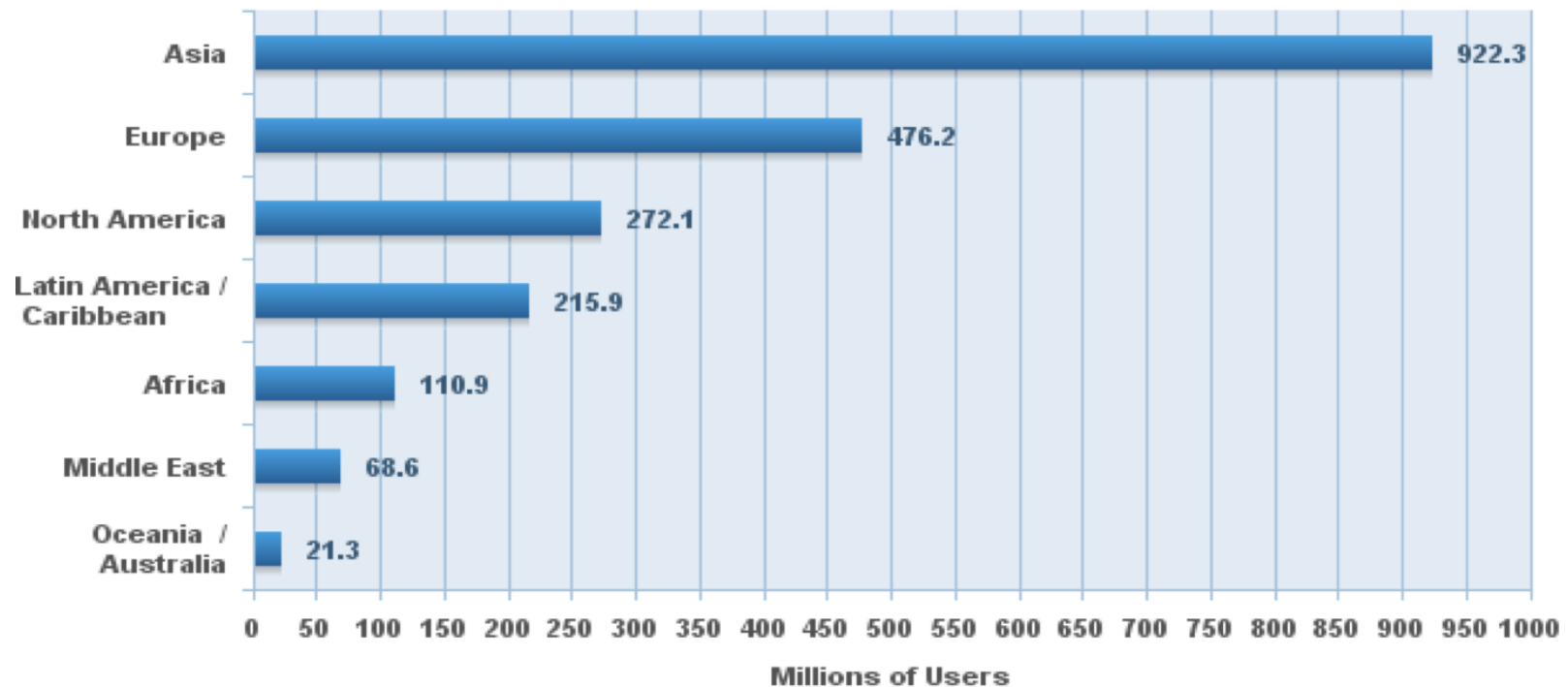
-Open 24/7 365 day a year

- Ability to respond faster to consumers



Advertising Online

Internet Users in the World by Geographic Regions - 2011



Source: Internet World Stats - www.internetworldstats.com/stats.htm
Estimated Internet users are 2,095,006,005 on March 31, 2011
Copyright © 2011, Miniwatts Marketing Group



Social Media

- Connect with fans and consumers
- Advertise new products, events, contests





Media Relations: Print and Online Magazines



Vibe Magazine

Unique Visitors Monthly: 485,941
18-34 year old



Billboard Magazine

Unique Visitors: 2,187,969
Intended for music professionals



XXL Magazine

Unique Visitors Monthly: 36,928
Number one hip hop magazine
on Newsstands



Spin Magazine

Unique Visitors Monthly: 236,928
2 million readers per month

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Print and Online Magazines (Continued)



Men's Fitness Magazine

Page Views Monthly: 4,235,485

Unique Visitors Monthly: 617,414

18-54 age demographic

78.1% Male; 21.9% Female Viewers and Readers



Fitness Magazine

Page Views Monthly: 1.2 million

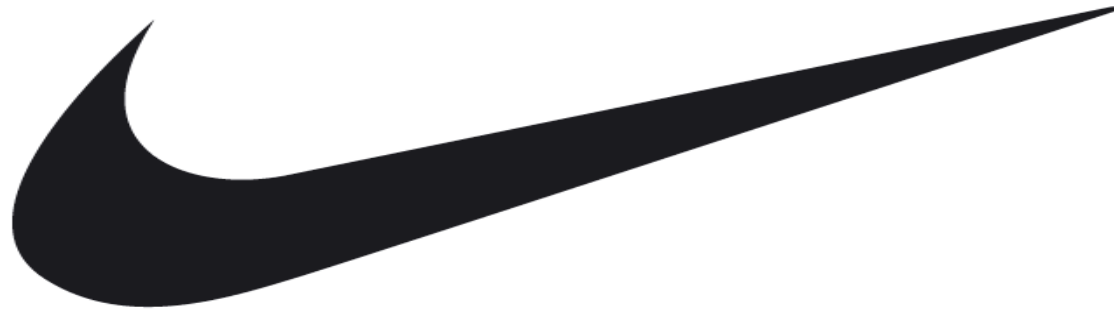
Unique Visitors Monthly: 546,268

18-49 age demographic

73% Female; 27% Male Viewers and Readers



NIKE Partnership





Why Beats with NIKE?

- Encourages cross-functional relationship between both consumers
- Dre to host and perform at Nike's next summer *World Basketball Festival*
- New products sold through NIKE TOWN



World Basketball Festival

- Nike to host World Basketball Festival at the Radio City Music Hall every two years
- 4 day festival with multiple musical performances and features some of the top DJ's
- Streamed live on Facebook, NBA.com, USABasketball.com and ESPN2
- Dr. Dre will host and perform at Summer 2012





Olympic Ceremony and Gifting

- The top American Athletes will be gifted Beats by Dre Headphones
- They will be seen wearing them during the opening ceremony as well as through out the event

Olympics

- Nike is already doing a partnership with the American Athletes
- We will gift our headphones to the American Team members
- In the last Olympics,
 - 43% of 12-17 year olds
 - 26% of both the Hispanic and African American Demographic

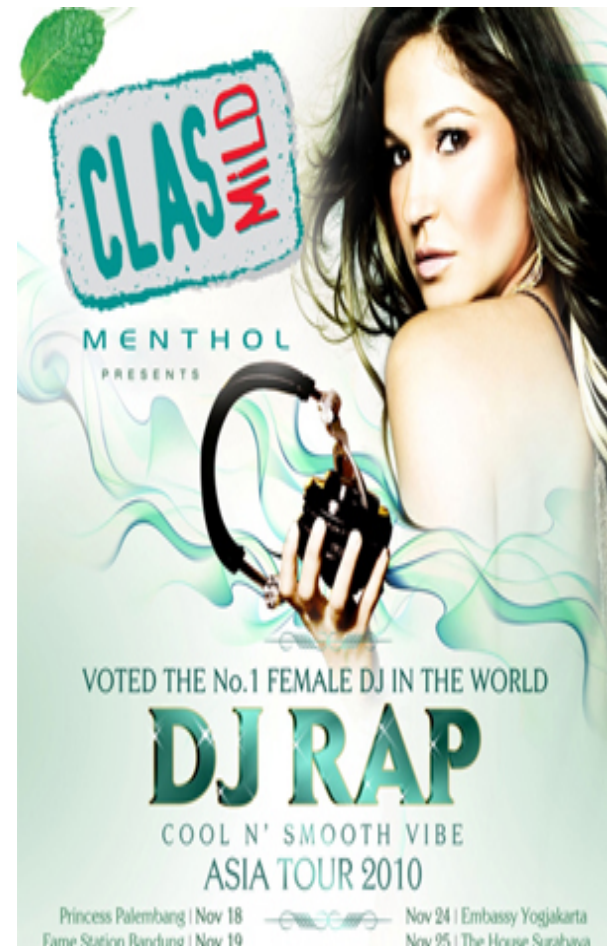


Target Female Audience

- Increase female audience by adding female endorser
- Endorser: DJ Rap

Who is DJ Rap

- Born: Charissa Saverio (aka DJ Rap)
- Voted #1 female DJ in the world
- CEO of her labels: Propa and Impropa Talent
- Dominates House Drum and Bass genres when scratching





Why DJ Rap

- Different from other endorsers because she is a DJ
- Being a DJ, she's relevant to music and has a different audience that follows
- Her look is universal



With New Endorser...

- Comes a new product
- Introducing *BEAUTY BEATS*– the new headphones and ear buds for women



Events

- *BEAT in the New Year With Dre*
 - *New Year's Eve Bash to introduce DJ Rap and new female headphones and ear buds*
- *DJ Battle*





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5th Year Anniversary - BEATS 2012 LAUNCH EVENT

- New Years Eve 2011 - NYC
- Multiple DJs spinning Hip Hop, Dance, and Top 40
- DJs wearing Beats By Dr. Dre headphones all night
- A RED CARPET & VIP
- Over 7 hours of OPEN BAR
- Press & photographers
- 5 BEAUTY BEATS giveaway
- 5 10% off BEATS store coupons



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15,638 Likes
6,000 Followers



65, 729 Likes
492,539 Followers



ARENA EVENT SPACE -NYC

- Win free tickets on Facebook
- From Friday, Dec. 31, 2011 at 9 PM
- To Saturday, Jan. 1, 2012 at 4 AM
- 1 Block from ball drop zone
- 1300 Capacity



DJ Battle

- Hosted by Dr. Dre
- DJ Rap, Jersey Shore's Pauly D, Tiesto and David Guetta
- Guests will dance to the beats of DJs battling
- Winning DJ based on applause and votes calculated on twitter





Venue

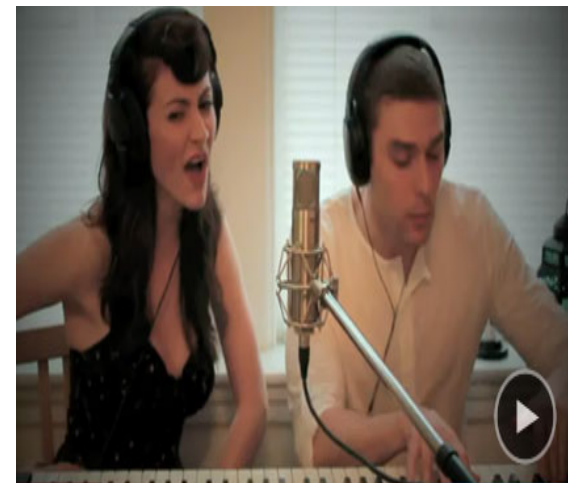
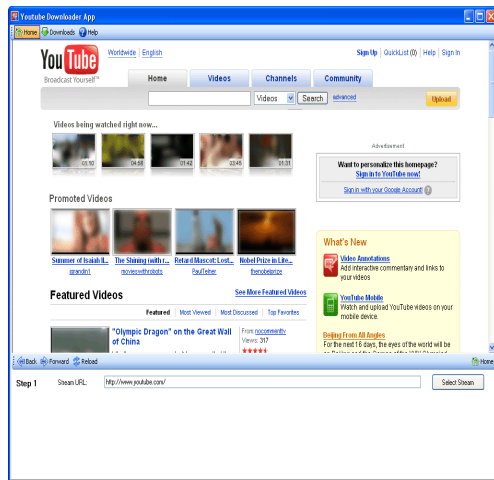


- Home Depot Center in Carson, California
- Capacity: 27,000
- Saturday June 16, 2011
- From 5:00PM-10:00PM
- Win tickets on Beats Facebook and Twitter pages
- Gift bags will include: Beats t-shirts, Beats key chains, and rubber wrist bands



Contests

YouTube Rap/Song Competition





Promotion

**NIKE TOWN Meet & Greet with Dr.Dre and/or DJ Rap
For autographed pair of headphones and pictures
with Dre and DJ Rap**



**New York City, Los Angeles, Chicago, and
Miami**



Promotion and Product Placement

- Our goal is to continue to push *Beats* in urban demographic but to do so more effectively by product placement and promotion
- We will also begin to target a female audience by having DJ Rap appear in more ads and in media to promote the new product



TV Appearances



- average of 791,000 viewers per day
- most successful video countdown
- young adult viewers, 16-25, urban



- 18-54 women
- 62% female-38% male
- No. 1 rated show in its timeslot among women 25-54 in the New York, Chicago, Philadelphia, Dallas, Washington D.C., Houston, Detroit, Minneapolis, and Orlando markets.



- MTV2 and its longest running franchise and #1 weekly hip-hop show
- Averages 300,000 viewers



Product Placement

Television - Traditional (unpaid)



-90210

-DJ wears BEATS headphones during a party where he DJ's



-Reed Between the Lines

-Teenage son Keenan wears BEATS headphones one episode



-106 & Park Freestyle Friday

-DJ wears BEATS headphones during rap competition



-Modern Family

-Haley wears Beats headphone during one episode



Product Placement

Television – Paid or Trade Off's

Paid – Product Integration



- BET's The Game
- Star athlete Derwin Davis offered and accepts endorsement deal with BEATS by Dre

Trade Off



- Master of the Mix DJ Competition Season 2
- Full Season
- All contestants wear BEATS headphones during competition

Future Goals

- Team with “high fashion” clothing line
- Pull *Beats* from shelves of specific retailers such as Hot Topic and Wal-Mart to coincide with the idea of the product of being exclusive
- Expand on merchandise
- Open permanent BEATS store (only open from November 3, 2011 – January 15, 2012)



Budget (estimated)

- Product Placement: \$200,000
- DJ Battle Event: \$18,000
- 5th Anniversary Bash: \$20,000
- NIKE Partnership: \$200,000
- NIKE Ad: \$100,000
- NIKE TOWN Tour: \$1,000
- DJ Rap Endorsement: \$50,000 contract
- New product (*BEAUTYBEATS*): \$25,000
- Total magazine advertisements: \$2,000
- Total for gifting and tradeoff: \$3,500

Total: \$600,500



Conclusion

- Through this marketing strategy, Beats will become a top competitor amongst other headphone brands and current lines. Beats will appeal to both men and women of all ages, athletes, music industry folk, and exercise enthusiast – while becoming a part of the fashion world.

