

Market Information

2019 Music2Go Marketing - Demo - Period 2018

Segment Size and Price Range

The table below outlines the estimated market size (total retail sales value) of the various market segments.

Segment	Actual Demand (2018)	Forecast Demand (2019)*	Minimum Retail Price	Maximum Retail Price	Recommended
Standard	3,010,011 units	3,160,000 units	\$40	\$120	\$95
Youth	1,479,863 units	1,550,000 units	\$20	\$80	\$60

Notes:

1. The Forecast Demand is an ESTIMATE of the likely size of each market segment for next year.
2. The Retail Price Range indicates the EXTREMES. You are advised to stay near the middle of the range.

Product Dimension Sensitivities

What is the sensitivity of the segments to the various product dimensions?

Segment	Price	Advertising	Distribution	Product Specs
Standard	High	Med	High	Low
Youth	Med	High	Med	Med

Media Channels

Media Viewing Habits

The proportion of each segment that can be reached by different media channels is shown below.

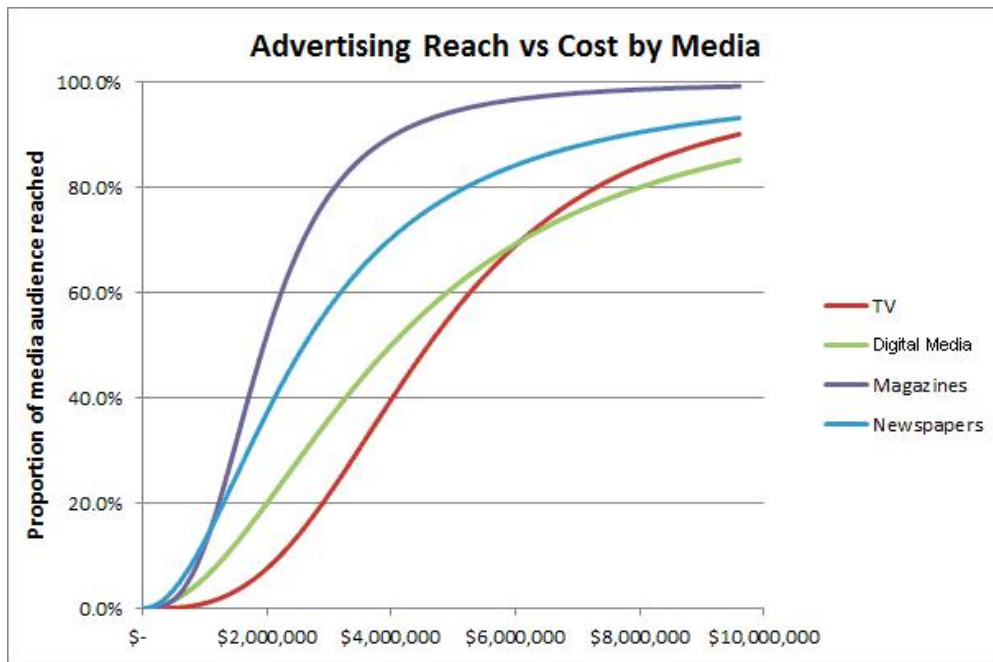
Segment	TV	Newspapers	Magazines	Digital Media
Standard	91%	58%	42%	85%
Youth	97%	15%	33%	99%

Notes:

1. Because people watch/read more than one media channel, the rows can add to more than 100%.
2. Combine Viewing Habits with the Media Reach information below to decide on an optimal Advertising Mix.

Advertising Media Reach

The proportion of media channel audience that can be reached for a given Advertising spend.



Notes:

1. Combine Media Reach with the Viewing Habits information above to decide on an optimal Advertising Mix.

Chart Data Table for Advertising Media Reach Chart

The following table shows the data points used to draw the above chart.

Advertising Expenditure	TV	Digital Media	Magazines	Newspapers
\$500,000	0.1%	1.5%	1.7%	3.6%
\$1,000,000	1.0%	5.9%	11.9%	12.9%
\$1,500,000	3.4%	12.3%	31.3%	25.0%
\$2,000,000	7.6%	20.0%	51.9%	37.2%
\$2,500,000	13.8%	28.1%	67.8%	48.0%
\$3,000,000	21.7%	36.0%	78.5%	57.1%
\$3,500,000	30.6%	43.4%	85.3%	64.4%
\$4,000,000	39.7%	50.0%	89.6%	70.3%
\$4,500,000	48.4%	55.9%	92.5%	75.0%
\$5,000,000	56.2%	61.0%	94.4%	78.7%
\$5,500,000	63.1%	65.4%	95.7%	81.7%
\$6,000,000	68.9%	69.2%	96.7%	84.2%
\$6,500,000	73.8%	72.5%	97.4%	86.2%
\$7,000,000	77.9%	75.4%	97.9%	87.9%
\$7,500,000	81.3%	77.9%	98.3%	89.3%
\$8,000,000	84.0%	80.0%	98.6%	90.4%
\$8,500,000	86.3%	81.9%	98.8%	91.4%
\$9,000,000	88.2%	83.5%	99.0%	92.3%
\$9,500,000	89.8%	84.9%	99.1%	93.0%
\$10,000,000	91.1%	86.2%	99.3%	93.7%

Sales Promotion

Sales Promotion decisions are available after the 1st rollover

Sales Promotion in Music2Go works by boosting your distribution coverage and distribution index. You should buy the Distribution Coverage and Sales Promotion Market Research report for detailed information on the Sales Promotion Rating and stage of Product Life Cycle for all firms in the Industry.

Each promotional activity has particular relevance to certain stages of the Product Life Cycle as outlined below.

Trade Shows

Segment	Growth	Mature	Decline
Youth	15%	5%	5%

Standard	20%	5%	10%
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Sales Force Training

Segment	Growth	Mature	Decline
Youth	25%	10%	5%
Standard	20%	5%	5%

Premiums (Gifts)

Segment	Growth	Mature	Decline
Youth	5%	25%	20%
Standard	25%	40%	25%

Website / Social Media

Segment	Growth	Mature	Decline
Youth	25%	20%	15%
Standard	10%	10%	10%

Point of Purchase Displays

Segment	Growth	Mature	Decline
Youth	25%	25%	25%
Standard	15%	20%	20%

Rebates

Segment	Growth	Mature	Decline
Youth	5%	15%	30%
Standard	10%	20%	30%

In Music2Go, new Products start in the Growth phase then over the next six rollovers they gradually transition from Growth, to Mature, to the Decline phase.

Life-Cycle Stage	Age
GROWTH	(new product / 0 years old)
GROWTH - STARTING TO MATURE	(1 year old)
MOSTLY MATURE	(2 years old)
MATURE	(3 years old)
MATURE - STARTING DECLINE	(4 years old)
MOSTLY DECLINE	(5 years old)
DECLINE	(6 years and older)