

# PARKING GUIDES

**California State University, Northridge**  
**Wells Fargo Center for Small Business and Entrepreneurship**

Small Business Consulting  
Fall 2007  
Professor Vigneron

***Excel Consulting Group:***

Blake Marco  
William Treet  
Babak Hudi  
Jennifer Aviston

# TABLE OF CONTENTS

Executive Summary.....	1
Mission Statement.....	2
Situational Analysis.....	2
Social-Cultural.....	2
Consumer Trends.....	6
Demographics.....	7
Technological.....	7
Economical.....	8
Legal.....	9
Competitive Analysis.....	10
SWOT Analysis.....	12
Internal Environment	
Strengths.....	12
Weaknesses.....	13
External Environment	
Opportunities.....	14
Threats.....	14
Segmentation Analysis.....	15
Target Analysis.....	15
Positioning Analysis.....	16
Marketing Mix: Tier 1 Pre-Produced Audio Products.....	16
Product.....	17
Price.....	23
Place.....	23
Promotion.....	24
Issue Analysis.....	28
Critical Success Factors.....	28
Strategic Marketing Alternatives.....	29
Evaluation of Marketing Alternatives.....	30
Recommended Strategic Alternatives.....	31
Marketing Mix: Tier 2 Customization.....	31
Product.....	32
Price.....	33
Place.....	34
Promotion.....	35
Conclusion.....	36
Consultant Biographies.....	37
References.....	38

## EXECUTIVE SUMMARY

This report had been provided by Excel Consulting Group and offers two strategic guidelines for *The Parking Guides* (FG), keeping in mind the objectives to jumpstart revenues, increase brand awareness, and continue product development.

- Tier 1 is a short-term strategy, which is intended to establish profits within the coming years. It will focus on the product at hand, encouraging the perfection of the audio series.
- Tier 2 is a long-term strategy that will concentrate on the customization aspect of FG. Entering the untapped industry, there lies huge potential to become a market leader in customized self-help audio products.

### **Tier 1:**

- Currently, *The Parking Guides* includes a set of eight distinct topics that reaches out towards a variety of individuals from different walks of life. The brand name, while unique and creative, creates ambiguity and even misleads its intended audience. In addition, the term “Parking” is regional and may deter a national target market.
- The product differentiation is effective in reaching an unsaturated market, however, the packaging should be more intuitive in terms of relating the topic to the consumer immediately without question.
- Excel Consulting Group has offered a solution to the brand name confusion that will be easily recognizable and offer unique, iconic images to capture the market and encourage consumers to purchase the entire audio series.
- Three distribution channels are mentioned:
  - i. Retail Stores
  - ii. Direct Sales
  - iii. Online Distribution

### **Tier 2:**

- Customization is an enormous market where *Parking Guides* can succeed due to knowledge of educational audio production specifically designed for commuters. The products can be sold in two different ways: **Industry specific** products and **company specific** products.
  - Industry specific products can be sold to a whole industry such as restaurants that need to train new employees.

- Company specific products can be made in congruence to a business' needs, such as if McDonalds wanted a manager training audio CD.

## **MISSION STATEMENT**

**The Parking Guides build better lives one commute at a time by providing practical audio training for people on the go.**

## **1. SITUATIONAL ANALYSIS**

This section includes a snapshot of where things stand at this point in time. The situational factors are the elements in the environment which impact the company's ability to reach its goals.

These factors include:

- Socio-cultural, consumers trends, demographics, technological, economical, and legal.

The greater the understanding of the current environment, the greater the foundation the company can build upon.

### **1.1 Socio-Cultural**

- **“America Jammed”- driving time and traffic are at an unbelievable high which means more time in car.<sup>1</sup>**
  - “The number of vehicle miles traveled has **increased 74 percent** since 1982, but road lane mileage only increased 6 percent.”<sup>1</sup> *See Appendix A*
  - “Americans spent **80 million more hours** sitting bumper-to-bumper in 2003 than the previous year. Los Angeles tops the list of bad traffic, Jerry Bowen reports.”<sup>1</sup> Commute Time Survey Report for Country: United States:<sup>2</sup> *See Appendix B*
- **Self Help Nation: Huge size of self help market**
  - Americans spend billions of dollars a year trying to improve themselves.

- “Self-help, in all its ever-proliferating forms—books, seminars, video, audio and digital—it’s a **multibillion-dollar industry**. And most of us would agree that the lingo, theories and attitudes of the self-help industry have soaked into every corner of American life.”<sup>3</sup>
  - Self help books have been around since before the Civil War. What is new is the scale and variety of media accessible.
    - “The self-help book category came into its own in 1936 with the publication of Dale Carnegie's book *How to Win Friends and Influence People*. **Today self-help sales are \$538-million** and account for one in ten titles sold.”--The Wall Street Journal, December 8, 1998.<sup>4</sup>
    - According to a Forbes magazine article, Here’s Sound Advice: Write Book, Become Rich, “In 2001, **3.500 new self-help titles**, amounting to 2.6% of all new titles, were published in the U.S., according to Simba Information, a market research firm that focuses on the publishing industry. In terms of sales, self-help was even more pervasive, amounting to 5.7% of all consumer sales, Simba says.
  - **Acceptance of self-help industry:** America has an almost limitless craving for self-improvement, and they turn to "gurus" for help and guidance. Now more than ever, **people are turning to the self-help industry** to try and fix something or get a better understanding about a personal situation.
  - **Growth of self-help industry:** U.S. market for self-help products was **worth \$8.56 billion** in 2003 according to Marketdata Enterprises Inc. Presently it’s worth \$9.6 billion and this market continues to grow at an **estimated 7.9% every year**. At that rate, the value of this market will be \$11.9 billion by 2008. *See Appendix C*
    - Americans spent a **whopping \$668 million on self-help books** in 2005, a 44 percent increase over 10 years earlier. Appeared in the May 2006 issue of *Women's Health*. “To cope with such economic insecurity, it seems that Americans have seized upon self-improvement culture in record numbers.
      - Between 1972 and 2004 the number of self-help books published more than doubled. Estimates of the total annual revenues for the self-help industry range from **\$2.8-billion to \$8.6-billion**, with one out of every three Americans

reporting that they've purchased at least one self-help book.”<sup>5</sup>

- “According to the Audio Publishers Association (APA), the overall market for spoken audio has doubled over the past eight years, and is now worth an estimated **\$2 billion**. Self-help and inspirational categories are ranked third and fourth, respectively, as the most popular categories.”<sup>6</sup>
- **Variety of topics:** As the market continues to grow, more topics are created. Currently there are hundreds of different topics ranging from personal finance to yoga, from public speaking to dating, and from how to play the guitar to how to connect with your soul.
  - In fact, according to Marketdata Enterprises, Inc. general motivational and spiritual self-help was valued at 4.7 billion. Business and financial help was valued at 1.1 billion. Stress management was valued at \$385 billion. Weight-loss was valued at 1.3 billion. And, exercise was valued at \$1.1 billion.
- **Self-help shelf space is very prominent in retail stores:** product placement is very feasible for people to find and explore. There is a growing devotion of shelf space and multiple entries on mass-audience bestseller lists. A quick search on Amazon.com for "self-help" reveals 19,250 entries.<sup>7</sup>
- **World of entertainment: rise of entertainment in advertising and production**
  - With the dawn of the Internet came many new advertising and production opportunities and has now become commonplace. Consumers are drawn to fun, friendly, and entertaining ads and products.
  - Each year, **greater sums are paid to create an entertaining, fun, and friendly advertisement and produce a genuine likeable product.** Companies attempt to make these commercials sufficiently entertaining so that members of the public would actually want to watch them.
    - According to a study from the Associated press, U.S. consumers are increasingly shifting their attention away from traditional, advertising-supported media in favor of entertainment such as the Internet, video games and cable TV.
    - As a result, the boom in pleasurable, interesting advertising and production is expected to continue **to grow an average of 21 percent through 2011**, including online-only outlets such as Yahoo Inc. and Google Inc. as well as digital revenues from

traditional media outlets such as newspaper publishers and TV broadcasters.

- In 2010, that would put overall ad spending at **\$54 billion**.
- The demand for entertaining commercials grows as ad clutter increases and the Internet extends the shelf life of consumer-driven TV spots.
- The annual Super Bowl telecast demonstrates that viewers love funny commercials, which should encourage small firms and organizations to spice up their advertising with **humor and entertainment**.
  - The Super Bowl telecast proves every year that the nation's best ad producers believe **humor is a powerful advertising tool**, especially in television commercials. A funny commercial generates excitement. It has a good chance of being remembered. The best ones generate the consumer buzz that advertisers now seek.
- **The demand for entertainment in commercials grows as:**
  - Organizations try to **break out of the increasing advertising clutter** on both television and the Internet. Shelly Lazarus, the CEO at Ogilvy & Mather, one of the world's biggest ad agencies, told Fortune Magazine that "we're living in a world now where consumers are bombarded with thousands of commercial messages. They're everywhere you look. Unless you can cut through that and engage someone, I think you are lost."
  - Consumers can view more international commercials online, increasing their advertising sophistication, as well as their expectations from local and national spots.
- **Entertaining ads get more exposure on the internet:**
  - Right after the game, USA Today and the Wall Street Journal now conduct polls to determine which Super Bowl commercials were most popular and which were least liked, **placing more pressure on producers to stress entertainment**.
  - A little later, the dozens of Super Bowl commercials are parked on the Internet for less-hurried, year-round viewing, some more than a **half million times**.

- Once spoiled by the **entertaining \$2.6 million** Super Bowl spots, ad viewers are harder to impress the rest of the year, encouraging the production of viewer-driven, rather than sponsor-driven, commercials.

## **1.2 Consumer Trends**

- **Audio book Behavior:** Huge increase in audio book usage. Nearly **25% of US Population is listening to audio books**. According to the Audio Publishers Association (APA) in a consumer study, Audio Market Survey: Customer Profile, Usage Patterns, and Experiences, that profiles audio customers to help better understand their behavior, “the new data indicates that nearly **one in four Americans (24.6%)** have listened to an audio book in the past year. According to the APA:
  - The most common reason given for listening to one’s first audio book was **entertainment for traveling**, followed by recommendation from a friend, activity to do while commuting, and activity while doing other tasks such as exercising, relaxing, cooking, cleaning, etc. People whose jobs involve repetitive manual tasks also report using audio books at work.
  - Audio book listeners listen to books an **average of 4.9 hours per week**.
  - Respondents indicated approximately **54.4% of their audio books are on CD** (including MP3 CDs) and **37.3% are on tape or cassettes with 7.1% as digital downloads**, and the remainder in “other formats” (e.g. preloaded media).
  - Respondents indicated over **68% of the audio books they listen to are in unabridged format. 17.4% are abridged and 14% are not book based** (e.g. collection of speeches, comedy routines, professional, training, motivation, religious seminars).
- **Audio book Acquisition:**
  - According to the an APA press release:
    - Of the audio books that are purchased, **63%** are bought at physical stores, **31%** are purchase via the Web, and **6%** via phone or mail order.
    - As audio book usage continues to grow so does usage of libraries as a source. Respondents indicated **51.8% of audio books that are listened to are borrowed from the library, as compared to 38% in 2001**.

- The most important factors for consumers when selecting audio books are price, availability on CD, author, description, and narrator.
- The **most commonly used information sources** for selecting audio books include web sites, recommendations from friends, physical bookstore, bestseller lists, and librarians. Less common sources are catalogs, magazine or newspaper reviews, and local book clubs.

### **1.3 Demographics**

- The Audio book Market Survey, conducted by the APA, defined the typical audio book listener in the United States:
  - Adult listeners (44.7 years old—baby boomers), account for **87% of all purchases**—split evenly between male and female. Audio books geared toward **children and teens accounted for 13%** which identified the market at only **7% of sales**.
  - Approximately **half of audio book listeners** with children between the ages of 4 and 17 indicated their children have listened to an audio book in the last 12 months
  - Have more education (**83.9% have gone to college**) and buy and read more printed books (**94.3% have read a book in the last 12 months**) than non-listeners, thus proving that audio book listeners are well-read and ardent fans of both the spoken and written word.
  - **Fiction represented 69%** and **nonfiction represented 30% of sales 34.8%** of audio book respondents indicated they have an iPod or an MP3 player (younger listeners are more likely to have an MP3 player than older listeners)

### **1.4 Technological**

- **CD media:** Consumers continue to migrate to the CD downloadable formats while leaving cassettes behind. CD sales accounted for **77% of sales (\$710 million) in 2006**, while **digital downloads accounted for 14%**. Cassette sales represented only 7% of sales. <sup>8</sup> *See Appendix D*
  - **CD media has become commonplace** and other formats such as downloads continue to increase as the adoption of new technologies increase and MP3 players (a common file format for digital music and audio files which can hold many more hours of content than a single CD) become more widely used.

- Audio books have been around for years on tapes and CDs, but new downloadable and digital audio books and players make it more convenient to catch up.
  - Downloads represented **14 percent of sales** in 2006, compared to **9 percent of sales** in 2005 and 6 percent of sales in 2004.
  - Consumers are clearly embracing new audio technology, as **34.8%** of survey respondents indicated they own an iPod or other MP3 playback device and **31.3%** of those respondents have downloaded a digital file of an audio book to their MP3 player. **27.2%** of the respondents with an MP3 player indicated they have downloaded a pod cast, a digital recording of a radio broadcast or similar program, made available on the Internet for downloading to a personal audio player.
  - Downloads are still a relatively small but growing part of the overall format pie, as respondents indicate that **54.4%** of their audio books are on CD, while **37.3%** are on cassette and **7.1%** are digital downloads.
    - An example of a company turning to downloadable audio books is the music retailer—eMusic, the world's second-largest digital music service after iTunes, announced the availability of more than a thousand downloadable audio book titles in the universally compatible MP3 format.
- **The digital audio books market is currently the fast-growing segment of the book publishing industry.**
  - According to Piper Jaffray & Co., the worldwide market for digital audio books and other spoken word is **expected to grow 45%** in revenue from **\$138.6 million in 2006 to \$201.1 million in 2007, and 36.5% to \$274.4 million in 2008**. When eMusic subscribers were polled recently on what new products they would be most interested in, 49% expressed interest in audio books.

### **1.5 Economical**

- The American self-help industry has always been a reactionary response to economic stresses beyond the control of citizens.<sup>9</sup>
- Since the 1950s, whenever there has been a sense of economic anxiety, for example: war, stagnant wages, or destabilized employment opportunities for American workers, there has always been a time of depression. In addition, Americans face harsh standards in the social environment within their jobs and families. Having goals like lifelong marriage and lifelong professions are desired by most Americans and thus making oneself desirable to others and perfecting

one's character are imperative in this new economy. A sense of personal security is abnormal, while anxiety is the norm. To manage this anxiety, individuals have been advised to **invest in themselves**, manage themselves, and continuously improve themselves.<sup>10</sup>

- The self-help industry and audio books create an outlet for people to listen and help themselves.

## 1.6 Legal

- **Anti-piracy measures:** Piracy and the Audio Home Recording Act<sup>11</sup>
  - It is estimated that **3.6 billion songs are illegally downloaded** each month in the United States and the most likely culprit in this trend is the rise of digital music and the growing popularity of CD burners.
  - In an act of self-defense, the largest record companies have **developed anti-piracy technology** to protect their copyrighted music. They have required manufacturers to protect copyrighted digital music from piracy by making significant alterations to the CD players and personal computers that they produce, thereby preventing unauthorized copying.
  - Major music labels are currently experimenting with anti-piracy technologies. These copy-protection programs encode electronic impediments onto commercial CDs, which prevent the discs from being played on any device that is not a simple CD player. Other anti-piracy technology prevents consumers from listening to CDs on any type of CD-ROM, DVD player or personal computer.
- **Spread of music piracy:** piracy is the act of copying digital music content to a blank CD, or uploading or downloading it on the Internet.
  - **Audio Home Recording Act:** Many more companies are developing and marketing more solutions for anti-piracy technology. Most audio book downloads have some type of digital rights management built in. In 1992, Congress passed the Audio Home Recording Act (AHRA), an amendment to the federal copyright law. Under the AHRA, all digital recording devices must incorporate a Serial Copy Management System (SCMS). This system uses a file format which puts a digital "lock" on a file to control the number of times or ways a file can be played or copied.

- Congress did not anticipate that the SCMS would be inadequate to contain the impending home digital recording explosion that was galvanized by the Internet. However, the CBDTPA bill and the new anti-piracy technologies appear to be the music industry's effort at making an end run around the AHRA. Instead of passing this new legislation, it would be more appropriate for Congress to amend the AHRA, which strikes an appropriate, albeit outdated, balance between music distributors, electronics manufacturers and consumers.
- One change that is absolutely necessary for the AHRA is to require PC hardware and software manufactures to also pay a **royalty tax** and comply with the SCMS requirement. Although the primary function of a PC is not to record copies of music, for all practical purposes, **PCs pose the biggest threat** to copyright holders because they not only allow users to copy music onto the hard drive for downloading onto a blank CD, but also permit consumers to share music on the Internet.
- An amended AHRA would cover all the bases for the music industry: they would continue to recover from digital recording device manufacturers for music copied on CD burners, which IT manufacturers likely would happily pay rather than **install anti-piracy safeguards** on their products; they would now be compensated for music downloaded on home computers; and they would autonomously be able to collect from individuals via the **online subscription services**, a well that will probably not run dry as long as the subscription fees are less expensive than purchasing the music in a store.

## 2. COMPETITIVE ANALYSIS

- **Chicken Soup**
  - Key Attributes: Memorable & Inspirational
  - Market Share based on Shelf Space: 12%
    - Strengths:
      - Great brand awareness, variety of topics that includes teenagers to adults, reputable, text as well

- Weaknesses:
      - Has an association with being for children, as well as overly spiritual
- **Dummies**
  - Key Attributes: Practical & Friendly
  - Market Share on Shelf Space: 16%
  - Strengths:
      - Great variety of subjects, known brand with books as well, identifiable packaging, substantial shelf space
    - Weaknesses:
      - Often generic and superficial, reputation unknown amongst audio self-help category
- **Dyer**
  - Key Attributes: Inspirational & Informative
  - Market Share on Shelf Space: 32%
  - Strengths:
      - Significant shelf space, amazing reputation, great brand awareness, lots of useful information
    - Weaknesses:
      - Sometimes dry and unentertaining, hard to understand at times, must concentrate heavily
- **Rich Dad Poor Dads**
  - Key Attributes: Unique & Helpful
  - Market Share on Shelf Space: 24%
  - Strengths:
      - Interesting stories and topics, makes dry information easy to understand, great reputation, substantial shelf space
    - Weaknesses:
      - Generic topics, dull packaging, sometimes monotonous
- **Trump**
  - Key Attributes: Powerful & Unique
  - Market Share on Shelf Space: 16%
  - Strengths:
      - Extremely well known brand and image, wealth resonates around name

- Weaknesses:
  - Not entertaining, must focus heavily, boring

### 3. SWOT

#### • 3.1 Strengths

- **Driver focused educational audio** – Parking Guides has selected a **niche of drivers** who want educational audio to listen to while doing their daily driving, which has not been focused on by other competitors. Their audio is **concise** enough to listen to in just a few driving sessions.<sup>12</sup>
- **Entertaining & practical content** – The content of these Parking Guides are meant to be **entertaining and lively**, but at the same time, they are **practical and informative** enough to **educate the listener**. This entertaining content can also be seen as silly, which is mentioned in the **weaknesses**.
- **Concise information** – They have one of the **most concise audio products** which are meant to provide listeners with all the **pertinent information** in a short enough span to listen to in a person's **daily commute** in a car. This short media can also be seen as a **weakness** for consumers which is mentioned later in the **weaknesses** section.
- **Founders' backgrounds** – Jared Patrick has a background of **production and editing** and has worked in television and film in the past. Susan Leahy is a **professional speaker and facilitator**. They brought their previous skills together to produce entertaining and educational audio.
- **Credible Instructors** – The instructors on their media all come from backgrounds which **relate to the topic** that they are speaking about and this information is outlined on their website.
- **Packaging Stands Out** – Their packaging is **very noticeable** next to the **competitors packaging** which seems bland in comparison. They use **vivid colors and designs**. There is a problem with the packaging **not being very intuitive** also which is mentioned later in the **weaknesses**.
- **Website & other promotional materials** – Their **interactive and informative** website gives listeners **extra tips** and information on other current and future titles. Their website also lists the instructors and which titles these instructors offer.

- **3.2 Weaknesses**

- **Too product focused** – The Parking Guides are **very product oriented** and focused and they do not always look towards what the **market wants or what will sell in the market**. They produce this entertaining and driver friendly audio media and then try to find a market for it.
- **Name confusing and misleading** – The name “Parking Guides” can be **confusing** because it leads a potential consumer to believe that the product is **a guide to the Parking**, i.e. maps. Also, Parkings are **regional** and the term Parking is not used throughout the country.
- **Wide-ranging and unrelated topics**– The Parking Guides span through many topics which are very **dissimilar and do not match each other**. They don’t have a series of money related topics and other related topics; they are general life improvement topics.
- **Limited Number of Topics** - The number of topics that they currently have produced is **relatively small compared to other competitors** which do are selling a wide series of media. There are currently only 8 topics in the Parking Guides collection.
- **Too cartoon-like** – Although the media they produce tries to stay **fun and entertaining**, it can come off as **silly and not professional**. There are many sounds played during the speech and the product packaging is not as professional as many of the competitors’ products.
- **Info overload: 17 Tips** – The media tries to keep the information concise with tips but they may be using **too many tips** which will be hard for the consumer to remember.
- **Packaging not intuitive** – The packaging **makes it hard for people** who see it to understand exactly what the product contains. The packaging focuses on the driving aspect by showing a car driving on a road but this **may confuse consumers** since it does not have a visual of the topic.
- **Lack of capital resources** – The company is being funded wholly by the two owners’ **personal capital** and will need to generate **more capital** or **find investors** to grow in the future.
- **Short media** – Their media is **shorter than most of their competitors** and this may seem as they are providing **less value** to the consumer due to less time for information to be conveyed even though they are trying to give all the important points, but in a short amount of time to cater to commuters.
- **No distribution channels** - Currently the Parking Guides are **not sold in many retail or online distribution locations** and customers can not find their products as easily as many of their competitors’ products.

- **No brand equity** – The brand is currently **virtually unknown** and will need to be promoted for consumers to **recognize** their name and packaging. Without brand equity sales will be slow.
- **Focused on declining CD audio market** – Compact disc sales **have been decreasing** steadily throughout the years and many blame this on piracy and internet media exchange.
- **3.3 Opportunities**
  - **Increase in audio book usage** – According to NPR: downloadable audio books represented **9% of sales in 2005, up 50%** from previous year. (NPR Audio) This increasing market is who they will be going after.
  - **More driving** – The amount of people driving is **always increasing** and according to an article from CBS news: “The number of **vehicle miles traveled has increased 74 percent** since 1982” Drivers are a large part of the Parking Guides consumers and market. The **average drive time** to work in Los Angeles County is almost 30 minutes.
  - **More Traffic** – With the **increase of drivers and automobiles** on the road, **traffic times are rising** and this gives people **more time to listen to audio** while driving in traffic. This market is **always growing** and is the market that the Parking Guides are geared towards.
  - **B2B sales & growth**
    - **Fortune 1000 custom training products** – Parking Guides currently produces custom audio training media for organizations looking to train their employees. This market of organizations that need to **train employees** is a very **large opportunity**.
    - **Libraries** – Distribution in libraries throughout the United States will help them with **brand recognition and can lead to future retail sales**. This is a huge market as shown by an NPR audio clip which states: A recent survey of audio book users indicated that **51% of audio books people listen to come from the library**. (NPR Audio) There is an opportunity to gain recognition and brand equity
  - **Retail & Online distribution** –Expansion into retail and digital distribution will **increase their sales and raise their brand awareness** among educational audio users.
- **3.4 Threats**
  - **Business easy to replicate** – This business can be **replicated by anyone with capital** to record and reproduce informational audio recordings. If a company perceives this to be a profitable business and invests large resources into this, they **could dominate the market**.

- **Piracy** – Piracy is a large **threat to any digital media** and commercial audio CDs have been pirated for many years which has led to the music industry **losing huge amounts of sales**.
- **Existing, well-established competitors** – There are **many competitors** already in this market which have been outlined in the competitor section. These competitors have been in the industry **longer than the Parking Guides** and have **more brand recognition** and distribution.

## **4. SEGMENTATION, TARGETING & POSITIONING**

### **4.1 Segmentation and Targeting**

- **Drivers:** The Parking Guides is a variety of audio training books **aimed at people who drive and can listen to this audio in their cars**. According to the Federal Highway Administration, there were 201 million drivers in 2005, and this **statistic has been increasing yearly for the past 45 years**. This market is only going to grow larger and larger as time passes. The APA states that the **number one place people listen to audio books is in their car**.<sup>13</sup>
- **Audio Book Listeners:** According to the Audio Publishers Association (APA) – “The survey analyzed sales data from 2005 against data from the previous year and showed a **4.7 percent increase with audio book sales reaching \$871 million.**” Also according to the APA, Audio book listeners have a **higher income and are more educated** than non-listeners, the demographic is split evenly between males and females.
- **Audio Self Help Listeners:** According to the APA, **14% of audio books listened to are not book based, i.e. self help audio**. This means that the audio self help market is closer to a **\$122 million market**. The Parking Guides needs to go after audio book listeners but even more specifically: **audio self help listeners**. These listeners, at a fundamental level, receive their audio media for improving their knowledge of a business or for their own self improvement.
- **Consumer:** The Parking Guides currently **produces audio training content** for consumers attempting to improve themselves or their knowledge of subjects that affect their personal lives. These consumers are currently the **primary focus** of Parking Guides and their media. These consumers are drivers and audio self help listeners.
- **Business:** The current and future titles that Parking Guides offers can be used by businesses such as **libraries or retail or corporate businesses**. They can be given as gifts with purchase for businesses in related fields, such as a **car rental service giving a Parking Guides CD to renters to listen to while driving**. These can also be given as

gifts to employees. The Parking Guides also produces customized audio products which can be created specific to an industry, or a business.

#### **4.2 Positioning**

- **Company Definition** - The Parking Guides is positioned as a **practical and entertaining way** to learn a variety of topics while on the go. These driver friendly audio training CDs help consumers with many aspects of their lives.
- **Marketing Strategy** - The Parking Guides will pursue a short-term strategy of **Market Penetration** by marketing their existing products of Parking Guide audio in an existing market of audio self help.
- **Key Target** - People who drive and spend time in their car daily due to traffic or other reasons and want to **better themselves** through self help audio on a variety of topics.
- **Unique Positioning vs. Competition** - Compared to their competition the Parking Guides provide **more entertaining and more concise** audio training for people on the go.
- **Price Strategy vs. Competition** - The Parking Guides will position itself at a price which is in a **similar range to their competitors' products** while providing more entertaining and concise content.

#### **4.3 Positioning terms**

- Friendly
- Fun
- Fast

## **5. MARKETING MIX: TIER 1 PRE-PRODUCED AUDIO PRODUCTS**

- **5.1 Objectives**
  - To change the product name, packaging and any related materials to match the new Freddy and Fran™ brand.
  - To create distribution channels and have your products sold in several channels in the first year.
  - To generate sales of \$1 Million.

- **5.2 Product Mix**

- Parking Guides provides various audio topics that provide consumers with a **practical means of learning on the go**. The product is essentially an audio book which provides technical training on popular and specialty topics such as public speaking, personal finance, wedding planning and job interviewing. The **awareness is currently very low** and perhaps even non-existent as the company is new and in its developmental stages.

- However, as the target markets are developed and catered to, Parking Guides **will create a loyal following of customers** which have a need for education which is practical and entertaining. Customers will look to Parking Guides for on-going education in various topics of interest which will be developed over time.

- **Existing Topics**

- Parking Guides currently has a diverse but limited mix of 8 topics which are shown below:
  - Job Interviews
  - Personal Finance
  - Public Speaking
  - Healthy Eating
  - Wine Appreciation
  - Effective Networking
  - Planning Your Unique Wedding
  - Retiring Right
- Other topics are currently in the early planning stages or production and will include Credit Score and Online Dating. The array of topics needs **to continue to grow** in order to appeal to a wide consumer base as well as **create multiple topics** of interest for repeat customers. A consumer who has a great product experience with the Job Interviewing product may land a great job and soon need a practical guide to managing employees, resolving conflicts at work or negotiating. Existing customers **represent a great opportunity for future sales** of individual or bundled products.

- **Customized Solutions**
  - In addition to their current line of prerecorded and produced topics, Parking Guides **offers its services of creating customized products** for companies seeking to train or motivate their employees while they commute to work, through practical and entertaining audio.
  
- **Brand Name, Perception & Image**
  - **Brand Name:** The current brand name “Parking Guides” has the potential to create confusion with customers. Through our conversations and interviews conducted with potential customers we have learned **that the brand name is not intuitive. It does not suggest education or training but rather was often associated with the physical navigation of a route or a map.**
  - **Brand Perception:** During our research we also learned a critical fact association with **the word “Parking.”** While this word is very recognizable to customers in Southern California, **it may not necessarily translate to other geographic areas or regions such as the east coast,** particularly New York or New Jersey. The east coast does not understand “Parking” but instead uses terminology such as “Highway, turnpike or Toll Road.”
    - This fact makes the brand name **even less intuitive** and tends to limit its first time recognition and understanding in areas where **the term “Parking” is not regularly used.** In addition millions of commuters get to where they are going without driving. Many use subways, bicycles or other transportation means and still have the same need of making the most of this time through education.
  - **Brand Image:** The image of Parking Guides which differentiates it from its competitors is a product that is **fun, entertaining, practical and fast.**
  
- **Fun & Entertainment Factor**
  - We found that there are **very few products available in self-help audio which are fun and entertaining.** This is certainly a great differentiator and creates a just noticeable difference which helps the product stand out in the eyes of consumers.
    - While fun and entertaining are certainly attributes critical to the products success, you must always be **mindful of your customer.** The customer is likely to be an adult, usually a college graduate suggesting an age of 25 and older. The use of too many sound effects, while entertaining, tends to convey a **child-like experience.** After a while of listening, too many sound effects and animations can become

annoying. After all, the customer purchased the product for the content. This must be devised to deliver content with a hint of entertaining and fun that does not create a cartoon-like or child like feel.

- Seeing as our research suggests that **fun and entertaining are underrepresented in the market**, Parking Guides will become known as “The Fun and Entertaining” choice for audio products geared towards commuters of all types. To do so we suggest the following modifications and additions which will help position Parking Guides as a leader in the “fun” audio category.

- **Building Character and Personality**

- We suggest “**Freddy**” (fictitious character/mascot) is coupled with a new character, “**Fran,**” his female counterpart and exact opposite.

- **Freddy and Fran™ Brand Development**

- **The Brand**

- Freddy and Fran’s (Friendly, Fast & Fun Audio Training on the Go) is the going to be the best selling audio self-help series on the market. This **trendy twosome will entertain and educate for hours** with a variety of topics. Each 80-minute CD contains testimonials from Freddy and Fran™ themselves. The brand will seize the market and immediately make a **recognizable and reliable name** in the industry. Unique and striking packaging along with innovative e-commerce techniques will woo the customer into purchasing the entire series. Freddy and Fran™ will make friends along the way as they educate the world, one CD at a time. **Consumers will become comfortable with the effective teaching style and keep coming back for the next title from the highly anticipated series.**

- **Pros**

- Easily Identifiable Image
  - Packaging, Website (services, infrastructure)
- Relatable
  - Mascots come alive and capture entire audience.
- Personal
  - Series becomes a piece of oneself, expressed through brand
- Distinguishes itself from competition
  - Most of the audio self-help products have dull titles and contain NO images or mascots

- **Cons**
  - Lack of Connection
    - Brand is not audio nor topic specific
  - Slightly Ambiguous
    - Product is not embedded in the brand

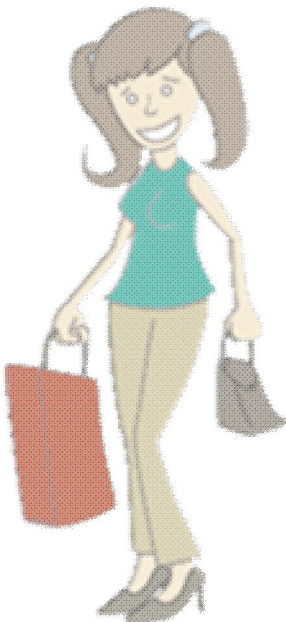
- **Unique, Identifiable Personalities**

- **Freddy**



- An energetic and spontaneous young soul, Freddy relishes a good time whether it is on a road trip or hanging around the house.
- While he loves sports like a typical guy, he also enjoys learning new things, especially if it gets him closer to his beautiful wife, Fran.
- Sometimes stubborn and full of himself, he luckily has Fran to ground him and keep him informed.
- Freddy will often turn a dull experience into a full-blown extravaganza.
- As each topic is explored further, Freddy realizes his potential through the help and exposure offered by Fran.

- **Fran**



- This independent woman is brilliant and loves sharing her knowledge with eager listeners.
- Fran enjoys traveling and shares her interest in the outdoors with her soul mate, Freddy.
- At times she can be quiet and reserved; however, Freddy helps to fully express herself comfortably.
- Fran is a good-looking woman who resembles the shy librarian type, but with the progress of each *Freddy and Fran*<sup>TM</sup> topic, she

explodes from her shell and becomes self-actualized like the listeners.

- **Physical Appearance**

- **Freddy**

- This will be the same icon as the original cartoon from *Parking Guides*
    - Simple look with goofy hair that is easily recognizable and distinguishable
    - Clothes will match dominant color of the specific product
    - Looks like an “Average Joe”

- **Fran**

- Refined looks that define intelligence, wisdom and radiance
    - Must match closely with the appearance of Freddy in terms of clothes, color, etc.
    - Stylish and trendy with an appeal to women of all ages.
    - Confident posture.



- **Practical Factor**

- We found **that most products claimed to be practical** but were still long (some took 4 or 5 hours to complete). In practicality we believe *Parking Guides* **also has a great differentiator but needs to stay focused on practicality**. For example a list of 17 tips as available in “Public Speaking” is not very practical. We would suggest condensing to three or four of the most important tips.

- **Fast Factor**

- The intent of positioning Parking Guides as “fast” **displays an effort to compare against other products** which are much longer and take too much time to complete. While the intent is good, you must be careful **not to reduce value**. Competitors highlight their long content which phrases such as “Over 5 Hours of Education” or “6 CD Package” which do a very good job at building value for their product. The use of the word “fast” along with offering just one CD tends to diminish value. A consumer is **likely to purchase a competing product** which offers more “class time” through longer content simply because at the point of purchase other products offer more value than Parking Guides.
- We recommend replacing the word “fast” with another word or statement which both builds value for the product and at the same time conveys the fact that the content will not take a large time investment. A phrase like “Learning in One Commute” could help to accentuate the fact that the audio training can be done quickly. It also **offers value over the competitors** by suggesting that Parking Guides teaches you the same things faster. The word “short” or “quick” may also **help connect better with your target consumer** who is busy and seeks products that will not take hours to complete.

- **Packaging**

- **Physical Look & Feel:** The **initial product samples** that we have seen **do not compare** well against competitors. Your packaging currently includes a single CD jewel case, shrink wrapped in plastic. Competitors all utilize packaging which is the equivalent of a DVD case, a hard case box or other packaging which has a look and feel of superiority.
  - During the course of this project we received samples of a **revised packaging**. We agree without a doubt, the new packaging is a **significant** improvement. It is now more appropriate, has information for easy reference inside and conveys value through its design
- **Creative & Graphics:** The overall graphical aspect of the product conveys the products attributes of **fun, entertainment and on-the-go friendly**. It is likely that consumers are looking for a product by topic as apposed to brand.
  - For example if they are interested in retirement planning they are looking for all things “retirement” and not necessarily a brand name specific to retirement.
- The creative and graphical design of the cover **risks being overlooked** by the consumer as it is not topic relevant or representational. At first look it is apparent that someone is driving and using a CD player. This is **not at all related to the topic**, which the consumer is interested in. The cover must

have graphics which relate to a topic. These graphics **will catch the eye** and mind of the consumer faster than reading the text on the cover. The following are just a few examples of images that may work with each topic.

- Job Interviews – two people shaking hands, one with briefcase
- Wedding – Bride and Groom
- Public Speaking – Person behind a podium, overlooking a crowd. (see appendix H for graphical ideas to improve topic relevance)

### **5.3 Price Mix**

- The price of a Parking Guide product is at **parity with other competitors**. Similar products in the self-help audio category are priced **from \$9.99 to \$49.99**. Only a few products were priced as high as \$49.99 and we consider these outliers. Most were under \$20 and thus places Parking Guides at parity. Although, competitors did offer more value through longer content, **you offer greater value** through attributes suggested in the product mix above.

#### **Pricing Strategy by Product**

	<b>CD</b>	<b>Pod cast/Download</b>
<b>Selling Price</b>	\$18.95	\$13.95
<b>Variable Cost</b>	<b>Approx. \$1</b>	<b>None</b>
<b>Gross Profit</b>	\$17.95	\$13.95

### **5.4 Place Mix**

- Seeing as Parking Guides would like to and needs to **maximize sales**, it is important to consider and exploit all sales and distribution channels available. **The product will be sold through the following channels:**
  - **Retail Stores:** These include book stores such as Barnes & Noble and Border’s as well as other retailers like Target and Wal-Mart. It is unlikely that big stores will have or be interested in a relationship directly with FG. Therefore it is **critical to establish a relationship** with the largest book/CD distributors who will be able to **introduce your product in the retail segment**.

- **Online:** In today's environment **sales on the internet will be critical** for your product. If nothing else, the online marketing of your products will supplement and compliment other marketing which could lead to in-store purchases. Additionally, selling directly from **your website generates more profitable sales unlike retail sales** which are split with retailers and distributors.
  - The first half of online selling (web-presence) has already been established. Your website, [www.Parkingguides.com](http://www.Parkingguides.com) is **professional, well constructed and designed, functional and generally inline with other successful e-commerce sites.** However, online selling success will strongly depend on marketing and **bringing traffic to the site** which is covered in the next section, Promotion Mix.
- **Direct Sales:** Parking Guides' products need to be **sold aggressively, directly and in-person** to your target markets. These direct sales will likely be **larger quantity orders** which will lead to fast **short-term revenue** for your company. The following industries could have an interest in your product and are just a short list of potential large customers:
  - **Libraries – all topics**
  - **Colleges - Job Interviews**
  - **Engagement Ring Stores – Wedding Planning**
  - **Employment Agencies – Job Interviews**
  - **AARP – Retiring Right**
  - **Banks – Financial Planning**

## 5.5 Promotion Mix

- **Online**
  - As the internet continues to grow in popularity and acceptance your **internet marketing will need to be improved.** Site traffic can be **increased** using the following strategies:
    - **Search Engine Optimization (SEO)** – Currently searches for various topics like “Wedding Planning” or “job interviewing” **do not place FG anywhere in the search results.** Only when topics searched in combination with the word “Parking” does your website come up. It is **unlikely that consumers are searching for Parking Guides specifically** as brand awareness is not established

yet. We suggest **hiring a SEO expert or firm** who will be able to fine tune your website to be picked up in natural searches.

- **Pay-Per-Click Advertising (PPCA)** – These are advertisements that appear based on keywords you select. Usually, these are **words that your target customers would be searching** for which are likely to have a need for your products. Search engines such as Google offer an **easy and affordable way to setup PPCA**. You can even **designate geographic areas** that you want to target and only customers from those areas will see your ads. In order to be successful with PPCA it is **critical to know what keywords your customers are searching**. This can be accomplished by surveying customer and perhaps having an optional 2 or 3 question survey asking “how did you hear about us” and if they answer online “what did you search for.”
- The following is a short suggestion list of keywords that your customers may be using to look for similar products:
  - **Job interview CD**
  - **Wedding planning guide**
  - **Financial planning CD**
  - **Saving money**
  - **Public speaking tips**
  - **Making a speech**
- These keywords will be the result of your **customer knowledge** as your business grows and will **improve over time**. As you learn more about each target group of customers, such as recent college grads (likely to buy Job Interviews) you will learn what they are searching and what words to buy to reach these targets. **PPCA will take more, very specific research and will improve over time.**
- The cost of PPCA can be **very affordable** and is entirely in your control. You have the ability to designate budgets per month and the software will place your ad up until your budget runs out. For trial we recommend you **start with just \$50 a month** to learn more about how to use the software and create more targeted words and ads for your consumers.

- **Guerrilla Marketing**
  - The current financial position of Parking Guides **does not allow for extensive promotion** through expensive forms of marketing and advertising. **We recommend you utilize the following forms of marketing which are effective, drive immediate results and are very cost effective.**
  - **Wrapped Vehicle:** We recommend you continue to use this as a means of promotion. The wrap is **eye-catching and effective** and helps to build awareness in the areas you drive with your target, other commuters. You may want to consider **wrapping more cars of friends or family** or even **hiring people whose car you can wrap** in exchange for a nominal monthly fee.
  - **Trade Shows:** Promoting your brand **to thousands of people** in a quick way can be done through trade show or home show booths. It is possible at these events, while meeting thousands of people, to **make contact with business owners and managers** who may want your product in volume.
    - Benefits of show presence would be:
      - Sale of products at trade show
      - Building relationships with businesses/managers
      - Promoting the website for future purchases
      - Building general consumer awareness in a concentrated area like LA.
- **Direct Sales**
  - Direct sales is another form of promotion which will be **affordable and will help you avoid large upfront cost.** This strategy also has the potential to create **large sales** as you will be contacting larger organizations who are likely to buy in volume.
    - Each target will require the development of a specific pitch or value proposition. **The following are a few examples of specific pitches:**
      - **Employment agencies** - will need to be approached with the job interviews product as a gift or a tool they can give to their clients to help them find jobs faster and help the agency earn its commission by placing more employees.

- **Engagement Ring or Jewelry chains** - like Robbins Brothers or Kevin Jewelers would be pitched with the idea of giving the Wedding Planning CD to their customers who buy an engagement ring.
  - **Wine Stores & Liquor Stores** - large chains like BevMo, Trader Joes and Costco can be pitched with the Wine product. The pitch must be that as their (the Wine retailer) customers learn about wine, they will be more likely to try different wines and purchase more.
- The list above is just an example of the specific targets that **must be designated for each product**. This information should also include the **point of entry** (into the company) whether through procurement, store managers or other means. This will take a **significant amount of time** making calls to stores, talking to managers and first figuring out how these retailers work. From experience we can tell you that some chains allow managers to source local product, while others require everything to go through corporate procurement (like Costco).
  - In general distribution of your product can **extend beyond ordinary places** where people buy media like book stores or online. Instead it can and should be promoted within other businesses and places that are relevant to your topics as shown above. A deep brainstorming session will be necessary to develop **target lists that each product can serve**. However, it will take people, phone calls, and personal visits from you, the owners and creators to push this product to the public in mass.

### 5.6 Tier 1 Summary

- The Parking Guides currently have a **set of 8 topics** shown in the product section. The brand name “Parking Guides” **creates confusion and suggests a map** or navigation of a route. Also, the word Parking is regional and may confuse other customers.
- Parking Guides **differentiates itself by being fun, practical, entertaining and fast, which are underrepresented in the market**. The word fast could be detrimental if consumers feel it provides less value. We also feel that the packaging should **be more intuitive** with images that describe the topic.
- We suggest using the Freddy and Fran™ brand name which does not mislead potential customers and can be **memorable and distinguish the brand from competition due to the entertaining mascots**.

- Three different channels are mentioned to distribute the Parking Guides products: **retails stores, online and direct sales**. For retail stores, a distributor will need to be sought out. Raising the FG online presence will increase traffic and sales for the brand, the current website is well done and now traffic must be generated. The FG products can also be sold directly to colleges, stores and other businesses in larger quantities.
- The brand should be promoted through many different means such as: **online, guerrilla marketing and direct sales**. The online promotion **will build brand equity** and drive more hits to the FG website. Guerrilla marketing techniques are **inexpensive** ways to get the brand name recognized by consumers. Direct Sales will put the products in stores for related industries.

## **6. ISSUE ANALYSIS: CRITICAL SUCCESS FACTORS**

In order for the Company and Brand to succeed it will need to overcome the following critical success factors. These are listed in order of importance:

### **6.1 Product Differentiation**

- As you are aware, the audio-self help industry is **saturated and filled with long-standing competitors** who have more industry experience and brand equity. To stand out, the brand and **products will need to be differentiated in the following ways:**
  - **Commuter Friendly/Easy for Driving:** The brand must become “the commuter” education product line and become as the best choice for drivers and commuters.
  - **Friendly, Fun and Fast:** The brand must become known as the product line which is friendly (not professional like most audio self-help), fun (entertaining) and fast (can be applied in a roundtrip drive or two).
  - **Unique Subjects:** The product line must be **diverse in order to appeal** to individuals who may have many areas of interest. The topics or subjects of each audio product will **need to be unique in order to stand out** among better branded competitors.

### **6.2 Making the Product Intuitive**

- The product must be **easily recognizable and understandable**. The product’s brand name must **not create confusion** or **mislead customers** into thinking it to

be a totally different product. Each topic must also be intuitive so that a customer can know the subject **without reading the cover**, by simply looking at an image.

### 6.3 Distribution

- A **variety of distribution channels** will be critical to the **company's success**. Multiple channels not only sell the product, but provide free advertising for the company and its products.

### 6.4 Brand Awareness

- Success will become noticeable only when **consumers are aware** of the brand. They will need to know what the product is, how it is different and the benefits it can offer.

### 6.5 Development of Titles and Collections

- **Long term growth and success will greatly depend on the ability to develop new topics continuously.** As brand awareness grows and customers become repeat buyers, they will require new topics and collections in order to continue buying from you.

## 7. STRATEGIC MARKETING ALTERNATIVES

### 7.1 Market Penetration

- Enter/penetrate the market with **current, however, improved products**. The best way to achieve this is by gaining competitors' customers (part of their market share). By entering stores, libraries, and other businesses, this can **gain exposure of the brand name and can potentially take over the market**. Other ways to penetrate the market include attracting non-users of your product or convincing current clients to use more of your product/service (by advertising etc). Advertising will be highly beneficial through talk radio, and other ways mentioned in the Tier 1 promotion mix section.

### 7.2 Differentiation

- This strategy aims to **distinguish the differences of your product** or offering from others, to make it more attractive to a particular target market. Your product has a **just noticeable difference** than your competitors: you are **entertaining, fast, and practical**; this is your **niche market**. Differentiation

is a source of **competitive advantage**. This is done in order to demonstrate the unique aspects of your product and create a sense of value.

### **7.3 Diversification**

- This seeks to **increase profitability** through greater sales volume obtained from new products and new markets. This is starting from scratch, creating a new product and catering to a specific market, which no one has tapped before. This requires **new product ideas** and having product available to consumers everywhere in order to increase the awareness and likelihood of purchasing the product.

### **7.4 Market Development**

- This strategy aims **to target a new market with currently existing products**. Freddy and Fran™ can reach a new market for their current products by utilizing their **“entertaining” aspect of the product**. This product does not only attract commuters and people on the go, but it can also appeal to an array of consumers, for example, children.

## **8. EVALUATION OF MARKETING ALTERNATIVES**

### **8.1 Market Penetration**

- **Pros:** By penetrating the market and distributing from business to business, this will gain the most exposure of the brand name. This can be the most effective way of creating brand equity and being most profitable.
- **Cons:** The costs associated with this venture can be very high. There is also a long and difficult process in creating relationships with distributors and becoming recognized as a quality brand.

### **8.2 Differentiation**

- **Pros:** You have already established your niche (entertaining, quick, and practical) and there is research which supports the desire among consumers to potentially purchase an entertaining product.
- **Cons:** There is some difficulty connected to educating potential consumers about your brand/product and how it differs from competitors.

### **8.3 Diversification**

- **Pros:** This strategy has the potential to be very profitable. Creating an innovative product with a huge market need can be instantly rewarding.
- **Cons:** It is highly inefficient and costly to create a new product. There is an intense risk factor involved: there is no guarantee that you will create a novel/original product which will capture a market in desire of your product.

### **8.4 Market Development**

- **Pros:** This strategy is not difficult to implement into production. The product already exists therefore the costs associated with changing it is minimal.
- **Cons:** It can be difficult to change brand image once already established. Freddy and Fran™ may attract a particular audience and once it becomes known for a specific attribute, it can be complicated to step out of that market frame.

## **9. RECOMMENDED STRATEGIC ALTERNATIVE**

- The best course of action for Freddy and Fran™ is to employ both a **market penetration** and **differentiation** strategy. **Brand equity is the key to success and both strategies interplay in leading you towards exposure of your brand/product.** By penetrating the market with mass production in stores, libraries, and businesses, as well as differentiating your product from your competitors with your just noticeable difference (entertaining), there is no limit to how much your product will impact the market. **Both of these strategies are vital in establishing your business.**

## **10. MARKETING MIX: TIER 2 CUSTOMIZATION**

### **10.1 Objectives**

- To search for and create relationships with companies who are interested in customized audio training.
- To begin production of audio training for at least three companies in year two.

During our research we found a huge void for customized audio training. We were able to break down customization into two sub-targets which can benefit from your services (see appendix E).

## **10.2 Product**

- The Parking Guides (or Freddy & Fran) series has the **unique ability, knowledge and expertise to develop completely customized solutions** for organizations. Although related to work, employees will regard the product as “different” due to its fun and entertaining content.
- The customized product will be split into two distinct products based **on industry or company specifications**.
  - **Industries:** Your product offers a very **unique way** for industries to educate people in a **practical and fun** (non-work) like way while they save time driving to work anyway. For example audio training can be developed for the industries where companies in the same business are likely to have the same problems related to training new hires or recent promotions. **The following are some examples of industries:**
    - Mortgage
    - New Automobile Sales
    - Teaching
    - Insurance Agencies
    - Law Firms
    - Accounting Firms
  - These are training programs which will be **designed specific to an industry, yet can be sold in thousands to professional organizations that represent these industries**. Entire school districts might be interested in hundreds of products at a time to give to new, first-time teachers. Or Mortgage companies could purchase the product to give to new sale associates who need to learn the mortgage business and how to sell those industry specific products. The list goes on, across just about all economic industries that have a need to train new, promoted, or senior employees.

- **Specific Companies:** We recommend you begin **approaching large Fortune 1000 companies** to design custom training programs for them. Large companies **invest heavily in training and developing** their people and a \$20 FG could be very affordable. Companies will have a need to develop specific training for topics such as:
  - Human Resources Policies
  - Safety
  - Performance Management
  - Management (training for new managers on how to manage effectively)
  - Time Management (how to be more productive at work)
- For example Boeing may want to develop a **custom audio training to help new managers learn management skills**. The **opportunity is endless** as departments or divisions within a company could begin recommending to other departments who may have **similar training needs**.
- **Differentiate Through Online Testing:** The product can further be **differentiated** through the use of one of your greatest assets, **the website**. A compliment to the audio training will be an online **Performance Measurement Tool Package (PMTP)**. This package will enable companies and their managers to track the employees' (users') progress through required tests or supplemental instruction which will be completed online. The PMTP will **provide useful and relevant information** to managers about the progress and performance of their employees in the training program.

### 10.3 Price

- Seeing as the customization business is **greatly uncharted territory**, pricing will need to be developed on a **per project basis**. The pricing should cover the actual costs of product, design and any other costs associated with the physical and audio development of the product or solution and provide a **comfortable margin for your services** of organizing the production of this custom product.
- In general, customization of anything is regarded as **premium service and you should charge appropriately for the level of service** you deliver.
- The pricing will also **vary based on the size of the client**. Large corporations will likely have greater budgets to work with and thus require more intense customization resulting in higher prices.

#### 10.4 Place

- With modern technologies in communication you have the ability to work from your Los Angeles office, serving clients all over the world. At the same time, Los Angeles is a great city to begin targeting and soliciting for customization business as many large corporations are based here. The following are just a few of the large companies based in the greater Los Angeles area:
  - Wellpoint (BlueCross Insurance)
  - Dole
  - Countrywide Financial
  - Baxtar
  - Amgen
  - Guitar Center
  - Disney
  - Universal Studios
- You should begin your customization business with companies **located in close proximity** to you to allow for **affordable and efficient marketing** and client meetings. After several successful projects have been completed in Los Angeles, it would be possible to **expand to nearby cities** such as the Silicon Valley, San Diego or Orange County.

#### 10.5 Promotion

- **Direct Mail:** Purchase list of all HR or Training officers/manager/directors of companies located in Southern California. Send letters and follow up postcards to **develop interest in customized audio training programs.**
- **Direct Sales:** Cold call directly to contacts identified in direct mail promotion. This will involve calling via telephone and speaking to decision makers or physically walking into companies to get face-to-face **contact with managers and decision makers.**
- **Trade Show:** Attend trade shows related to HR and training. The booth will **display and convey the company's expertise** in audio training. **Product samples should be distributed to visitors** who sign up on a list. The list will then become a **“warm” lead list** for continued direct sales as discussed above.
- **Public Relations:** Implement public relations strategy to obtain **placement in publications** read by contacts identified above. These are various **trade and professional publications** which managers, directors and business owners subscribe to. Public relations will help to **promote the company** but will not close sales. Direct sales, coupled with public relations will be important for a successful promotion of the brand.

## **10.6 Summary Tier 2**

- Customization is a huge market where Freeway Guides can succeed due to knowledge of audio CD production. The products can be sold in two different ways: **Industry specific** products and **company specific** products. Industry specific products can be sold to a whole industry such as car sales businesses who need to train new employees, while company specific products can be made specifically to a companies needs, such as if Ford wanted a car sales training CD specific to their needs.
- The price can be set after costs are calculated and a **premium is added for your time** in producing the customized audio product.
- Companies **worldwide could use this type of product** but we feel you should start close to your office in Los Angeles and expand outwards.
- Promotion of this new customized product offering could be through: **Direct Mail, Direct Sales, Trade Shows, and Public Relations.**

## CONCLUSION

The self-help industry is growing at an accelerated rate, which is great for startup companies that wish to capitalize on the opportunity. In addition, commuting time is at an all time high with people driving extended distances to and from their workplace. Along with the increased distances between employees and their office, the time that people spend stuck in traffic is also increasing dramatically. A self-help audio series that focuses on entertaining material for commuters and people on the go is a great solution to these problems that we are now facing.

*The Parking Guides* offers unique and fast information that becomes readily available for commuters to engage themselves in during unproductive drive time. Not only is it informative, but also it is geared towards people that are focusing on driving and concentrating on the road. This distinctive approach differentiates itself from the rest of the numerous self-help titles in the marketplace. By allowing users to educate themselves with a variety of topics in a fast and effective manner, it extends the gap between the company and its competitors.

The strategies that have been recommended are broken down into two overlapping tiers. Tier 1 is a short-term strategy that could be implemented immediately, while Tier 2 is a long-term growth strategy that will allow *The Parking Guides* to cement themselves in the audio self-help industry. The first tier will act as a launching pad for the second tier, and focus on distributing the pre-produced product, whereas, customization will be the main driver of the second tier. The customization aspect can only be successful if the first tier is carried out effectively and efficiently. While the first tier should start instantly, it might take some time and research to decide the precise moment that the second tier should begin.

With every great product come equally great marketing and a successful sales approach. However, we believe in order to reach optimal market penetration, some changes should be made to increase the intuitiveness of the product itself. Making the covers more in tune with the specific topic should attract potential customers at first glance instead of having to read the actual title and so forth. Images are processed much quicker than text and stand out far greater in one's mind. The packaging has come a long way from the first design and should continue to grow and develop.

Introducing two characters that will become the staple of the company should engage the audience even further and create a desire to purchase the entire series of the audio self-help products. The *Freddy & Fran*<sup>TM</sup> branding idea opens the door to limitless opportunities in regards to creating an incredibly entertaining audio series that becomes alive with human personalities and enters the hearts and minds of all its users; it becomes even friendlier of a product and will touch people down to their core.

## **BIOGRAPHIES**



**William Treet** has always had an entrepreneurial spirit and a passion for business. In December 2004, at the age of 19, Treet became one of the first and youngest owners of an iSold It franchise, a Drop Off Store concept that helps people sell their items on eBay.

As an entrepreneur, Treet continues to develop and grow everyday. With a deep passion for learning, Treet is completing his senior year at California State University, Northridge, majoring in Accounting and Business with Honors. He has been recognized with Dean's List Honors for five consecutive semesters and devotes a large portion of his time to student organizations including Accounting Association, Beta Alpha Psi, Alpha Epsilon Pi and the Business Honors Association.



**Babak Hudi** is in his last semester at California State University, Northridge. He will be graduating with a degree in Business Marketing. He is very interested in travel and is planning to travel to Europe after his graduation to experience a different part of the world. Babak began his college education as a Computer Science major but decided he was more interested in Business. He has an interest in graphic design and advertising.



**Jennifer Aviston** is a marketing major at California State University, Northridge. She is dedicated to learning and thriving in her future career as a Creative Director of Advertising. Eventually she plans on owning her own Interior Design business and being very successful financially, as well as with her family and personal life.

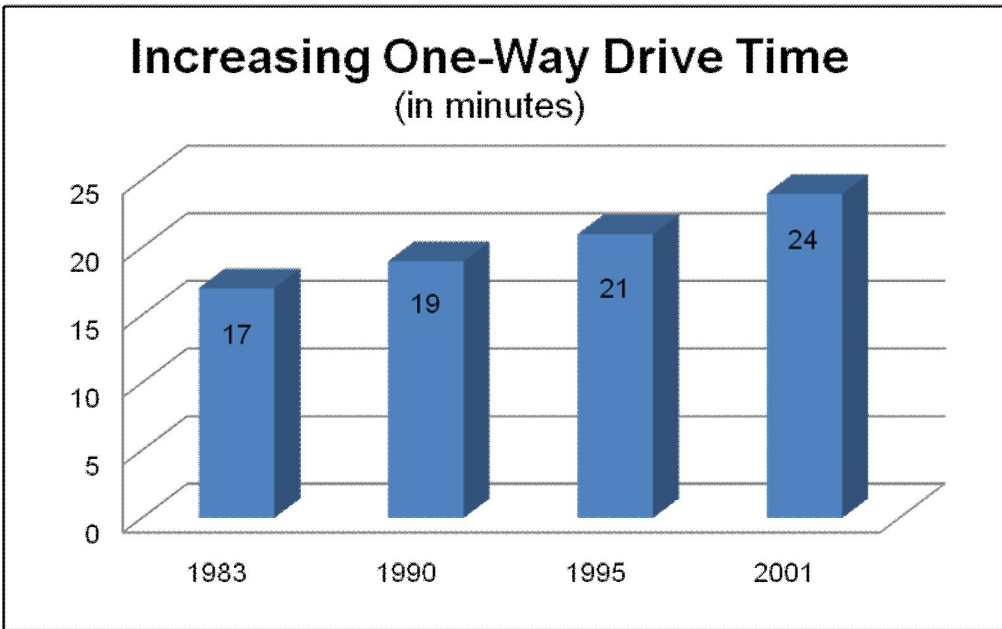


**Blake Marco** will be graduating in the Fall of 2007 with a Bachelor's Degree in Business Administration, emphasis in Marketing. A lifetime member of the California Scholarship Federation for his dedication to education and community service, Blake was interested in becoming an athletic trainer until he discovered his love for business. He loves to travel and hopes to live in different parts of the world to enrich his life here on earth. A die-hard Lakers fan, you might catch Blake at the Staples Center rooting for his favorite team.

## REFERENCES

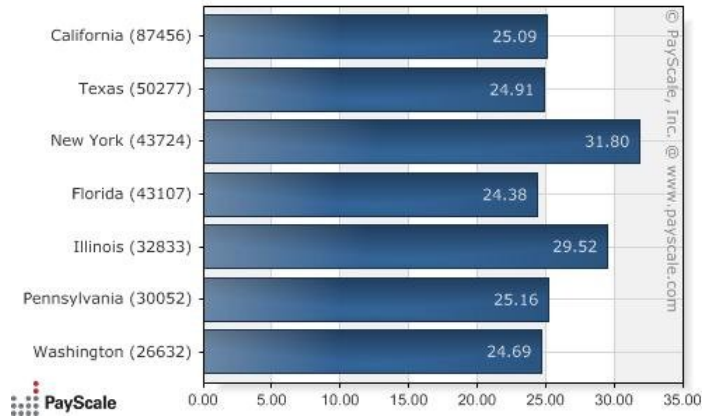
1. [http://www.cbsnews.com/stories/2005/05/09/national/main693952\\_page2.shtml](http://www.cbsnews.com/stories/2005/05/09/national/main693952_page2.shtml)
2. [http://www.payscale.com/research/US/Country=United States/Commute Time/by Gender](http://www.payscale.com/research/US/Country=United_States/Commute_Time/by_Gender)
3. [http://dir.salon.com/story/books/review/2005/08/12/self\\_help](http://dir.salon.com/story/books/review/2005/08/12/self_help)
4. <http://online.wsj.com/public/us>
5. <http://www.womenshealthmag.com/article/0,6176,s1-21-80-789-1-P,00.htmlhelp.htm>
6. <http://www.mkt-data-ent.com/sample.html>
7. <http://www.mariva.com/essays/self-help.html>
8. <http://www.publishersweekly.com/article/CA6471696.html>
9. <http://www.mkt-data-ent.com/sisample.htm>
10. <http://www.selfhelpinc.com/excerpt.html>
11. <http://www.law.duke.edu/journals/dltr/articles/2002dltr0023.html>
12. <http://www.fhwa.dot.gov/policy/ohim/hs05/htm/dlchrt.htm>
13. <http://www.audiopub.org/files/public/APASalesSurveyResultsFactSheet2006COMPLETE.pdf>
14. <http://www.audiopub.org/files/public/2006ConsumerSurveyCOMPLETEFINAL.pdf>

## APPENDIX A:

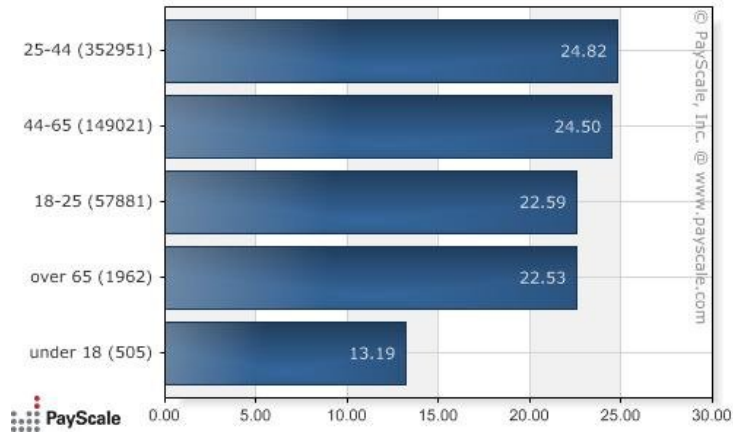


## APPENDIX B:

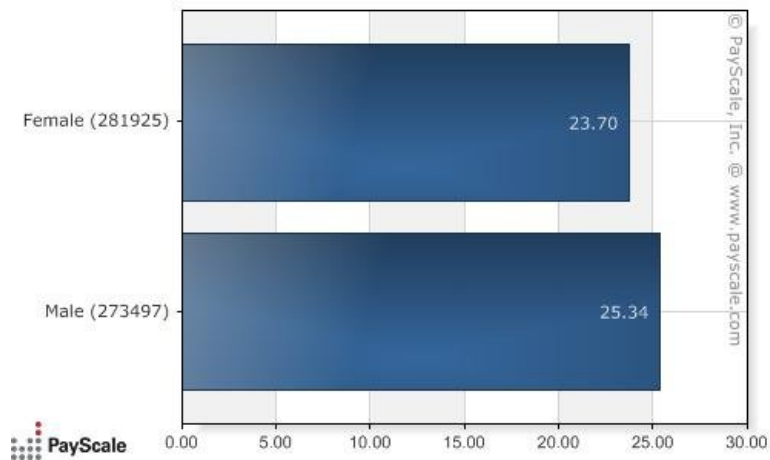
Average Commute Time (in minutes) by State or Province - Country: United States



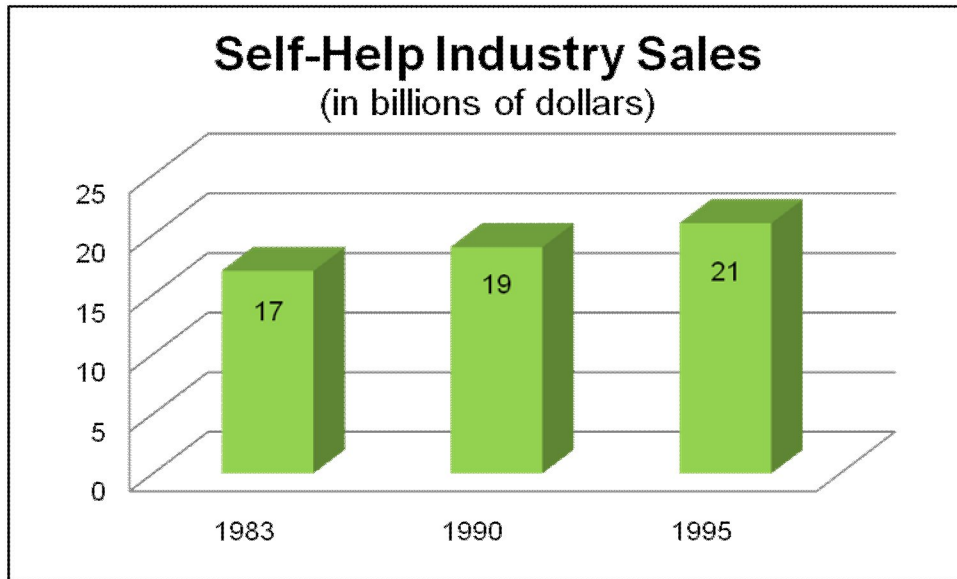
Average Commute Time (in minutes) by Age - Country: United States (United States)



Average Commute Time (in minutes) by Gender - Country: United States (United States)

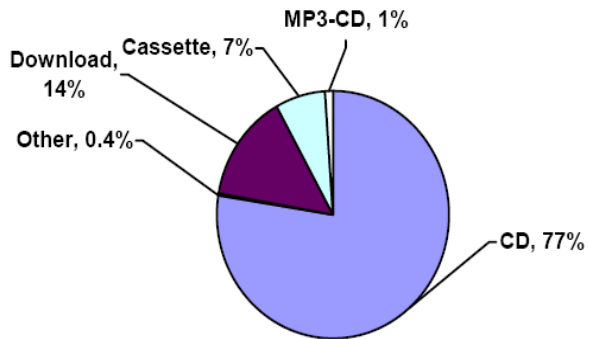


## APPENDIX C:

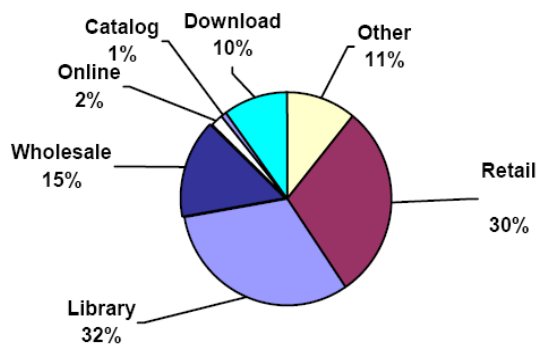


## APPENDIX D:

### Format:

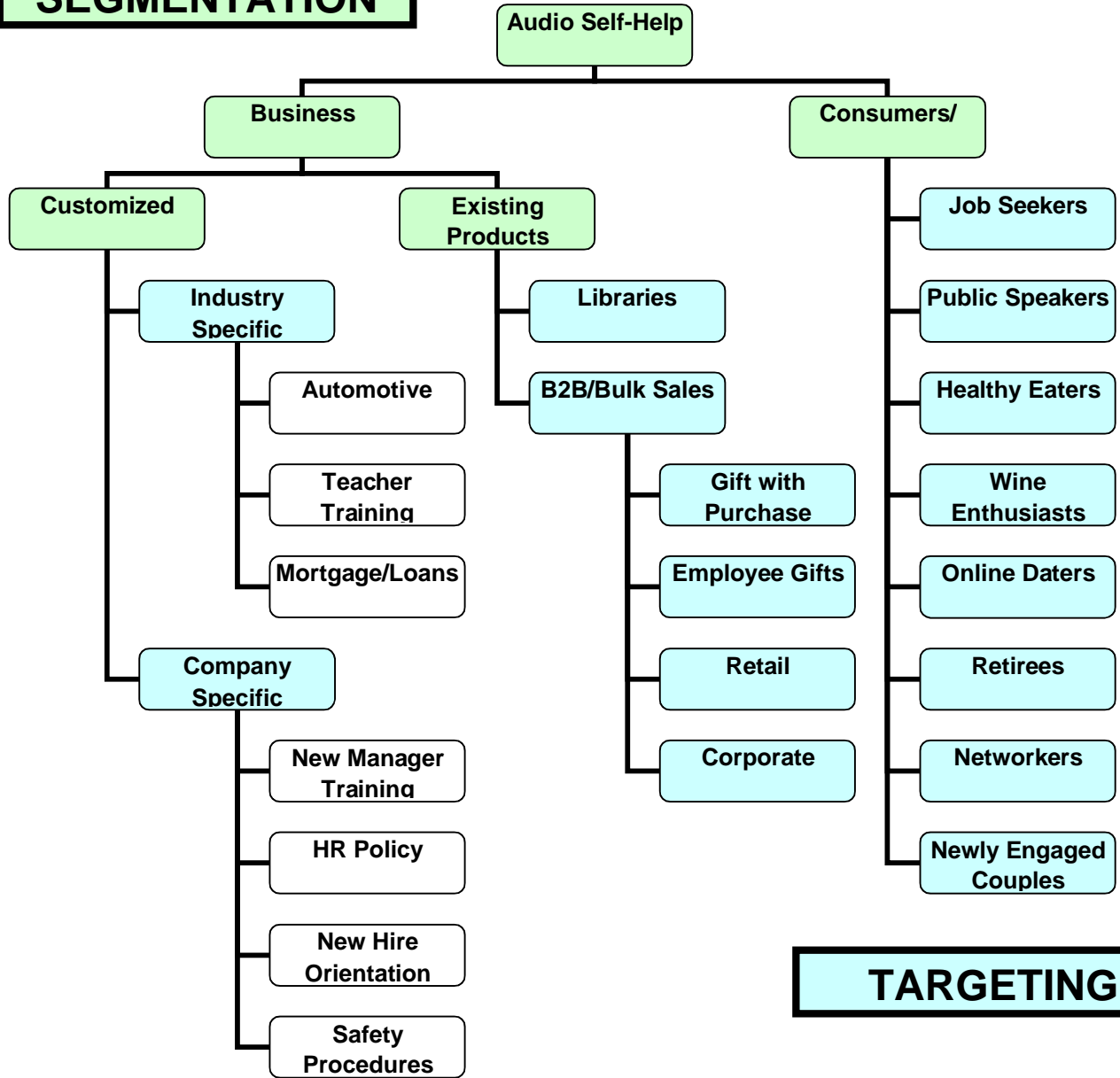


### Sales Channel:



# APPENDIX E:

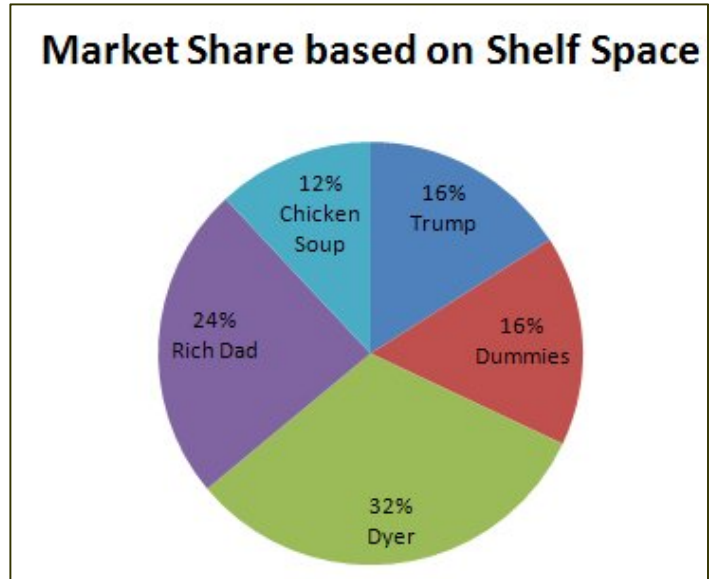
## SEGMENTATION



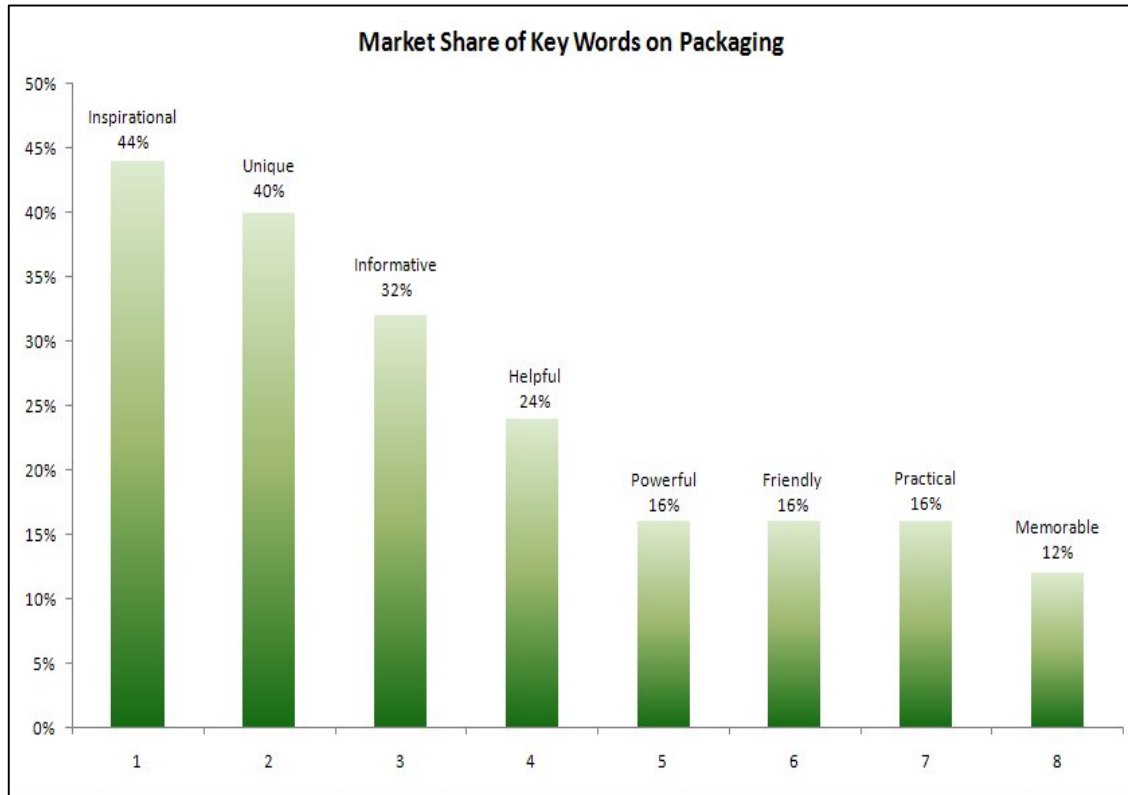
## TARGETING

## APPENDIX F:

Brand Name	Attribute 1	Attribute 2
Chicken Soup	Memorable	Inspirational
Dummies	Practical	Friendly
Dyer	Informative	Inspirational
Rich Dad	Unique	Helpful
Trump	Unique	Powerful



## APPENDIX G:



# APPENDIX H:


**LEARN ON THE GO!**

**FREDDY & FRAN**  
FUN, FRIENDLY & FAST AUDIO TRAINING

**WINE APPRECIATION**


Understanding, Ordering & Enjoying

**EXPERT TIPS TO TEACH YOU WINE**



Hosted By  
*Robin Stark*

Building Better Lives One Commute At A Time!  
[www.FreddyandFran.com](http://www.FreddyandFran.com)

 Audio Product


**LEARN ON THE GO!**

**FREDDY & FRAN**  
FUN, FRIENDLY & FAST AUDIO TRAINING

**NAILING THE JOB INTERVIEW**


Prepare and Get Hired!

**EXPERT TIPS TO GET YOU HIRED!**



Hosted By  
*Susan Leahy MA, ABS*

Building Better Lives One Commute At A Time!  
[www.FreddyandFran.com](http://www.FreddyandFran.com)


 Audio Product

**LEARN ON THE GO!**

**FREDDY & FRAN**  
FUN, FRIENDLY & FAST AUDIO TRAINING


**PLANNING YOUR UNIQUE WEDDING**

At-Ease, On-Budget & In-Love!



Hosted By  
*Randie Pellegrini*

Building Better Lives One Commute At A Time!  
[www.FreddyandFran.com](http://www.FreddyandFran.com)

 Audio Product

**APPENDIX I:**



## APPENDIX J:

### Stage 1: Original 40 Potential Names

Audible Educators	Helpful Passenger
Audio Accelerator	Motor Mouth
Awesome Audio (on-the-go)	On The Go Educators
Carpool Guides	On The Go Learner
Come Along Learner	On the Road Trainer
Commuter Learners	OnDaGo Training
CommutEducation	On-the-Go Guides
Commuter College	Open Road Education
Commuter Concepts	Round Trip Teachings
Commuter Guides	Smart n Speedy
Commuter Training	Speedy Guides
CommuterTraining	Speedy Learner
Drive n Learn	Speedy Lessons
Drive-Through Teaching	Speedy Teacher
Drive-Time Education	Stop and Go Guides
Drive-Time Trainer	Stop n Go Trainer
Drive-Time Training	Streetwise Guides
Driving Directions	Teaching to Go
Driving Guides	Traffic Teachings
Education Express	Travel Teacher
Entertaining Educators	Traveling Teacher
Express Guides	Freddy Professor
Friendly Facts	Freddy the Freeway Guide
Go Guides	Audio Professor
Guides on the Street	Freddy n Fran
Guides On-the-Go	Freddy and Fran

## Stage 2: 20 Names

Audible Educators
Audio Accelerator
Carpool Guides
CommutEducation
Commuter Guides
Drive n Learn
Drive-Through Teaching
Drive-Time Education
Drive-Time Trainer
Drive-Time Training
Education Express
Express Guides
Go Guides
Guides On-the-Go
Freddy Professor
Freddy the Freeway Guide
Audio Professor
Freddy n Fran
Freddy and Fran
Stop and Go Guides

## Stage 3: 4 Names

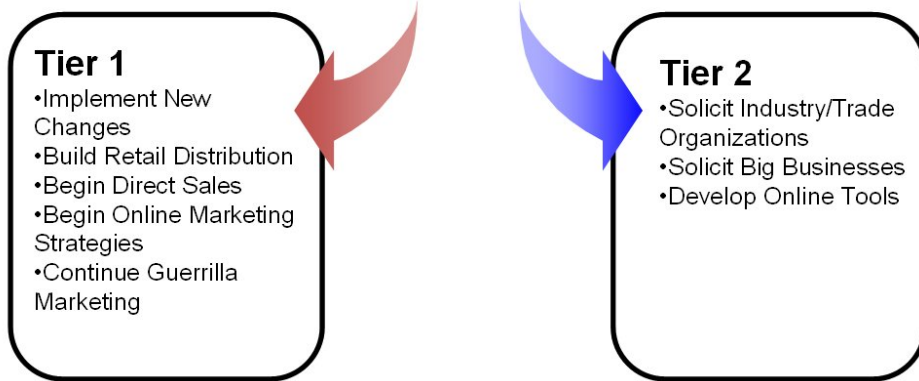
Education Express
Guides On-the-Go
<b>Freddy and Fran</b>
Freddy Professor

# APPENDIX K:

Year 1 → Year 2 → Year 3 → Year 4

Tier 1 (Pre-produced Audio Products)

Tier 2 (Customization)



# APPENDIX L:

## Brand Progression

