

Rat Sound Systems Marketing Plan

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Introduction and overview of the plan. RAT Sound Systems is an industry leader in the live audio production field based out of Camarillo CA that provides audio support for large format touring rock music shows such as the Red Hot Chili Peppers, Pearl Jam, and in 2009 they even supported a tour of England's legendarily loud group Spinal Tap. Further, RAT Sound Systems provides large format audio support for major festivals such as Coachella, the Warped Tour, and many others. Recently, RAT Sound Systems has expanded operations to include an online marketplace called Sound Tools. Offering small inexpensive gadgets to the online marketplace, Sound Tools provides practical solutions to common problems experienced by

audio professionals. Sound Tools' products represent a new venture and has been branded distinctly from the other RAT Sound Systems product lines such as tour and festival support.

Marketing strategies to reach out to address this market will include the development of messaging strategies through the development of a positioning statement. Once a strategic direction and guidepost are established via the positioning statement, this analysis will suggest a rebranding to bring the different segments into greater alignment. Finally, active and direct outreach to potential customers will occur using a social media strategy.

Situational Analysis

Economic Scan

As a private, for profit company not traded on a public market or exchange, RAT Sound's financial statements are not a matter of public record. However, it can also be assumed that as a for profit organization, their income streams are derived primarily from earned income sources rather than government income, grants, or regular donations contributed by private individuals. That said, in their early days, as the bands they were working with began to grow beyond clubs to large format venues such as arenas, bands such as Pearl Jam invested in the company, injecting capital into the organization to ensure adequate infrastructure was in place to successfully make the transition to these larger venues. Since then, as RAT Sound has "grown to the nation's 5th largest sound provider with over \$10 million in equipment inventory and over 30 highly trained employees". (Bizstanding Business Directory, 2016).

Income earned at RAT Sound Systems and the income earned from RAT Sound Tools is very different in terms of how the money comes in. The tours and festivals require massive outlays of equipment and personnel to accomplish and sometimes extend for months at a time. The

income generated for this type of venture necessarily comes in in huge chunks in the hundreds of thousands to millions of dollars per transaction. In contrast, the Sound Tools products are all small, durable and mass produced to create an economy of scale that with none of the offerings being sold for over \$300. Therefore, the income earned from the Sound Tools offerings comes in in a multitude of small transactions and serves a very different type of customer.

Demographic Scan

The demographics served by the two departments we're examining at RAT Sound are very different. RAT Sound Systems' primary market niche is serving primarily top tier performing artists and large format festivals music festivals. As such, the demographic for this segment is largely business entities instead of individual human beings making it somewhat difficult to examine the general audience in terms of age, sex, heritage or education. However, the business entities with whom RAT Sound generally collaborates represent popular music artists and festivals. These entities often feature a casual emphasis in rock music and deal in an industry where multimillion dollar deals are not uncommon.

In this RAT Sound Systems segment, changing tastes and trends in how people enjoy popular music as well as how artists chose to generate income to make their living can have a great effect on RAT Sound. Recent trends indicate that the live concert industry is quite conducive to RAT Sound Systems' mode of operation as "artists at every level became even more reliant on concert revenues as their primary source of income" and audiences continued "to buy increasingly expensive live event tickets" (Pollstar, 2016).

Still, even though the concert industry is currently strong and there is a good amount of money to be made helping the music industry corporations present music to the masses, RAT Sound is wise to diversify its market by offering the product line in the form of an online catalog offering several small ticket items such as audio testers and small adapters under the brand Sound Tools. The demographic for Sound Tools is much different from that of RAT Sound Systems in that it consists of individual event production professionals rather than large corporations. In this case, the demographic is young, primarily in their twenties to early forties, and work in or near the live event industry.

Much to the chagrin of current and former leaders within RAT Sound, several of whom are female, this demographic of audio production professionals has traditionally also been primarily male. However, by supporting a variety of industry professionals and groups such as Soundgirls.org, there has been conscious of reaching out to women in pro-audio as well which builds loyalty from both women in audio as well as men who don't have tolerance for the sexism that was once rampant in the concert industry.

Cultural Scan

As an industry leader in a business focused on supporting artists in their efforts to bring music to the masses, RAT Sound is committed to ensuring the best possible experience for audiences and artists alike. Although Paul Freudenberg was named general manager of the organization in 2013, the President of the company, Dave Rat, is still an active and touring front of house audio engineer with the company. This has led to a great organizational focus on the boots on the ground aspects of the company and leads to an organization that values creativity, consistency, and an audience focused approach to providing high quality audio support. This focus has led to

a situation where the company invests the greatest proportion of reserves into purchasing, designing, and maintaining equipment.

The opportunity to work with artists in this industry depends on the audiences continuing to show up to support live music events. Recent trends in the concert industry indicate that while people continue to value shared live music experiences they are tending to seek out these experiences at large festivals which often feature multiple stages or take place in non-traditional events spaces. Both situations increase the likelihood of noise conflicts between neighboring populations or neighboring stages. RAT Sound continues to push the edges of possibility by embracing, and often pushing the development of new technologies to support events such as directional subwoofer arrays and the deployment of sophisticated, steerable sound systems such as EAW's Anya sound system. (Team EAW, 2016)

In addition to continuing the development of large format audio distribution technology, RAT Sound has begun embracing the internet as a new vehicle to connect with new clients as is seen in the new webstore (Rat Sound Sales, 2016). Other evidence of an embrace of online technologies can be seen in activity on the part of President Dave Rat, who routinely fills downtime on tour by maintaining tour blogs. In these blogs, Rat connects with key members of his target market as he shares his adventures, thoughts and tips and tricks. Although some blog content has been dedicated to sharing information about new Sound Tools products, much of this blog activity appears to be for his own amusement and is not part of any discernable marketing plan.

SWOC Analysis

	Strengths	Weaknesses	Opportunities	Challenges
Cultural Products	<p>RAT Sound Systems: Excellent reputation for providing high quality large format audio production for top tier performing artists and music festivals. Extensive inventory available to make this happen.</p> <p>RAT Sound Tools: The organization has a similarly excellent reputation among event production professionals for providing tools to help support artistic programming.</p>	<p>RAT Sound Systems: At this point, company leadership prefers to primarily support rock music forms. It is not likely that this art form will not be the industry leader indefinitely.</p> <p>RAT Sound Tools: The RAT Sound Tools catalog will be available and useful in nearly all performing art contexts including outside of the rock music realm.</p>	<p>RAT Sound Systems: To use its status as an industry leader to push research and development into continually better audio technologies to make systems smaller, more efficient, and with more directional control.</p> <p>RAT Sound Tools: To keep offering useful new technologies to event production professionals regardless of their preferred performing art form.</p>	<p>RAT Sound Systems: Although technology is continuing to improve, large format sound systems are still extremely complex, draw lots of power, and spill excess acoustic energy into the surrounding environment.</p> <p>RAT Sound Tools: To be competitive in the larger audio devices market, RAT Sound Tools must manufacture tools of a quality to retain their reputation, but at a low enough cost to maintain adequate margin given their low price.</p>
	Strengths	Weaknesses	Opportunities	Challenges
Pricing	<p>RAT Sound Systems: High price, low volume (no pun intended).</p> <p>RAT Sound Tools: Low price, High volume (ok, pun intended this time)</p> <p>Diverse income streams are good.</p>	<p>RAT Sound Systems: Extremely expensive systems and tour support packages can be out of reach for all but the most well to do people and organizations.</p> <p>RAT Sound Tools: The economics of offering low price goods requires that this product line reach a very large number of customers to make it worth the investment.</p>	<p>RAT Sound Systems: Large companies hiring audio production services are seeking to minimize risk and ensure a successful tour and as such are less price sensitive than other segments. High price, low sales volume (no pun intended).</p> <p>RAT Sound Tools: If pricing can be set low enough, yet above production costs, sales volume should increase.</p>	<p>RAT Sound Systems: Overhead in this segment is huge and live event tours are loaded with risk factors.</p> <p>RAT Sound Tools: The small, portable nature of the items sold in this segment it will be important to keep pricing for this segment low enough to keep it in reach of individuals working within the production industry.</p>

	Strengths	Weaknesses	Opportunities	Challenges
Place (Access)	<p>RAT Sound Systems: RAT Sound has an extensive inventory of equipment to meet most needs and has a proven track record of being able to get it in the right place at the right time anywhere around the world to facilitate a successful tour.</p> <p>RAT Sound Tools: Online marketplace is available to anyone with an internet connection and fed ex delivery</p>	<p>RAT Sound Systems: There is no fixed location from which to provide audio service. Most instances of audio support must be trucked in and setup as a temporary installation.</p> <p>RAT Sound Tools: Online webstore appears to be incomplete and under development and not in line with other themes throughout the website.</p>	<p>RAT Sound Systems: Specify less exotic, more readily available equipment and have it provided by regional sources to be ready for configuration when you arrive.</p> <p>RAT Sound Tools: Improve theming, layout and function of both website and webstore layout</p>	<p>RAT Sound Systems: Large format audio systems are very large, heavy, and delicate, making them hard to transport and keep working on a large tour.</p> <p>RAT Sound Tools: the RAT Sound website and webstore features very inconsistent layouts and branding elements, leading to an unprofessional and hard to navigate environment for a customer to make purchases.</p>
	Strengths	Weaknesses	Opportunities	Challenges
Promotional Efforts	<p>RAT Sound Systems: The organization has an excellent reputation within the audio production community earned largely through word of mouth and personal relationships.</p> <p>RAT Sound Tools: Association with the parent brand extends confidence and positive associations to RAT Sound Tools brand as well.</p>	<p>RAT Sound Systems: Logo is very busy, pixelated and unprofessional in appearance. <i>Figure 1</i></p> <p>RAT Sound Tools: Weak association to parent branding. Elements chosen to imply connection to parent brand are very subtle, limited to font choice, and avoid the more distinct elements such as the stylized RAT text and rodent image. <i>Figure 2</i></p>	<p>RAT Sound Systems: Some good highly identifiable graphic elements within the logo including a stylized image of a rodent as well as an iconic graphic of the word RAT. There is a good opportunity to simplify the logo and feature these elements.</p> <p>RAT Sound Tools: Can leverage positive associations with RAT Sound Systems to extend positive association with the line of tools</p> <p>Opportunities exist in both areas to set blogs in a more brand consistent context to reach his existing audience with a more professional presentation</p>	<p>RAT Sound Systems: New clients may see the unprofessional, pixelated logo and assume that the same level of unprofessionalism could apply to their cultural products as well.</p> <p>RAT Sound Tools: Other companies have developed rodent based branding efforts on counterfeit sound testers to inappropriately imply association with RAT Sound Systems. <i>Figures 3, 4</i></p>

Target Markets

The different departments of RAT Sound have completely distinct target markets. It will be important to recognize each of their different needs. the different needs of each of these audiences.

RAT Sound Systems

Industry Tour Managers and Top Tier Touring Artists

- Operating at this scale, RAT Sound only needs to close deals with a very small number of high profile tours to remain viable
- RAT Sound is well established in this area.
- Minimal marketing efforts are required beyond existing word of mouth.

RAT Sound Sales

Other audio Industry Professionals

- This represents a new and emerging market for RAT Sound.
- With the low price of the individual gadgets sold in this segment, RAT Sound Sales needs to meet a much greater number of potential customers for the venture to be viable.
- This venture will need the most marketing attention

Scheme

Strategies

The focus of this marketing plan suggests that RAT Sound Systems primarily maintain its reputation as a top tier audio provider for large scale touring productions using the word of mouth that has proved successful so far. Given the relatively small community of people and industries operating at the scale at which RAT Sound Systems is successfully providing service, additional marketing efforts would be spent preaching to the choir. However, the emerging market sought by RAT Sound Sales requires a thoughtful approach toward achieving strategic marketing objectives. This is the area in which we'll focus our marketing efforts. ng, and, we will concentrate our efforts on the emerging RAT Sound Sales segment.

Audience Analysis

The audience in this area targeted by RAT Sound Sales is primarily professional stagehands and audio specialists working at all tiers of the performing art and corporate audio fields. This audience includes “roadies” working backstage on tours around the world as well as “local crews”



Stagehands on the job

supporting performances in or near their hometowns. This audience has traditionally consisted primarily of men, but in recent years, women have been an increasingly visible participant in this backstage community. This Audience has a decidedly working class culture, performing extremely difficult work on strict timelines in an incredibly stressful environment. However, huge proportions of the community are extremely well educated, often holding advanced degrees in technical theater, performance, engineering, physics and business.

From their experiences working backstage, this audience is well aware of tips and tricks marketers use to address, and sometimes mislead mass audiences. Further, this audience necessarily has a high degree of technical knowledge and ability. Thus, this audience is very savvy and generally skeptical and suspicious of attempts to market to them.

Many people in this audience aspire to work at levels like to those at RAT Sound Systems. This aspiration offers a great opportunity to RAT Sound in their efforts to expand their market into this population by offering this audience the opportunity to raise their own status by using their own purchasing power to align themselves to the RAT Sound Systems brand.

Marketing Strategies

With this understanding of the company, and the audience the company is trying to reach, this next section will offer distinct marketing strategies designed to connect RAT Sound Sales to its intended market of working audio professionals.

Messaging Strategies

The first primary strategy to connect RAT Sound to its intended audience is the development of a cohesive messaging strategy. Developing such a strategy will go a long way toward establishing a consistent story around the products, personnel and as a result the company as a whole. The first step in developing a messaging strategy is to develop a positioning statement. This statement can apply to the entire company and will help give focus and direction to subsequent marketing efforts.

Positioning Statement.

A positioning statement helps provide clarity and direction to the company by clearly identifying the product that the company is intending to provide and clarifying to whom the company is attempting to provide that product. The suggested positioning statement for RAT Sound, across all its divisions follows:

**Providing the most reliable, innovative and practical audio solutions
to tours, venues, and audio professionals worldwide.**

Rebranding.

The next strategy will support RAT Sound's attempts to reach out to its audience is a rebranding. Currently, the RAT Sound brand appears to have been developed over the years in the spare time of company leadership in their downtime between tours. Thus, the company's brand presents itself in varying levels of quality and are presented in an inconsistent fashion

across several platforms. In addition, logos and graphics for the different segments of the company are also very different from one another.

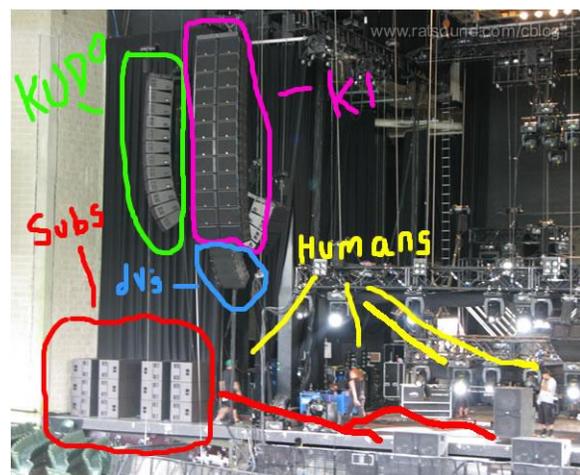
A rebranding will not only allow the company to bring graphic standards into greater alignment across the entire company, but will also provide opportunity to create much greater consistency between the logos for the different departments at RAT Sound. Rather than attempting to present three distinct organizations (RAT Sound Sales, RAT Sound Systems, RAT Sound Installs) to the public, a rebranding will create an opportunity to present the outward face of RAT Sound as a single cohesive entity. This will not hurt the organization's already well established segment providing high level tour support, but it will go a long way toward helping the RAT Sound Sales segment by allowing their target market the opportunity to elevate their own status by aligning themselves with the company marketing to the other industry professionals who aspire to work laterally with the industry leader RAT Sound.

Social Media Plan.

The final suggested strategy will be to develop a more cohesive social media strategy.

Current efforts underway include random, and often compelling content often put together by the company president Dave Rat which he puts together during downtime on tour or during periods of experimentation in between tours.

This content has a very personal, unsophisticated aesthetic, featuring a very DIY



Illustrating an alternate setup of the sound system

feel. The content is often engaging and interesting in that it provides a detailed peek behind the curtain and reveals a great deal of insight into the process of assembling and maintaining the systems required to present large scale performances. However, it is unpredictable as to when and how often this content will be distributed. Periods with the greatest number of posts appear to happen when the company president is most bored.

Content is generally disseminated via a range of blog sites, Facebook, and YouTube, none of which tie back directly to the company website.

Changes proposed by this strategy include providing a more consistent and professional template to which the company president can post. I do not suggest changing the aesthetic nature of his content because the DIY aesthetic of the content lends a certain charm and authenticity to the content, which sits well with the intended audience. I do, however, suggest looking within the company for additional “characters” who can create and post content on their own in parallel to that created by the company president. Having the infrastructure already in place in the form of blog, video, and image templates to easily post on-brand content will allow these additional people to create and post content which will allow the company to increase the frequency with which posts are made.



Dave Rat describing his audio mixing strategy



Dave Rat demonstrating a new gadget for sale

Implementation and Resources

Priority 1

Implementation of messaging strategies.

The basic requirements of establishing the messaging strategy are to review and formally adopt the positioning statement and ensure that it is used as the guiding principal for all subsequent marketing efforts.

Resources required to implement this strategy include dedicated leadership from the company president, general manager, marketing manager, and other relevant stakeholders within the company. Once appropriate consensus has been achieved, adoption of this foundational strategy should be formalized with all due haste. This process should be complete no later than by April 30, 2017

Priority 2

Implementation of rebranding strategy.

Implementing the rebranding strategy should take place immediately after the formal adoption of the positioning statement. In this re-branding, the goal will be to bring the different aspects of the organization into brand alignment, presenting the public with a singular outward face. A secondary goal that will need to be realized as part of this re-brand will be to completely re-write the company's website and marketing materials to conform to the newly established brand standard. Finally, once brand standards are clarified, social media and website templates shall be created so that content can be readily created during downtime in the field and uploaded to the various social media and web platforms in ways that conform to the stated brand standards.

To accomplish this, a reputable web design and development team will be required to ensure that the new website conforms to the new brand standard and to the most recent user experience standards. Relationships with these professionals shall be maintained to ensure that updates can be made slowly over time as standards change, further enhancing user experience.

The brand standards book should begin its assembly in early May of 2017, and be completed by the end of June 2017. Website redesign should begin immediately on July 1 and should be complete September 2017. Social media templates and platforms should be able to be completed starting concurrently with the website redesign, but should not take as long to complete. Therefore, social media templates should be complete and ready for use by mid-August 2017.

Priority 3

Implementation of social media strategy.

A primary goal of this strategy will be to have at least one post of engaging content generated and posted to social media per day. The social media strategy should rely largely on content generated by selected and engaging personnel in the field who generate content during downtime while on tour or in between tours. As of right now, the primary character in these social media posts is the company president Dave Rat. To spread out the responsibility for content creation, at least two additional characters should be recruited from within the company to spread out the work of generating content for each day's post. At least one of these new content creators should be a woman working in the field. By far the greatest proportion of the posts should be engaging stories of life backstage, presenting an intelligent, yet slightly gritty point of view. Posts should be detailed but amusing, often taking on a "that

weird thing I just saw was completely absurd” or “here’s how I solved today’s problem” types of content. Posts describing products for sale should be limited to only once per month.

To manage this influx of content new content, while ensuring that it maintains its gritty, DIY feel, yet also conforms to brand standards, a social media manager will be required to review and potentially edit content before it goes live on social media. This social media manager should also be prepared to share and link to content from outside sources during times when the internal content providers are unable to produce content because they are busy doing their primary jobs.

This strategy should be ready for a soft start immediately. Hiring for the social media manager should begin once the positioning statement is in place at the end of April 2017. The hiring and onboarding process should be complete by the end of June 2017. By that same time, the additional content creators from within the team should be up, running, and ready to contribute content just in time for the new marketing manager by the end of June 2017. The first project of the marketing manager will be to complete and implement the onboarding of new social media templates as a way to more effectively manage this new influx of content.

Evaluation Plan

Evaluation of the messaging strategies plan will primarily be to answer the question, is the plan adopted yet? If it is not adopted by the goal date described above, steps should be taken to speed up that process. Similarly, evaluation of the rebranding process will largely be limited to status checks asking “are we there yet?”. The social media plan however, will require the most rigorous and detailed evaluation plan. Luckily, the social media plan also allows the greatest level of evaluative detail in the analytics offered on the back end of the social media



platforms. The social media and marketing manager will be responsible for setting specific, measurable, achievable goals in this area and making adjustments to meet these goals.

In terms of measurable goals, I would like to see the Facebook followers of RAT Sound increase by 50% by the beginning of the next touring season in March of 2018.

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