Case Study: How Pandora® Keeps People Listening and Drives Conversion with Email

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Step 1: Know your business!

- The first step in any marketing campaign is to understand **what metrics matter** for your business.
- You need a reliable way to see if your marketing efforts are making your metrics move in the right direction.
- Our goal is to get people to try Pandora and then turn them into long-term, engaged listeners.
- Personalized email has proven to be effective at driving repeat listening.
- Listeners care about *their* stations. Listening to Pandora is all about personalization, and emails need to be personalized as well.
- Once you find a channel that works well, push it as hard as you can!
Pandora is about listening to music you love

- Emails squarely focused on a listener’s stations get 10x the response of a generic email

- Be careful about burning out listeners – it’s usually better to under-mail than to over-mail

- Email is the perfect way to start a conversation with a listener. We get a tremendous amount of valuable feedback from our listeners

- It’s important to build trust with your audience. We do this by speaking to listeners as though we were speaking to a friend
Our most successful email is very simple

Hear New Music On 'Rogue Wave Radio'

'Dark As Days' by Army Navy
'American English' by Idlewild
'California' by Low
'Ghosts' by Mark Geary
'Into Your Hideout' by Pilate

Play my station

We've been hard at work adding more music we think you'll love to 'Rogue Wave Radio'. Enjoy, and as always, please let us know what you think!
Challenge: Our heaviest listeners weren’t profitable to us!

- We love our heaviest listeners, but they weren’t profitable
- We needed to figure out how to monetize them without alienating them
- Our listener base was built on word-of-mouth, so if we alienated our evangelists, we risked slowing word-of-mouth growth
Solution: Roll out a premium version of Pandora, followed by a monthly listening cap

• We put together a compelling subscription business at a reasonable price: $36/year:
  o Unlimited listening
  o No ads
  o High bit-rate audio
  o More cool stuff!

• A different option for listeners who don’t mind ads and only want listening through the rest of the month: pay $.99 to keep listening for the rest of the month
Email, in conjunction with other tactics, drove awareness, and then subscriptions

- Email isn’t enough – we needed to use other channels to drive awareness of Pandora One
  - Contextual messaging in the site
  - Graphical ads
  - Audio ads
  - Personalized, triggered emails

- Gift subscriptions
  - Highly seasonal and event-oriented (birthdays, thank-yous)
  - Different channels work well together (email, display ads, audio)
Questions?
Thank You!

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Credits:
• Platform: WhatCounts

Stop by the WhatCounts booth (#11) and enter to win free Pandora One yearly subscriptions or an Apple iPad!

The drawing will be at lunch today at 1pm.