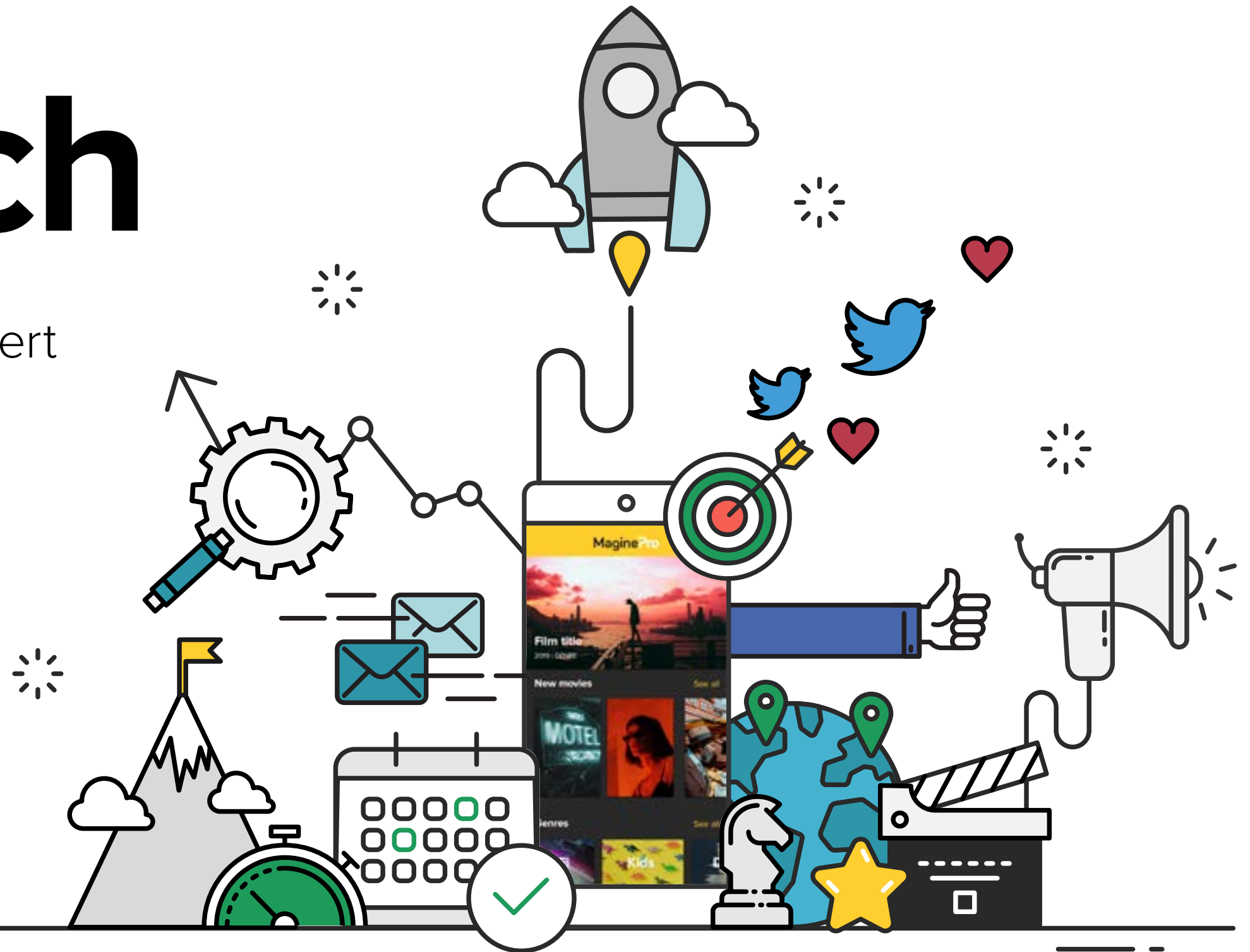


8 Steps to launch

Marketing tips & tactics to convert
leads into loyal subscribers



Loyal subscribers don't tend to form long virtual queues on the day a new OTT service is launched. You can shout about your latest release from the rooftops as loud and for as long as you like, but without an effective marketing strategy, there's no guarantee that those who do show up will subscribe and stick around.

In this guide, we'll take you through some marketing fundamentals that can help you convert leads into loyal subscribers. We run through optimizing your sales funnel, channel mix, conversion rates and also share some handy tips to help reduce churn.

Our marketing methodology is based on our B2C experiences in Germany and the Nordics, as well as our work with [Magine Pro partners](#). Dive in and discover how we can help you successfully scale, use your marketing budget wisely and obtain the highest customer lifetime value with low customer acquisition costs.

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- 07. Reach Out**
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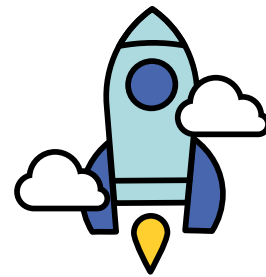
Set the goal

Prepare your marketing plan and lay the right foundations for launch

Converting potential customers into paying subscribers doesn't have to be overly complicated or even particularly costly. To market a new OTT service efficiently, you will need to put a solid marketing strategy in place pre-launch.

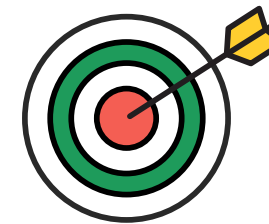
You can be as creative as you like during the planning stages, and don't be afraid to experiment either - it's actually pretty vital if you want to stand out from the crowd. The most important thing is that you have a clear outline of your strategy and return on investment expectations - particularly if engaging paid marketing efforts. Don't waste your time or money on poorly planned ad campaigns that won't see a return.

Before you can even begin to outline your marketing strategy, channel mix, and budget though, there are various prerequisite factors you will need to consider, including:



GO TO MARKET PLAN

Map out your service launch, including timing and initial launch countries



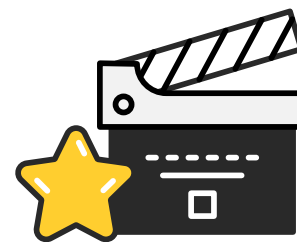
TARGET AUDIENCE/GROUPS

Take time to identify and thoroughly research your target demographics



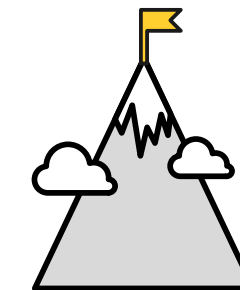
PRICING & POTENTIAL PACKAGES

Determine pricing model & fees based on launch countries, demographics and income levels



CONTENT CATALOG EXPANSION

Onboard or produce new content that appeals to target demographics



MARKETING GOALS

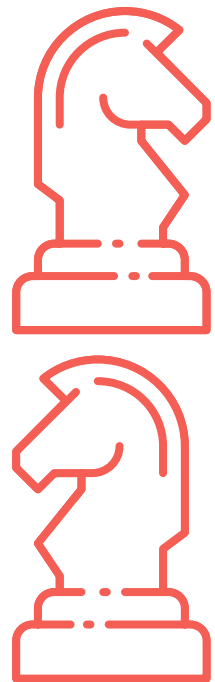
Outline yearly marketing budget and target subscriber/monthly active user numbers



***“By failing to prepare,
you are preparing to fail”***

Creating a clear outline of these key components will help you to define the best marketing strategy for your service, target audience and budget. You can also confidently start to map out your conversion funnel and user journey.

Conversion funnels apply to all online sales-focused businesses and outline the journey a potential customer will take before they commit to purchase or subscribe. In its simplest form, the conversion funnel has four main steps, awareness, interest, desire and action. The conversion funnel is also the foundation for your user journey, which dives even deeper into your ideal channel mix, customer comms strategy and customer retention plans.



**“Have a clear
outline of
your strategy
and return on
investment
expectations”**



The OTT user journey

How to map out your marketing conversion funnel and user journey

Awareness

You can start to build awareness about your service and brand pre-launch through PR and digital marketing activities. Use social media to reach out and spread awareness, run targeted paid ads online and ensure your website and service is SEO optimized to improve organic reach.

Interest/Desire

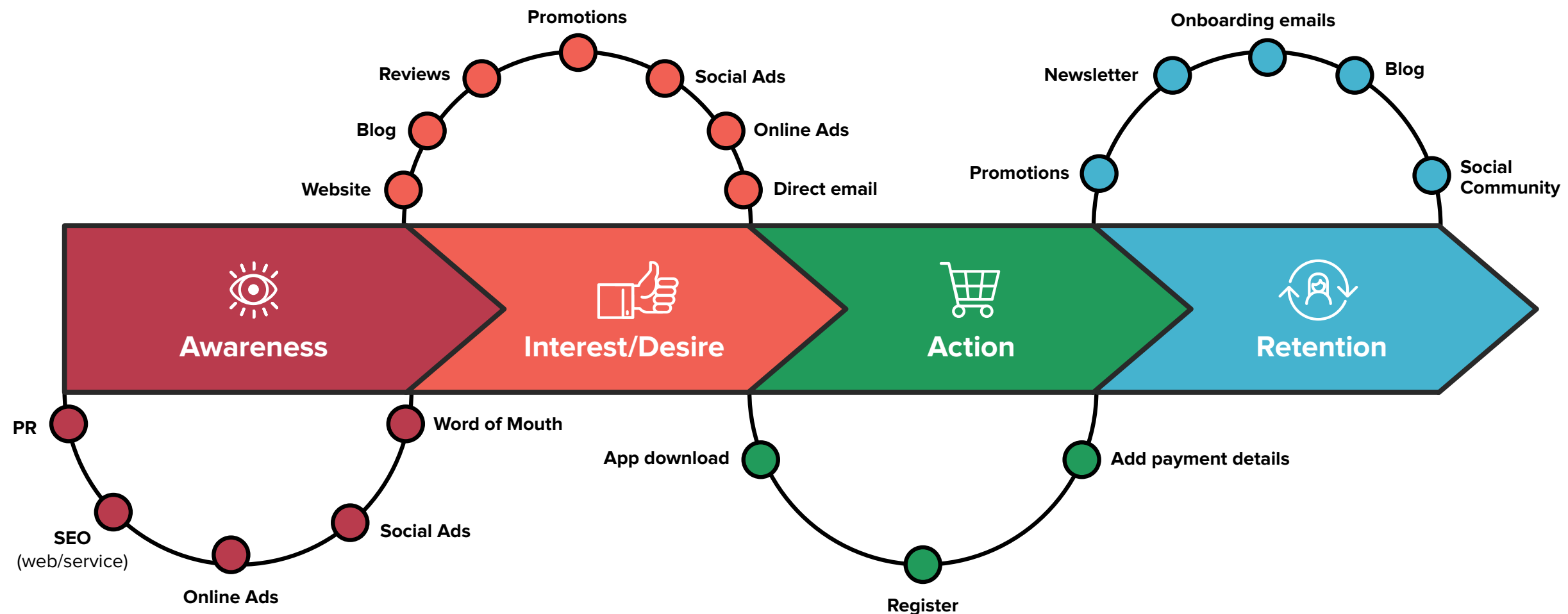
Potential subscribers who are interested in learning more will enter the conversion funnel. Your website and/or blog should give them a better understanding of what your service includes and the value it provides. Their desire to sign up will be influenced by the service itself and in particular what content is available. At this stage, you should also capture emails so you can reach out again later and retarget those who have visited your website or service but not committed to subscribe just yet.

Action

It's here that subscribers will take action by signing up to the service on your website or by downloading the app. It's particularly important that the sign-up process is simple and straightforward for all users to help minimize bounce. You should also have a customer service and comms strategy in place to introduce new users and assist with any issues.

Retention

To retain users and reduce churn you'll need to keep your subscribers engaged. Build a strong communication strategy that regularly informs them of new service features, content and promotions via email and social channels. Actively encourage passionate users to engage online and build a loyal community that can help promote your brand, service and content.



Shout about it!

Designing your digital ecosystem and selecting the right channel mix for your service

Your digital ecosystem outlines the channels you should be utilizing pre, during and post launch. These channels work together to help build awareness, interest, drive action and improve your customer retention rates.

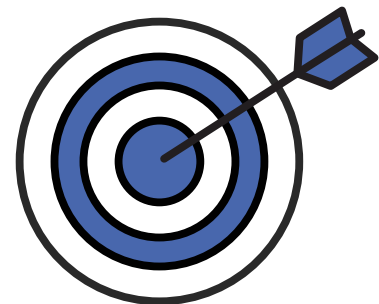
The channel mix you choose to promote your streaming service through is particularly important. For example, not every social platform will be relevant to your brand, business or even audience. This is why it's vital you identify your target audience early, as their behaviour will help you determine which channels are best suited to your business.

Understanding the digital ecosystem

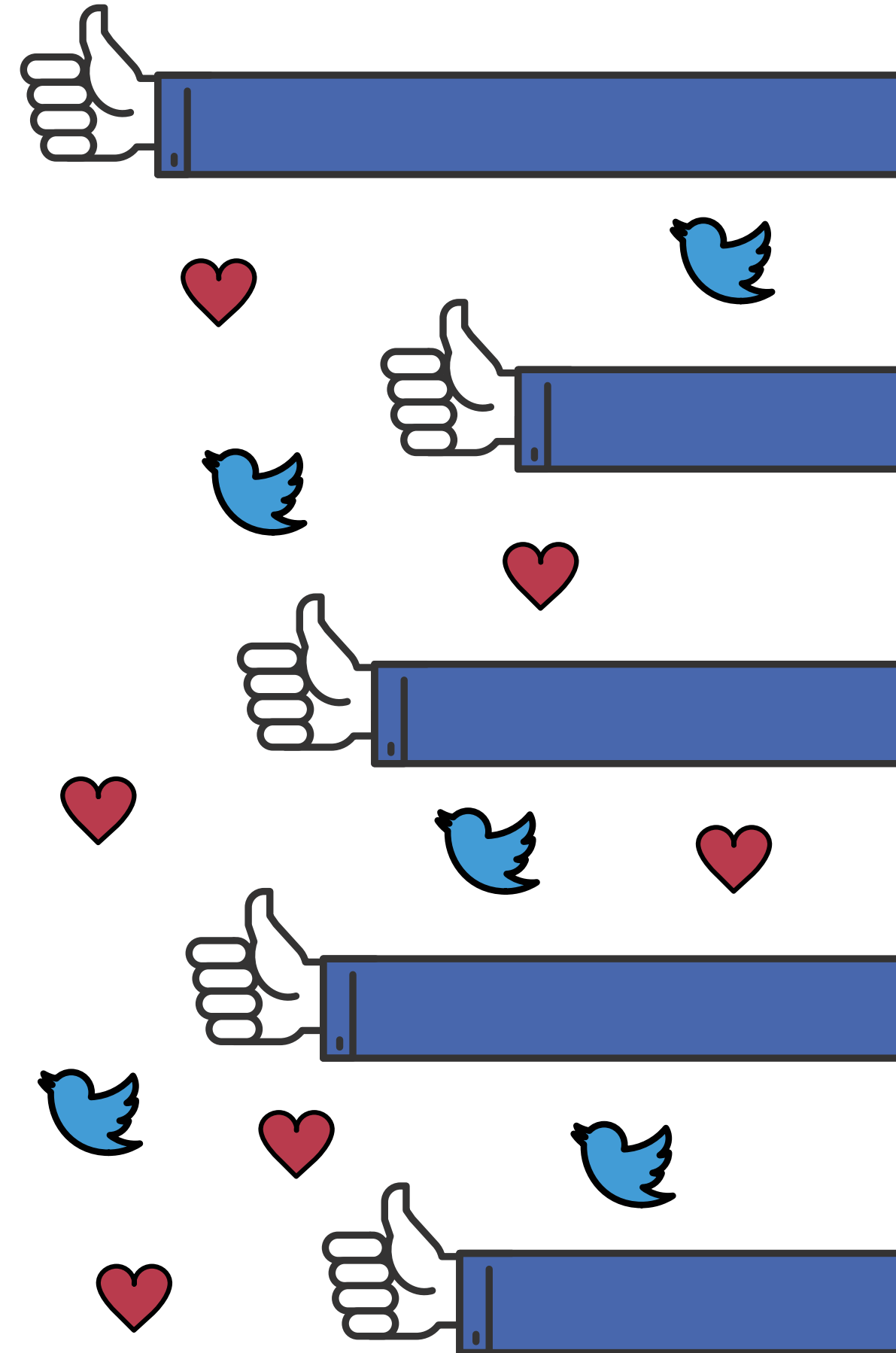
Your website homepage and OTT service itself (web and apps) are central to your digital ecosystem as all

channels feed into them. They are the area on your conversion funnel and user flow where potential customers take action - whether that's submitting their email for future comms or actually subscribing to the service.

To break it down, there are two channel categories in your digital ecosystem that help drive leads and convert them into loyal subscribers - the first being **acquisition channels** and the second, **retention channels**. Some channels, like social for example, can and do fall into both categories but play different roles depending on where the customer is in the user journey.



“Identify your target audience early, as their behaviour will help you determine which channels are best suited to your business.”



Acquisition channels

Your acquisition channels help build customer awareness and drive interest. Acquisition channels for new OTT service entrants should include:

PR

Work with an external agency or build your own PR strategy pre-launch. To get the word out, build relations with publications that your target audience are likely to read and relate to. You'll also need to solidify your key message and create an exciting press release for launch.

Social

Determine which social channels are most commonly used by your target audience. You don't need to be on all social networking sites. It's better to have fewer pages on a handful of sites that are active and engaging than a lot of neglected pages everywhere.

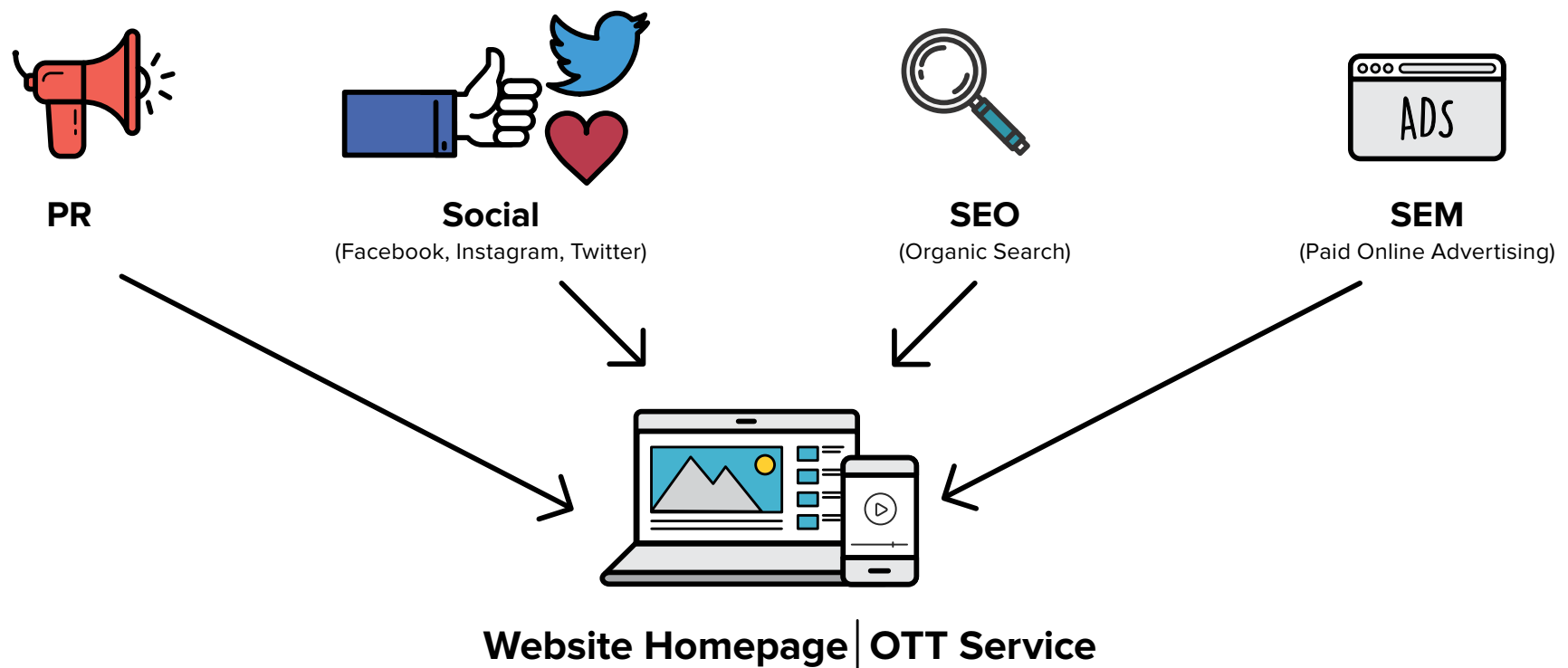
Paid SEM

Put a budget in place for online advertising and stick to it. Paid ads can help boost awareness and enable you to stand out in a crowded market. Research your competitors, identify your keywords and experiment with ad copy with A/B testing.

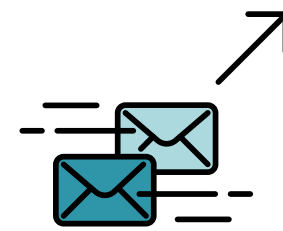
Organic SEO

Search engine optimization is essential and will help drive organic traffic to your website and service. Identify your keywords and phrases and use them in the copy on your webpage and within the service. Content metadata that is SEO optimized is a great way to boost traffic - for example, potential customers could find you simply by searching for a particular TV show or movie.

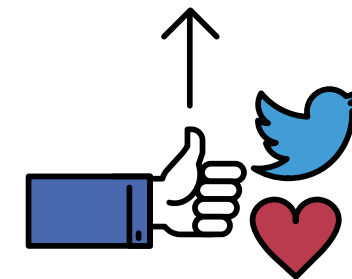
ACQUISITION CHANNELS



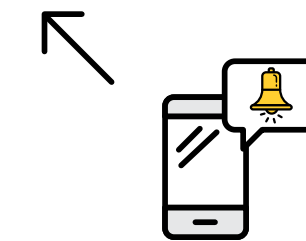
Website Homepage | OTT Service



Email



Social
(Facebook, Instagram, Twitter)



Overlays/Push Messages

RETENTION CHANNELS

Retention channels

Your retention channels keep customers interested and engaged before, and most importantly after they have taken action and subscribed to your service.

Email

Create an email comms strategy that includes, welcome emails, onboarding emails, and even

weekly or monthly newsletters. It's important to keep subscribers interested, and emails are a great way to promote new content, offers and inform subscribers on service updates or new features.

Social

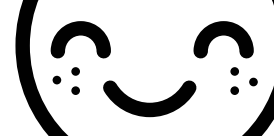
Your social channels are as important for user retention as they are for acquisition. Build a trusted online community for your users, where you can keep them updated on service changes and new content releases. Your customer service team can

also play an active role here and use social channels to handle customer queries relating to the service.

Overlays and Push Messages

Overlays are a fantastic way to promote new content, offers, and discounts in your service, and even encourage visitors on your website to sign up to a newsletter. Push messages are also great if you want to send direct messages to users to remind them to open the app when new content is available.

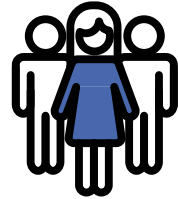
*“Paid ads
can help boost
awareness & enable you
to stand out in a crowded
market.”*



Which social channels are right for you?



Best for building a community as it enables you to communicate directly with potential customers and your existing users.



Over **1.5 BILLION DAILY ACTIVE USERS** worldwide



An average Facebook user **LIKES 10 POSTS, MAKES 4 COMMENTS, & CLICKS ON 8 ADS/MONTH**



REACH OVER 2 BILLION PEOPLE through Facebook ads



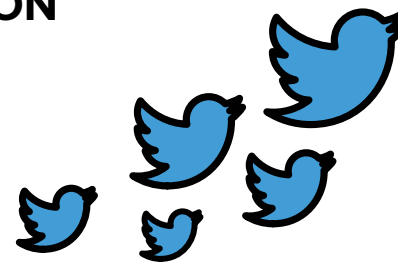
Best for building brand awareness with live conversation.



Twitter is also considered an important customer support channel.



Over **500 MILLION TWEETS EVERY DAY** (5,787 tweets every second)



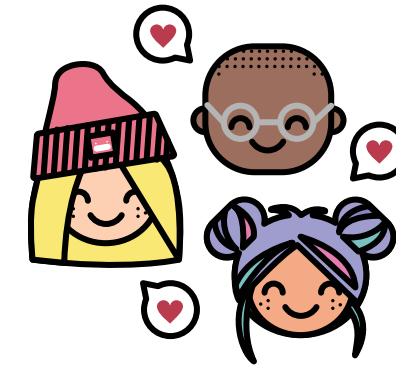
326 MILLION USERS every month



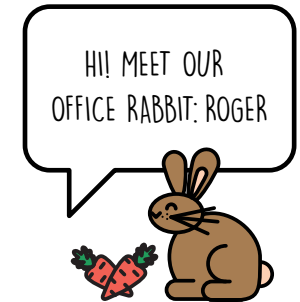
Twitter ads are **11% MORE EFFECTIVE THAN TV ADS** during live events



Best for targeting younger demographics and building brand awareness.



It's a great platform to show a more personal 'behind-the-scenes' side to your business.



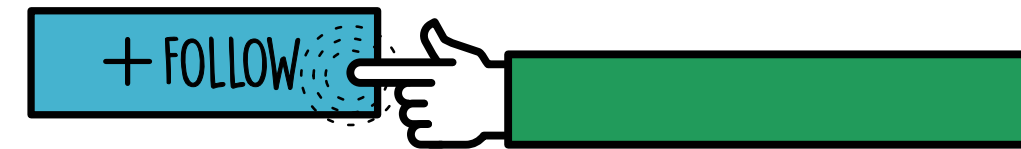
Over **1 BILLION REGISTERED USERS**



Instagram has **2.2% INTERACTION RATE** (higher than all other channels)



80% OF USERS AT LEAST ONE BRAND



Creative channel that is best suited to retailers but still has the potential to boost brand awareness when used correctly.



Ideal if you want to target younger demographics but very similar to Instagram, which now also enables you to publish video stories.



Business orientated with more corporate brands advertising than consumer alongside professional networking.

Organic v Paid

Spend your time and marketing budget wisely

Organic

Organic marketing doesn't cost a penny but does require a lot of time. It's also known as 'inbound marketing', as it should drive free traffic to landing pages on your website or OTT service via search, social posts and even online blog posts.

SEO

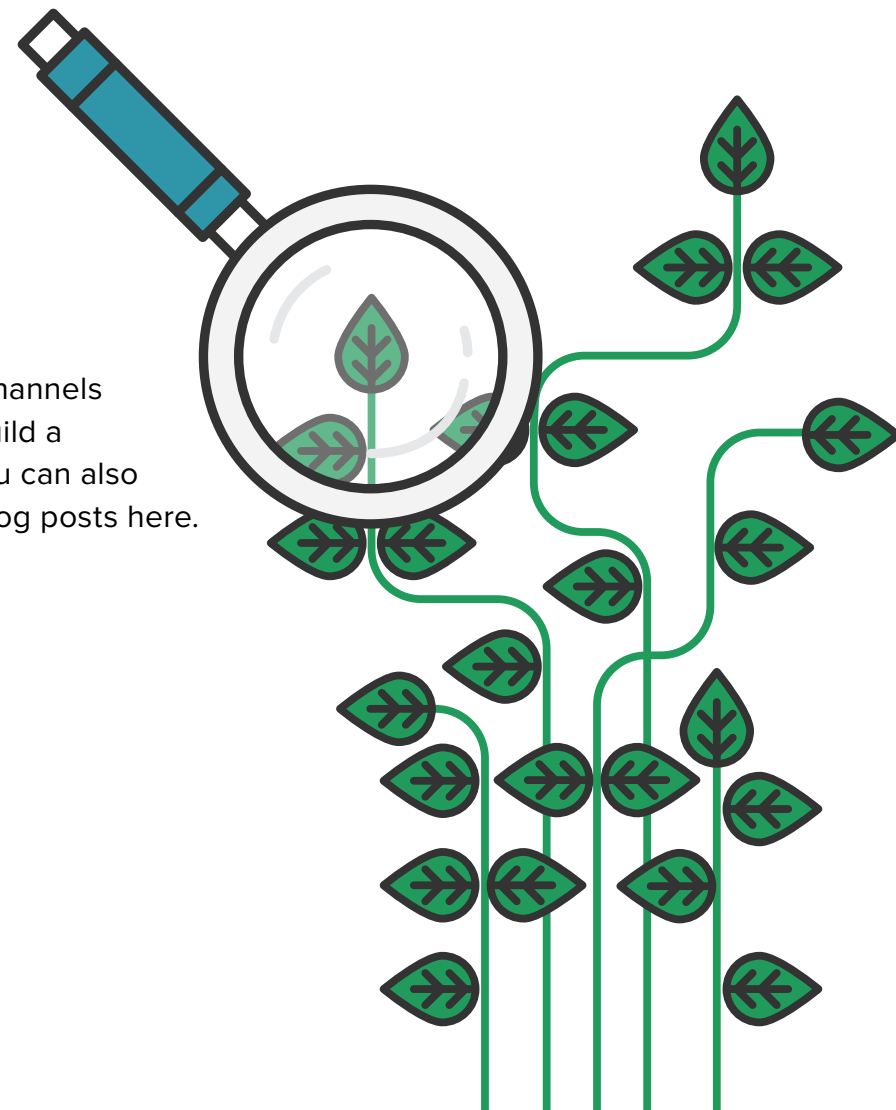
Optimize your website and OTT service for search using relevant keywords. Making your business visible to search engines like Google, is vital if you want viewers to discover and subscribe.

Content Marketing

Create dedicated landing pages on your website and/or create a blog for editorial content that specifically promotes your service and video content.

Social Media

Create pages on the top three social channels (Facebook, Twitter & Instagram) and build a community to keep users engaged. You can also share important links to content and blog posts here.



Paid

You can concentrate your paid marketing efforts in one or two ways, through brand marketing and/or performance marketing. At Magine Pro, we recommend concentrating on performance-based marketing and advertising over brand advertising. Your PR and other media platform activities should be sufficient enough to boost brand recognition, without you having to advertise at an additional cost.

Paid Performance Marketing (eg. Adwords, Facebook)

- 100% trackable (pay by click not impression)
- Suitable also for smaller budgets
- Less visual

Brand Marketing (Online Display, Above-the-line Channels)

- Suitable channel for building brand recognition
- No monetary impact created for smaller budgets
- Does create awareness but no subscriptions or revenue

How do you measure up?

Effective marketing requires you to keep a close eye on performance and conversion rates

It's vital you always track your marketing efforts and conversion rates. There's little point in putting a strategy in place and setting up costly campaigns if you're not going to monitor their performance. Tracking things like keywords and ads enables you to make smarter, and more cost efficient, business decisions. If, for example, certain keywords are not performing the way you had hoped, now is the time to make changes.

Knowing your conversion rate is really key to understanding how your sales funnel is performing though, and in particular what marketing efforts are giving the greatest return on investment (ROI).

A conversion is when a visitor completes an action or set goal on your website, OTT service or app. Of course your primary goal will always be getting users to sign up and complete a subscription or transactional payment (known as a macro-conversion). However, there are smaller, micro conversions you may also want to measure.





“Knowing your conversion rate is key to understanding how your sales funnel is performing”



Conversion types

MACRO CONVERSIONS

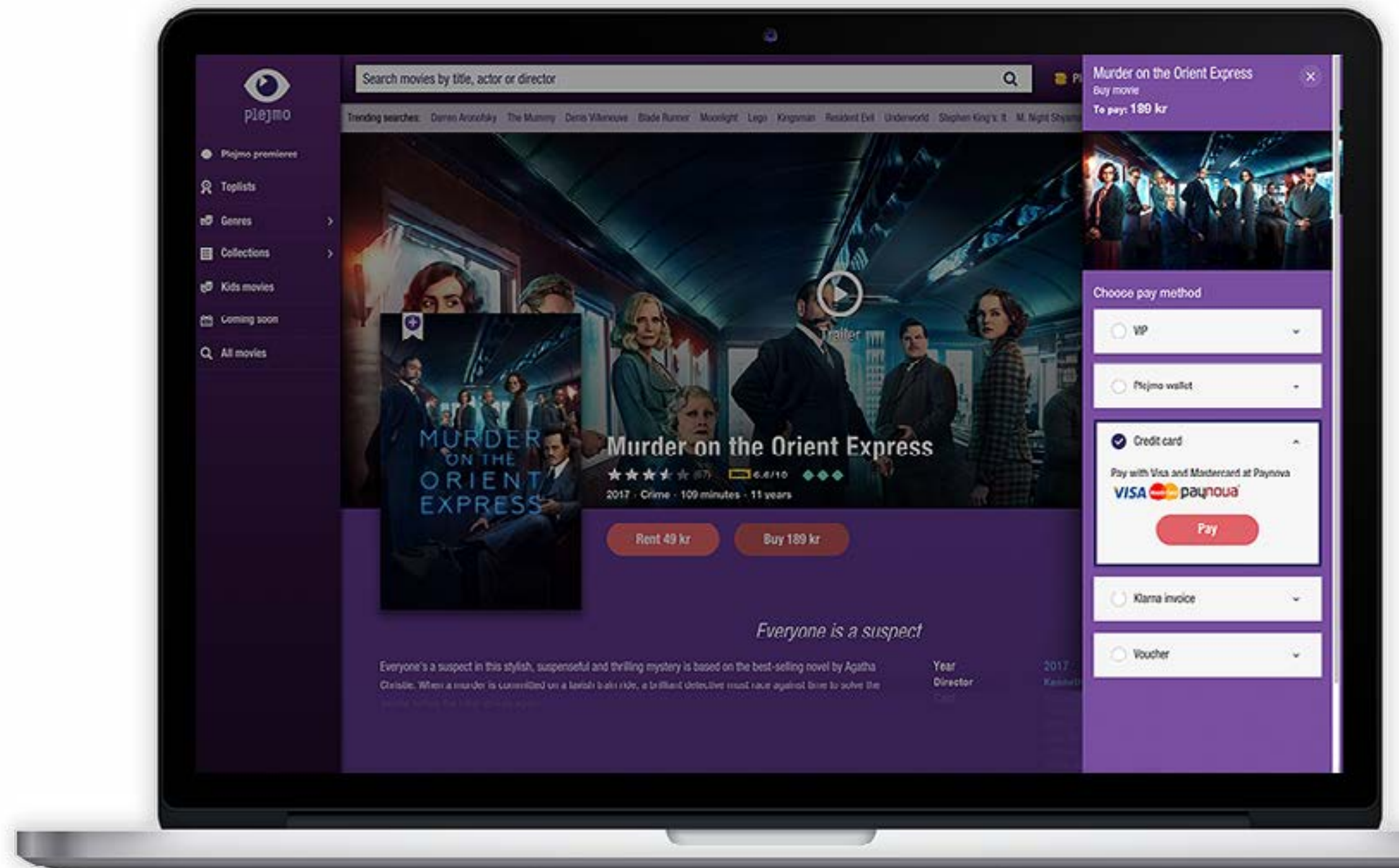
- Signing up or subscribing to your service
- Making a purchase (subscription payment or one-time transactional)

MICRO CONVERSIONS

- Signing up to blog/newsletter/email lists
- Requesting a demo
- Adding to cart (TVOD)

If, when calculated, conversion rates are lower than you anticipated, you will need to optimize. Conversion rate optimization involves collecting data to understand how users move through your website or service. Track their actions to discover why they don't complete set goals, such as sign up. Using the information you collect, you can make more informed changes to your service and website or even perform A/B tests on set pages.

At Magine Pro, we recommend our partners base all their important marketing decisions on deep analytics. Without doubt, data enables you to optimize your marketing spend, increase conversions and ARPU (average revenue per user) as well as help you determine the right content to acquire and how much to spend.



How to calculate your conversion rate

The conversion rate is the percentage of people who visit your streaming service website or app and make a purchase or subscribe. The average

online e-commerce conversion rate is widely accepted to be around 2%, which means for every 1000 visitors, 20 will convert to paying customers. To calculate your OTT service's conversion rate, sample a select time period and divide the number of people who visited your website, service or app, by the number of people who made a purchase.

Stay relevant

Top 5 tips for effective user retention and reducing churn

It's much harder (and more expensive for that matter) to attract new subscribers than it is to keep the ones you already have. It's a competitive landscape, and with so many OTT services offering low entry barriers and free trials, it's more difficult to encourage users that switch from service to service to stick around and stay loyal. Keeping your users engaged is the key to successfully reducing churn. Check out a few of our top tips:

1. KEEP THINGS FRESH

Regularly adding new content to your service is a great way to ensure your users return and remain engaged. Adding new content every week or month will give them a reason to stay active and even recommend the service to a friend. You can also try changing the content that's displayed on the start page - hero older content that your users may not have seen yet. Even regularly updating the content artwork can help make your service feel new and fresh to users.

2. MAINTAIN A BUZZ

Don't expect your subscribers to stick around after they've signed up; you still have work to do. Continue to reach out to your users via email and on social channels to let them know what's available to watch or what's coming soon. Build and maintain the buzz around your service to keep users engaged and active.

3. GIVE BACK

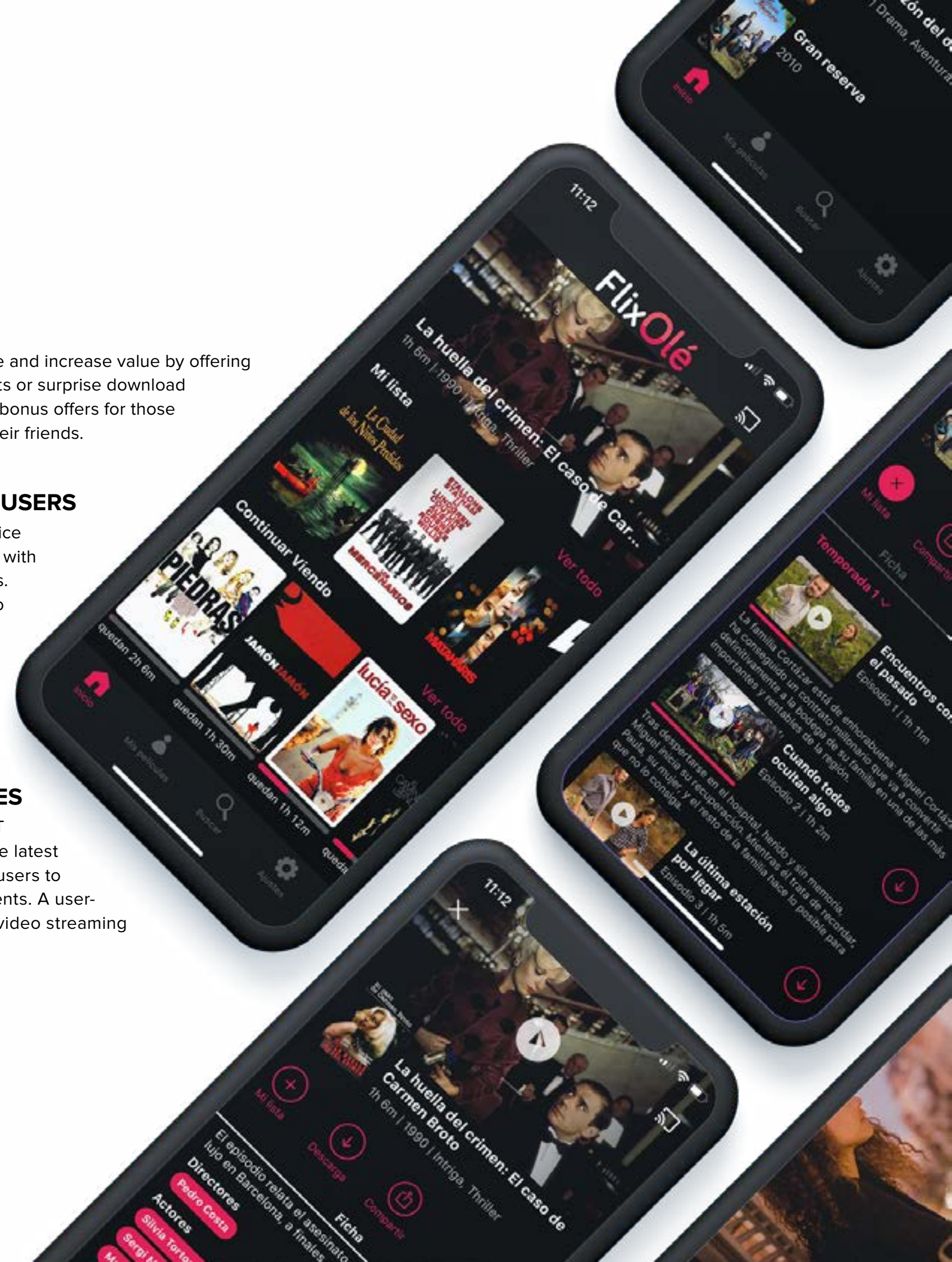
Let your subscribers know you care and increase value by offering loyalty based subscription discounts or surprise download giveaways. You can even promote bonus offers for those who recommend your service to their friends.

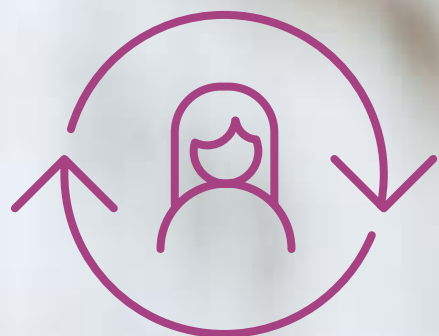
4. RE-ENGAGE INACTIVE USERS

Don't let subscribers slip away, entice inactive users back to your service with targeted marketing and promotions. You can do the same for those who have recently canceled their subscription; remind them you exist, what they're missing and make it easy to get back onboard!

5. KEEP UP APPEARANCES

It's important to maintain your OTT service. You don't need to offer the latest features but it should be easy for users to manage their accounts and payments. A user-friendly interface is essential and video streaming should always be seamless.





*“Keeping your users engaged
is the key to successfully
reducing churn.”*



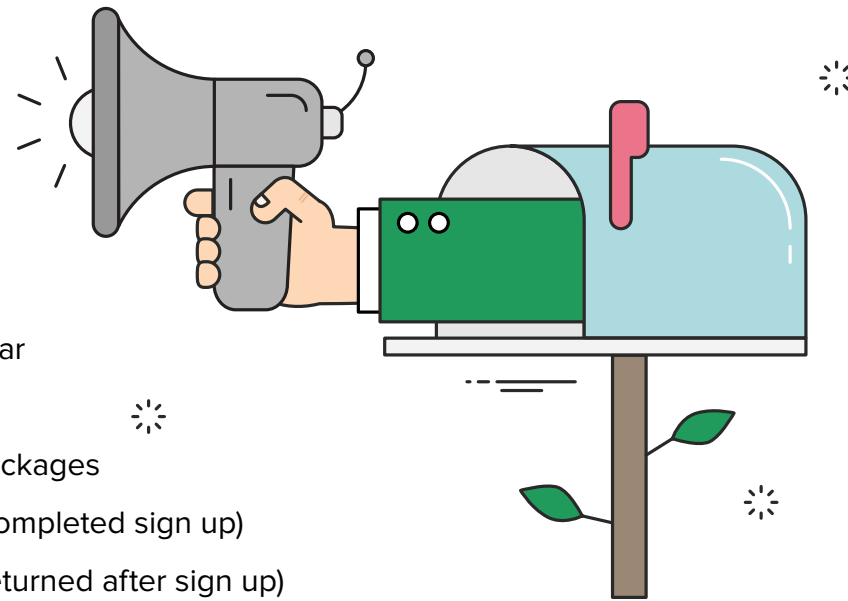
Reach out

Design a solid CRM email marketing strategy

Your CRM strategy should center around your customer and their needs. We always recommend our partners educate their customers about their service after sign up via onboarding emails and include a survey within the first week of using the service to help improve their experience and the product in future.

Proposed Onboarding Funnel:

- **Day 0:** Introductory welcome email
- **Day 1:** Welcome offer/promotion
- **Day 3:** Overview of devices to stream on
- **Day 5:** Overview of the services offered
- **Day 7:** Short survey to feedback on their experience so far
- **Day 10:** Deep Dive into the service and features
- **Day 14:** Upsell email that promotes additional content packages
- **Day 30:** Reactivation #1 (if a user has not returned and completed sign up)
- **Day 50-70:** Reactivation #2 (reminder if a user has not returned after sign up)



Onboarding emails can be set up before launch to send autonomously. You can also experiment with A/B testing to see which subject lines and messaging work best.

Alongside sending automated onboarding emails, regularly reach out to your users. Email is a great retention channel that can help keep customers interested and engaged after they've signed up. A weekly or monthly newsletter, for example, will keep your users informed on service updates, promotions and new content.

Share the love

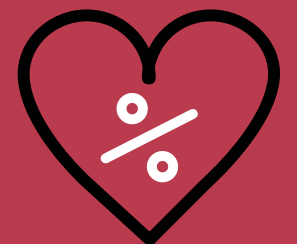
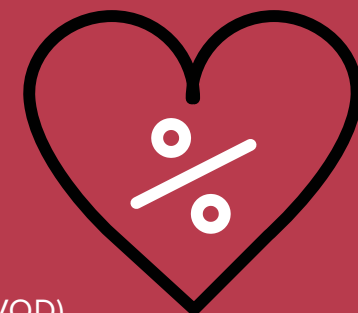
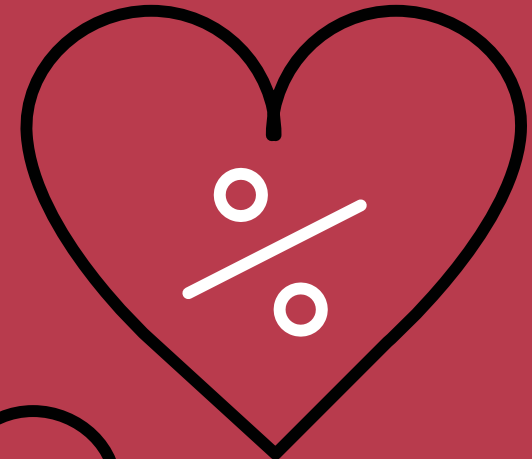
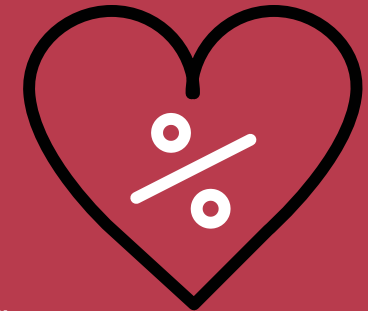
Offer enticing promotions and discounts to new and existing users

Promotions are a fantastic way to entice new users to try your service, especially around launch. They are also great for retaining customers and keeping them engaged.

Magine Pro partners are able to independently set up promotions and discount codes for their users via the [Magine Pro Console](#).

Successful promotions to try:

- Discount models for SVOD campaigns: "3 months for the price of 1 month"
- Discount models (mainly TVOD) for special occasions: "20% off a movie or series"
- Billing period after an extended grace period/trial period (SVOD): "3 months for free"
- Annual packs with automatically extended billing periods



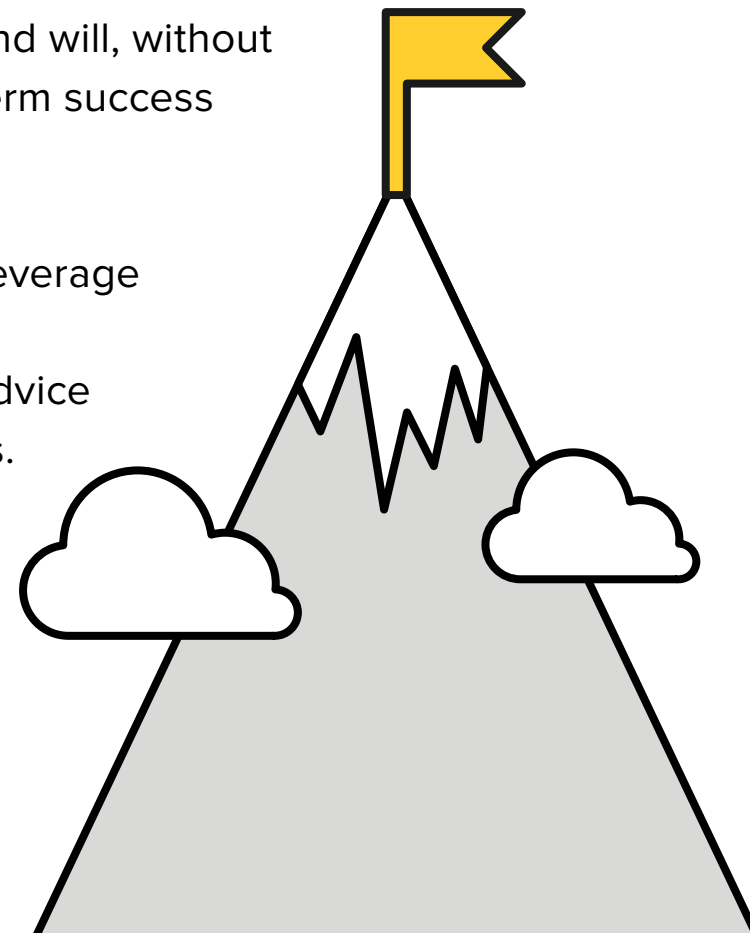
The Next Steps

When it comes to OTT, content really is king (in fact, it's the main reason people sign up to a streaming service in the first place), which can mean only one thing, marketing is its queen.

Take our partner's for example; combined they add over 650 hours of new content to their services every month. However, without effective marketing, no one would know a thing about it; not their paying subscribers or new potential customers. One Magine Pro partner, in particular, reports a huge increase in monthly active users (from 30% to 80%) when new content has been added. But this is only as a result of their marketing efforts around new releases.

You should never underestimate the importance of your marketing strategy. Having a clear and well-defined strategy in place prior to launch is vital and will, without doubt, have a direct effect on the long-term success of your service.

At Magine Pro, [our partners](#) are able to leverage our years of in-market experience as we provide marketing growth support and advice as part of our OTT solutions and services. To find out more and discover how we can help you grow your [OTT business](#), contact us at business@magine.com.



Startup Marketing Checklist



☑ **SEO strategy**

Identify keywords that relate to your service/content and plan to use them on your website and service.

☑ **Website/Landing page**

Create a landing page that you can drive online traffic to which shares more details about your service and how to sign up.

☑ **Social Channels**

Create profiles on your chosen social networking sites. Add your logo, web URL as well as info and links to download your service.

☑ **Google AdWords**

Set up an account with Google AdWords and create paid advertising campaigns that target your audience online.

☑ **Content Calendar**

Create a content calendar to keep organized and stay on top of what and when to post promotional content on your website, blog and social channels.

☑ **Set up CRM**

Create an account with the likes of MailChimp or SendInBlue so you can regularly reach out to your users with service updates, news and offers.