New Product Report on Stan Australia
Executive Summary

Stan Australia’s 2015 Marketing plan is designed to boost its sale and increase brand awareness among the users. Stan Australia offers subscription for instant and unlimited streaming of selected TV shows and movies at prices affordable by everyone. Subjugated by the rapid advancement of technology, renting DVDs has gradually been replaced by instant streaming of movies and TV shows. Because of the decline in the DVD business, it has become even more necessary to build a strengthening marketing plan for the profitability and awareness of brand name in the streaming section of the business.

Stan Australia has quickly gathered a strong customer base for Online streaming. There are certain factors affecting the company like economic, technological, socio-cultural, legal and political factors. These factors have either a positive or a negative effect on the company and the five major factors are discussed further in the report. Apart from the PEST analysis, SWOT analysis shows the internal strength of the company.

Stan Australia offers instant streaming of movies and TV shows to its users and has a lot of competitors in the Online Streaming industry. Though new in the industry but it has become very popular among the Australian citizens and have left behind major competitors like Netflix, Quickflix, Presto etc. It entered the market targeting mass market and an aim to acquire more number of subscribers of all preferences and ages. Segmentation is not possible for this industry as the services are customised to individual preferences and profitability purposes. The customer base for this industry is extremely diversified.

Stan Australia positions itself an entertainment option which is convenient to use and offers great range of content to those interested in TV shows, kid’s shows and movies. Stan focuses on the 4Ps to design its marketing strategies and promote or improve its services so as to increase its market share and create brand awareness. Stan Australia believes in offering its users what they want to watch and when at reasonable prices.
Introduction

1.1 Stan Australia Background

Stan Australia is an Australian provider of instant internet streaming media available to the Australians. Internet streaming service is its main product line with core product being service.

Stan Australia is the child company of StreamCo which is a joint undertaking of Fairfax Media and Nine Entertainment Co. It was founded in August 2014 when both the companies funded StreamCo with AU$50 million each. However it stalled its launch till February 2015. Expected to launch in 2015, the company started its service on the Australian Day i.e. 26th January 2015. The online streaming service offered by the Australian company is promoted by Australian actress Rebel Wilson.

Stan has various competitors in the industry not only local but also international. The battle for capturing market share is thus very competitive. Various reports have found out that Stan leads the total hours for streaming online videos with Netflix being very close to it.

Stan Australia believes in offering its Australian users a national streaming service at affordable prices so that they don't have to pay more prices to other companies. Stan’s culture offers its employees to be cordial and believes in communication, curiosity, impact, passion, courage, honesty, selflessness and other organizational values.

Stan’s internet streaming customers are not selective or segmented. They are free to watch the videos when they like and where. They believe in offering its customers easy and instant access, transferability and portability of the product and able to watch videos on their desktops or other devices like android or apple phones and tables. The customers go for affordable monthly subscription offers after utilising its 30 day free trial.
2. Situation Analysis

Stan Australia’s core product is instant online streaming of movies, TV shows and kid shows. Let’s discuss its Environmental analysis as well as Swot analysis.

2.1 Environmental Analysis or PESTL Analysis

Stan Australia is affected by various environmental factors like socio-cultural, legal, political, economic, technological and others. These factors either affect the working and growth of the company in a positive way or a negative way. Let discuss five major factors that affect the operations of Stan Australia

2.1.1. Economic Factors

Industry is majorly affected by the changes in consumer expenditure which can be a result of change in employment growth rate, tax rates and interest rates. As the purchasing power of the consumer will increase, they will tend to buy more number of subscriptions. Since consumer spending is likely to rise this year which is a plus point for the company as they can expect their subscription sales to increase.

2.1.2 Socio-cultural Factors

It is known that people who have more leisure time are likely to watch more TV shows and movies. Since employment opportunities are increasing rapidly, people are on the lookout for less time consuming options to rent movies and TV shows. This results in more online streaming which is positive for the company. People are less likely to devote time to sports and other activities.

2.1.3 Technological Factors

The popularity and widespread functions of Internet like video streaming made Stan Australia more popular. Consumers tend to prefer more internet service rather than physical media. This adaptation to internet has given a positive opportunity to Stan Australia to explore and build its customer base.

2.1.4 Political Factors

Net Neutrality is a theory where the internet service providers treat all the information on internet equally rather than charging differentially or discriminating as per content, user, site, platform, etc. This subject is debatable across the world including Australia which can cause a threat to Stan Australia. If internet service providers and government come together and charge differentially from the users, then the videos streamed on Stan Australia may face certain restrictions.
2.1.5 Legal Factors

Stan Australia might face a lot of legal actions because of the widespread use of licenses for uploading the contents as well as the contracts entered into with the content providers along with customer privacy issues.

2.2 Swot Analysis

2.2.1 Strengths

- Instant streaming of videos, TV shows, Kid shows and movies
- Low subscription rates
- Especially launched for Australian citizens
- Rapid growth of subscribers since launch
- Tailored made recommendation system and huge content base increases customer satisfaction
- New episodes of famous TV shows
- Easy streaming with desktops as well as portable devices like iPhone, android phone and tablets
- Easy registration as well as free trial for 30 days
- Fast and seamless streaming of videos

2.2.2 Weaknesses

- Lot of missing content
- Lack focus on ‘one-size fits all ‘
- It does not a perfect user interface
- Lack of real search filtration
- Lack of TV apps on Apple TV, XBOX or PlayStation
- Relies on Silverlight for playback of movie which restrict Google Chrome users to use this platform
- Doesn’t offer seamless viewing on Android devices

2.2.3 Opportunities

- Stan Australia’s profits, subscriber base and brand equity may be favoured by the product line expansion of original shows.
- Rapid expansion of broadband subscription in the international market.
- Can increase their product line to live sports or other online games

2.3.4 Threats

- Availability of movie streaming may be affected due to exclusivity contract with content providers.
• Cut throat competition in the online streaming industry with close competitors like Netflix, Quickflix, Presto, etc.
• Competitor partnerships
• Television and Movie industry’s less interest in making deals with online streaming services.
• Content licenses’ cost likely to increase along with rise in cyber crimes
• Restricted to the boundaries of Australia only.

2.3 Customer Report

Stan Australia is a company serving business pertaining to customer market. The budding customer market for Stan ranges from kids above 5 years of age to teenagers to adults of 59 years of age or above. The services however are restricted to the boundaries of Australia only. The core product line of this company is to offer online streaming subscriptions to its customers.

The customer base of Stan Australia is diversified on the basis of age, watching preferences, technological advancement, income and various other factors. The only factor that unites them is access to internet and video content on internet. Many of the customers are habituated to black market or free content. Since these options are available to the customers, they tend to use their bargaining power to cut down the prices.

In order to understand this diverse customer base and serve them efficiently Stan Australia collects and maintains an information record of its subscribers to understand their preferences and serve them accordingly. They collect this information from the website and keep a track on their subscribers. The information they gather are name, email address, credit card information, basic information like reviews, title selections, payment history, rating, internet service providers, internet protocol addresses, instant watching hours, movies, TV shows, devices used and other necessary data.

Subscribers are allowed to connect to more than one social media networks like Facebook, Twitter with their Stan Australia account. Stan will retrieve information from those networks and use them as record and for analysis. As per the analysis of the Stan Australia’s online streaming customer base, it is evident that their primary needs include convenient, affordable, fast and personalized entertainment. Stan Australia needs to respond to these needs to increase their brand awareness.

2.4 Competitor’s Report

Stan Australia was launched in January 2015 with a view to offer instant online streaming of TV shows and movies at affordable rates. However, till then the market was already filled with various companies offering these services like Presto, Quickflix, Netflix etc. In spite of the cut throat competition, Stan Australia managed to grow its subscriber base rapidly and within no time came as close as Netflix in terms of popularity among Australian citizens.
Features | Stan Australia | Netflix
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Sign up/Pricing | Afferable rate at $9.99 per month subscription. Free 30 day trial Easy signing up – requires your email id, password, credit card details, and basic information. | Splits its offerings into three pricing tiers - $8.99 per month for watching entire Netflix library in SD; $11.99 per month for streaming two videos at same time in HD and $14.99 for streaming select titles in 4K along with Netflix content to be watched in four devices simultaneously.

Interface | Not a perfect user interface. Offers a consistent, clean and visual style. It also offers features like continuity-style. However has a sluggish performance when it comes to real search filtration | Great user interface, flawless device support with HTML 5 in browser and apps for iOS, Windows phones, android phone, Apple TV, Chromecast. Integration with Xbox, playstation, 3DS and Wii U.

Devices | Relies on Silverlight for playback that restricts Google chrome users to use it. iOS interface is pleasing for the eyes with fast and smooth home screen, though search is slow. Custom video player is not polished. Great airplay support. Presence of visual goofs when playing on android devices along with tearing and non-smooth video streaming. | Supports Chrome, Internet Explorer and Safari with fast streaming in HD quality. Little features like preview skimming of video included in desktop site. No feature omissions, easy sync across devices and video pipes in HD resolution on iPad and iPhone devices. Netflix on Android is great with a clean material design aesthetic and fast overall feed.

Content | Sometimes misses out on newer series however a lot of classic has in its collection. Popular TV shows, movies as well as kids shows is what it offers. | Small library as compared to US offerings. The original they offer is great.

Cancelling Services | Easy to cancel the order placed with Stan. | Easy to cancel Netflix orders.

### 2.5 Segmentation

Stan Australia’s market is very diversified and dynamic with constant changes happening every second in technology and behaviour. This is the reason why segmentation of Stan Australia is not possible as we cannot know when the consumer may shift its preference to some other movie or TV show. It keeps on changing and thus segmenting the customers in a particular group is difficult.
2.6 Targeting

Stan Australia targets mass market. They have a huge base of paying streaming subscriptions of movies and TV shows aiming to gain a big share of market with large number of subscribers irrespective of age, beliefs, backgrounds, preferences, etc. To gain such a large customer base, Stan Australia focuses on catering to the individual needs of the customer and thus retains them as loyal subscribers. The higher the subscribers the longer is the return on investment.

2.7 Positioning

Customers prefer having convenience, affordable rates, speed, and customized video streaming along with high title selections. Stan Australia aims to be the top choice of its customers by offering fast, individualised, convenient, affordable and high selection streaming service online.
3 Marketing Planning

3.1 Strategic Direction, Targeting and Positioning

Stan Australia online streaming service is positioned as individualised affordable instant TV shows and movies entertainment offering a large collection to the targeted mass market. in comparison to other competitors, Stan Australia offers its subscribers watching experience without any buffers or disruptions. Customers are allowed to choose from the large collection and watch it either on desktops or Apple, Android and Windows devices with convenience. Customers are served individually via a sophisticated analysis of data in order to make the service personalised.

3.2 Marketing Objectives

3.2.1 Marketing

- Increase the goodwill and brand awareness of Stan Australia in the Australian market
- Emphasise on the competitive price and huge collection as well as integrated social media options
- Increase the number of subscriber base
- Improvement in instant streaming service

3.2.2 Media

- Increase the word of mouth share via effective campaigns
- Increase the rate of frequency of all the present advertising messages

3.4 Marketing Mix

3.4.1 Product

Product strategies adopted by Stan Australia could be to add more recent movies in their collection so as to attract those interested in watching new movies as well as add recent TV shows to attract those who want to watch new shows. Currently Stan Australia do not have online games in their libraries which can also be added to the lost for increased subscriber base.

Live sports streaming is also lacking from their online libraries. Since none of the competitors are offering this service, it is a great opportunity for Stan Australia to take it and explore its benefits. It should expand its library by bidding for as many TV titles.

Stan Australia should accommodate more internet speed so that customers can access it from anywhere and anytime. It should also use other payment options other than credit cards in order to increase their customer base.
3.4.2 Price

Stan Australia’s pricing objective is proving to be beneficial for the company as it is getting more customers for them that are retained. It follows a onetime payment subscription fees on a per month basis that gives the user access to the library collection completely without restrictions. There have been a lot of changes in the pricing policy of the companies as competitors come with new pricing strategies to attract customers. Stan Australia’s pricing is fixed at $9.99 per month.

3.4.3 Place

Stan Australia is made available to the Australian citizens at affordable rates. Restricted to the nation’s boundaries, subscribers can access online streaming services from anywhere with high internet speed connectivity.

3.4.4 Promotion

As a promotional offer Stan Australia offers a thirty day free trial to its subscribers with an aim to show its users the high value of service they offer. With this offer they aim to attract more loyal subscribers as a free trial will build confidence and trust in the services of the company.

4. Recommendations

Stan Australia though is a convenient and reasonable online streaming service which is gaining popularity among the Australian citizens but they should improve their service by adopting new and innovative ways. A few recommendations for Stan Australia to improve and build their customer base are:

- Improve their user interface and make it more user-friendly.
- Include new TV shows and movies as well as rare classics that competitors do not have in their library.
- Make search filtration even more friendly and easy to use
- Make it desirable for Google Chrome users
- Make it available for Apple TV, Xbox and PlayStation
- Should expand its services to international countries.
5. Conclusion

Stan Australia has rapidly positioned itself as an affordable, personalized and convenient entertainment brand with huge collection of TV shows and movies. They have successfully managed to stock their library with new and recent TV shows and movies as well as old classics. Their instant online streaming product line with high speed buffering helped them to stay ahead of their competition. By implementing more and more innovative strategies Stan Australia is maintaining itself as a top choice amongst TV and movie lovers.
References


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