



Strategy Formulation

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Main Goals

- Expand their customer base
- Earn a profit while maintaining a 'freemium' revenue model

Through Multiple Developmental Stages, SoundCloud has been able to maintain its 'freemium' revenue model.

Lessons Learned

- 1) Location
- 2) Networking
- 3) Funding

Conclusion

Leveraging Resources

- Internal Environment
- External Environment

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SoundCloud's Success in the Creative Industries



Situation Analysis

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- Berlin in the early 2000s
- Stockholm vs. Berlin
- 'Place Surplus'

Through Multiple Developmental Stages, SoundCloud has been able to maintain its 'freemium' revenue model.

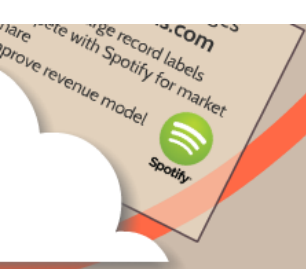
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SoundCloud: A Case Study of How SoundCloud Derived "Place Surplus" in Berlin

Through Multiple Developmental Stages, SoundCloud has been able to maintain its 'freemium' revenue model.

Q & A





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SoundCloud: A Case Study of How SoundCloud Derived "Place Surplus" in Berlin




Lighters Up f. Mavado x

https://soundcloud.com/premium

Stream Explore Find artists, music and audio

Upload

More



Join the Pros

Share more, get more with SoundCloud Pro
try it free for 14 days

Pro

Post 4 hours of sound

Go Pro

€3/month or €29/year

Pro Unlimited

Post unlimited sound*

Go Unlimited

€9/month or €99/year

Plus these additional Pro features:

Spotlight



Every Pro plan lets you showcase your best music & audio at the top of your profile: highlight the sounds and sets you want your audience to hear first.

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Comprehensive stats



Learn more with Pro: count plays, downloads, comments and likes, plus get details on who's listening. Go further with Pro Unlimited: see where your listeners are, and where your sounds are being embedded, linked to and posted around the web.

Quiet mode



With any Pro plan, you're in charge: choose whether comments should be public, private or not allowed; show or hide stats.

Situation Analysis

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The Ever-Changing Music Industry

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- Rise of the DIY music scene
- Fall of traditional music business models
- Filling the gap
- SoundCloud vs. MySpace



DIY recording studio in the mid 2000s

Understanding SoundCloud's Users
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- Def in electronic scene
- Making parties
- Collaboration
- Large businesses
- "Hack the?"



Berlin Festival 2011 - a two-day outdoor
r&b/electro music event

Understanding SoundCloud's Users

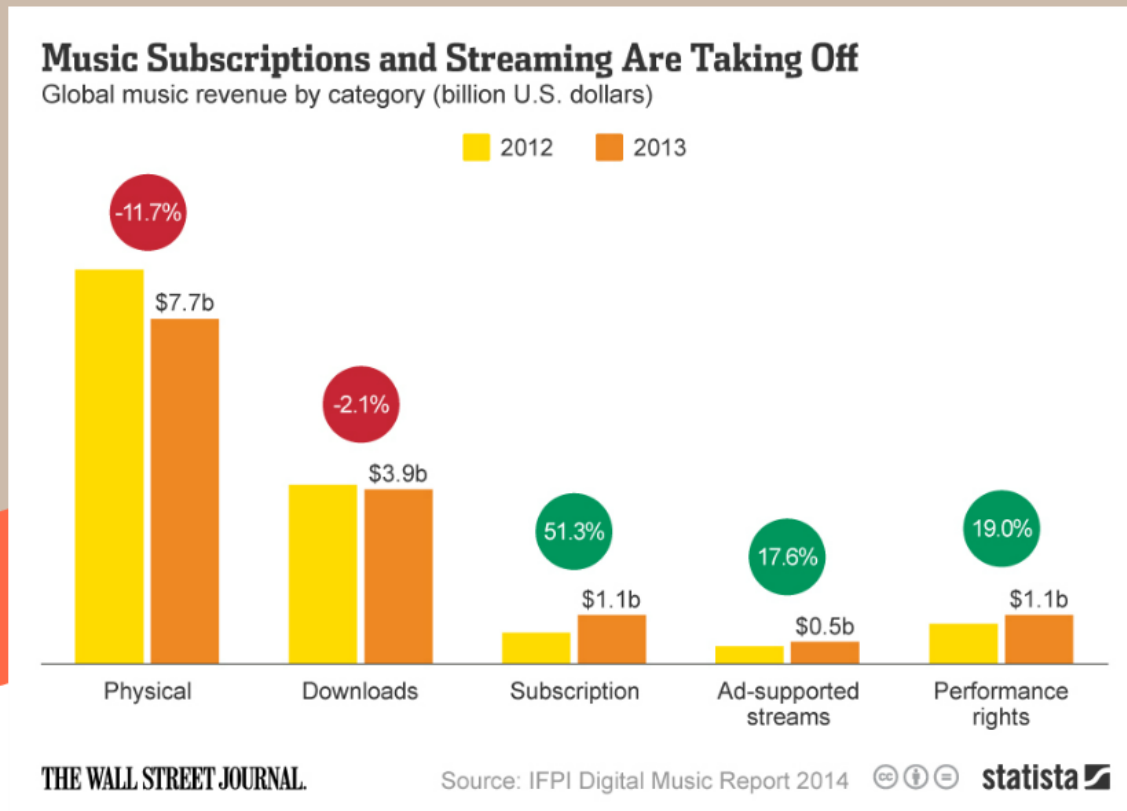
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- Berlin electronic scene
- Marketing parties
- Collaboration
- Larger businesses
- 'Hack day'



Berlin Festival (2011) - a two-day outdoor rock/electro music event

Bringing the case up to date...



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- Case published in 2014
- Rise in streaming services such as Rdio, Pandora, Songza, Spotify
- 54% jump in US music streaming (164 billion songs in 2014 from 106 billion in 2013 according to Circa News)

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3 Strategic Challenges

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- Appeal to large record labels
- Compete with Spotify for market share
- Improve revenue model



Spotify®