

APPLE CAPTURES YOUNGER GENERATIONS WITH MUSIC

**How Apple Captures Attention of  
Younger Generations with Music**

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### **Abstract**

In this paper, the author will explore the role music plays within Apple's targeting and product development strategies to continually stay relevant with 18-34 year olds, which includes Gen Y (Millennials) & Gen Z (iGen/NetGen). The author will review the brand's background, mission, points of focus and core activities as they align with this audience's interests and needs. The author will also offer advice based on the competitive landscape and audience research as to how Apple might better target these younger generations moving forward.

### **Analysis of Apple's Audience Targeting**

To tell whether Apple is indeed targeting the two aforementioned generations, we must first understand the differences between them: how they're consuming, when they're consuming, and where they're consuming. A brand should research and understand both strategically and tactically when it can overlap and when it should adjust per audience segment to maximize ROI.

Let's consider some facts and stats about these segments, and how Apple may be adjusting to better meet their needs and interests both overall and specifically with music.

#### **Mobile-Focused.**

Even though 95% of Americans have a smartphone, Gen Z has the highest usage (spending on average, 3 hours a day on mobile). 32% of Gen Y will still use a computer to make purchases (Kasasa Editors, 2019). There's a strong ownership of iPhones, specifically with Gen Z, where individuals might

actually be ostracized for not owning one (Green, 2019) -- signifying Apple's dominance in the mobile space.

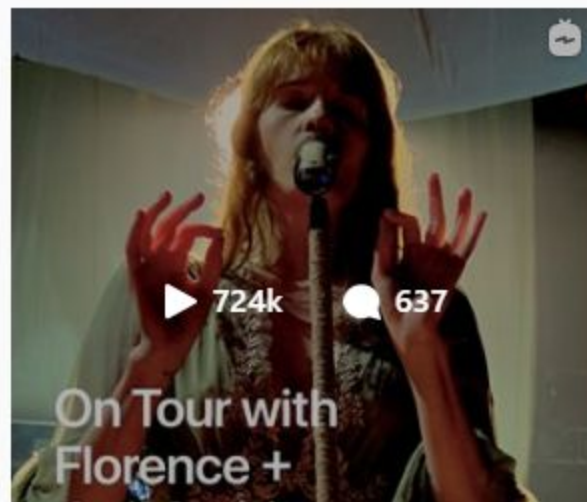
The author suggests optimizing ads per device for those Apple is retargeting lower in the funnel such as upping bids for ads targeted toward Gen Y desktop users if they have added an item to the cart, but not yet purchased.

In the Products section of this paper, the author will cover how Apple makes a lot of music programs available via mobile apps to address the growth of mobile device usage with this audience.

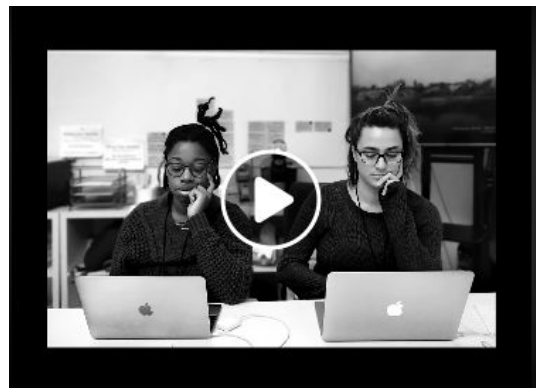
### **Social Media Focused.**

Gen Y and Gen Z typically have multiple social media accounts. Millennials tend to favor Facebook with YouTube and Instagram to follow (GlobalWebIndex, n.d.). Gen Z tend to favor Instagram with Snapchat and YouTube to follow (Green, 2019). The author suggests organic and paid social content for each segment should be served on the platforms where they're most engaged -- with some overlap on YouTube and Instagram.

Let's look at some examples of how music has been incorporated in content on these social platforms. If we look at Apple's Instagram, there are several posts for "On Tour with..." which provides video clips of artists while on tour, commissioned by Apple (Apple, 2019), to give followers footage they might not otherwise see. It's hard to say whether the two generations gravitate toward certain artists more than others based off of this research alone, so the author uses this example more so to illustrate the incorporation of music within Apple's content on these platforms.



(Apple, 2019)



(Apple, 2018)

If we look at Apple's Facebook, there's a video from October 2018 for "Behind the Mac", and it's just imagery put to music (Apple, 2018). Other than the bookend text at the end of the video, there's no text or talking. This allows the user to have less competing sensory data such as being required to read or process words in addition to taking in the emotional impact (Patel, n.d.) brought by visually seeing individuals representative of the demographic using Macs in different settings -- and even that is simplified, by making the video in black and white -- as well as listening to the accompaniment.



(Blau, 2011)

Apple is extremely well-known for this as a lot of product launches have had campaign videos with just silhouettes of people dancing and listening to music or other visuals along with music (Blau, 2011).



(mac ultime, 2013)

The iPod touch video showed how functionality matched design. While CSS's single "Music is My Hot Hot Sex" played alluding to the product's versatility as more than just an MP3 player, one could see an individual seamlessly utilizing the the product to access and consume music. Apple has a knack for choosing songs that later blow up with Gen Y and Gen Z audiences (Blau, 2011).

**Accessibility Over Ownership.**

Gen Z spends an average of four hours a day listening to music, so it remains a powerful tactic to capture attention (Golden, 2019). Both Gen Y (Howe, 2019) and Gen Z favor streaming services for music consumption. Podcasts now represent almost 10 percent of everything Millennials listen to (Cirisano, 2019). 54% of podcast listeners on smartphones use iPhones (Thomson, 2019). Podcasts are another way for artists to connect with fans.

These are a few reasons why Apple's user's iTunes files will be moved over to Apple Music, Apple Podcasts & Apple TV with iTunes discontinuing (Kaur, 2019). The author will cover more on Apple's streaming products in the Products section of this paper -- but what's important to note here is that Apple picked up on the shift and sought out ways to address it.

Apple was in the early stages of discussing a streaming subscription bundle with music labels in October 2019 to compete with Spotify Premium plus Hulu bundle (Cohen, 2019), because it understands its audience streams all kinds of data. The author suggests also the Apple also focus more engagement with Gen Z on Twitch -- fostering the overlap of music and gaming communities -- and Tik Tok in the form of quick music videos & "stories" (Webb, 2019).

**Consumer- and Community-Centric.**

Gen Y has less brand loyalty than previous generations. They value product features and good customer service, so they will often purchase brands with a long track record of both such as Google or Apple (Kasasa Editors, 2019). Gen Z is known for its financial literacy, after seeing Millennials build up

large student loan debt -- but they're willing to pay more for brands who are healthy, socially conscious, and engage influencers on social platforms (Premack, 2018).

On Apple's website, it says: "*Apple is committed to ensuring the highest standards of social responsibility wherever our products are made. We insist that our suppliers provide safe working conditions, treat workers with dignity and respect, and use environmentally responsible manufacturing processes*" (Kein, 2011). This is a statement that might resonate with Gen Z.

One example of where Apple has lived up to social responsibility and engagement is its response to natural disasters like Hurricane Harvey. Apple made a significant contribution to Hand in Hand, supporting Hurricane Harvey and Hurricane Irma relief, and streamed the benefit live on Apple Music (Apple, 2017). Choosing the right music when they stream can have a huge emotional pull on those streaming at the time and strengthen the Gen Z buy into the brand.

### **Tech Savvy Early Adopters.**

A 2011 study of 388,315 individuals showed Mac users to be 22% more likely to be in the age range of 18-34. Mac users typically see themselves as early adopters while PC users typically see themselves as late adopters (Arvidson, n.d.). The continual innovation that Apple does with new product releases (InfoNewt Editors, 2019) -- with many being in the music space -- helps get the latest and greatest to early adopters sooner. Apple's customers and the press expect new hardware product updates for each product category from Apple every year.

## **Analysis of Apple's Music Products**

Apple not only utilizes music in its campaigns and content but provides products and services for music lovers such as iTunes, Apple Music, GarageBand, Logic Pro, and an acquisition of Beats by Dre -- to name a few. This makes music more at the core of who Apple is as a brand.

Apple's mission is "*to bring the best user experience to its customers through its innovative hardware, software, and services*" (Cuofano, n.d.). This is a very broad scope of offerings that could easily include those which are more music-focused. And Apple has been pretty direct with its plan to target younger generations with its products (Bajarin, 2015) some time ago.

### **iTunes to Apple Music.**

For U.S. digital audio listener penetration in the U.S., Apple Music was still below Pandora, Spotify, and Amazon Music (eMarketer Editors, 2019). The author believes there are a number of reasons for this:

- Pandora and Amazon Music, formerly Amazon MP3, have been in the game longer.
- Audience has been split between iTunes downloaders and Apple Music streamers.
- Apple Music operates on a subscription-only model that does not offer free usage. The freemium model was one that allows Spotify to jump ahead (eMarketer Editors, 2019).

That being said, in 2019, Apple Music still grew to 33.4 million users, up just over 17% from 2018 (eMarketer Editors, 2019). Ads don't pay as well as subscribers. As of April 2019, Apple Music has the largest number of paying users at over 95 million in the U.S. alone (Thomson, 2019). Perhaps considering a freemium option could help Apple Music take more shares of the pie -- but 69 percent of

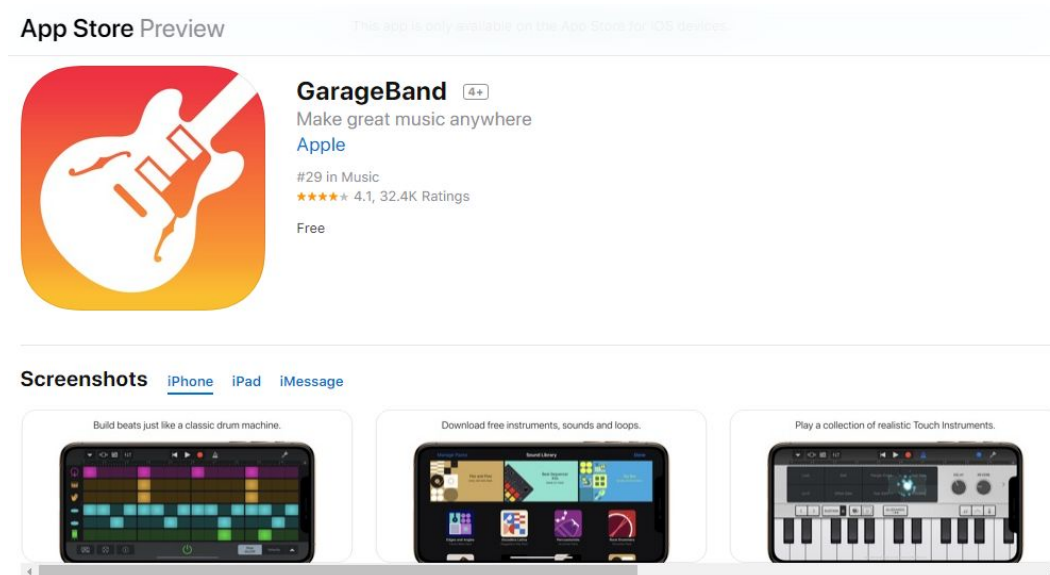


Gen Z think ads are disruptive (Claveria, 2019), so not offering an ad-driven freemium option may have been a good target strategy.

But the most important thing to note is that Apple Music is more popular with Millennials and Gen Z, specifically, for subscriptions over Spotify (Dormehl, 2017) -- so while not being on top overall, they're on top as far as their audience segments preferences.

### GarageBand and Logic Pro.

GarageBand comes automatically on Macs, but Apple also offers Logic Pro as a more advanced digital audio workstation (DAW). Windows PCs don't have a comparative product, at least one that comes already installed. GarageBand comes with some 100 hip-hop and EDM synth sounds (Wang, 2019), playing into the popular genres of Gen Y and Gen Z.



(Apple, n.d.)

To create a more seamless vertical experience, Apple not only considers how these younger generations consume music but also produce music. Keeping that mobile-focused audience in mind, Logic Pro X allows one to send a project for adding sounds on the go with GarageBand on iOS. One can export Logic files in GarageBand-compatible version, and load on iPad or iPhone. Then, view these mobile recordings on desktop (Steele, 2017).

### **Beats by Dre.**

With the rise of mainstream popularity of hip hop/rap and pop-electronic with younger generations (Gruss, 2018), the Beats by Dre partnership made sense for Apple when it was acquired back in August 1, 2014 (Heath, 2014) -- especially with the list of mainstream artists already involved and Dre's popularity across generations. Many of the stars who got their own Beats products (Apple, 2014) were Millennials themselves like Nicki Minaj with Pink Pill back in 2013 (Guettarda, 2019) and then Lady Gaga with Version 2 of Heartbeats being released to coincide with her release of *Born This Way* (Unknown, n.d.). Both of these artists were also listed among the Top 22 music artists for Millennials and Gen Z in a *YPulse* late 2018 survey (YPulse Editors, 2018), so this shows a commitment on Apple's side to partner with or acquire brands that are targeting a similar audience.



(AllThingsNickiMinaj, n.d.)

Apple again adds to the overall experience by including music accessories such as headphones that complement its other music offerings, allowing it to expand horizontally as well as vertically.

### **Conclusion**

With the boom of streaming in the wake of piracy, and the music industry struggling to adapt to the new needs while working off old business models, players like Apple who already had the tech side figured out were able to swoop in and provide music in a way that made sense for younger generations.

The number one thing Gen Z shoppers look for in the products they buy is aesthetics, and fashionable design matters to 67 percent of Gen Z shoppers -- more than any other generation (Claveria, 2019). Apple's focus on quality and bundling allows the brand to demand a premium, because they're selling more than a product; it's an experience (Patel, n.d.). Even if one wants to switch later, the transfer costs are high, especially with all devices and products interconnected within the ecosystem -- but that interconnectivity meets the needs of these up-and-coming generations looking for instant, on-demand access to media.

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