

A ONE-PAGE METHOD FOR REINVENTING VALUE PROPOSITION IN CREATIVE INDUSTRY: A CASE STUDY OF INTUNE PRODUCTIONS

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Abstract: The ought to utilize music in promotions is developing each year, particularly when Covid-19 quickens the require for brands to go computerized. InTune Productions is a music production company based in Surabaya, Indonesia, that specializes in jingle, sound-logo and background music. The purpose of this research is to identify, distinguish, and decide the fitting client needs and fragment for InTune Productions, as well as to determine which innovative products and services are best suited to offer. The tool that is being used in this research is Value Proposition Canvas. Using qualitative descriptive method, this research is conducted from February 2021 to March 2022 with InTune Productions co-founders and customers as the primary data. The results of this study shows that Value Proposition Canvas has been helpful for InTune Productions to map its customer profiles. Value Proposition Canvas is demonstrated to be a reasonable apparatus to analyze customers' pains and gains, as well as determining innovative products and services that are able to accommodate them.

Keywords: *Value Propotion, Creative Industry, Reinventing, In Tune Production*

Submitted: 2022-08-11; Revised: 2022-12-21; Accepted: 2023-06-30

1. Introduction

The pith of any commerce action is to produce goods and services for deal and maximize profits. Throughout history, organizations have used a variety of strategies to maximize profits, including good marketing and advertising strategies (Shakil & Sidiqqi, 2019). The utilize of music is one of the foremost common strategies used in promotions. Within the 20th century, music was utilized in advertising as jingles in radio and television commercials, as well as music playing in the background at sales events. Now with the rise of the internet, sound in media show up as sound-logo (a brief sound-related message which is the acoustic pendant to a visual symbol, and is regularly displayed at the starting or the conclusion of a commercial), as promoting jingle (tunes that are played alongside lyrics to communicate an advertising slogan) or as background music (Steiner, 2009). Music (jingle, sound logo, or sound effects) is one of the best mnemonic tools to increase brand recall (Yalch, 1991). It helps to create the brand image alongside all of the other marketing tools, making it memorable for the consumers (Karailievova, 2012).

The need for sound and music in advertising is growing every year, especially when Covid-19 accelerates the need for brands to go digital. During the pandemic, there has been a rise in the consumption of both digital video and audio content. A survey conducted between July and October 2020 revealed that 61 percent of Generation Z and Millennials were watching more videos on social media apps during the COVID-19 pandemic (Statista, 2022). Data also shows that in 2021, ad spending in the digital video advertising segment was estimated to amount to 91.5 billion U.S. dollars. In the digital audio advertising segment, the number of listeners is projected to amount to 1,565.1m users by 2026, with spending projected to show an annual growth rate (CAGR 2022-2026) of 8.88%, resulting in a projected market volume of US\$9,832m by 2026 (Statista, 2022).

InTune Productions is a music production company based in Surabaya, Indonesia. Specializing in jingle, sound-logo and background music, InTune Productions have worked with various companies to increase their brand awareness through sound and music. One of the challenges that InTune Productions needs to face is customer profiling activity to precisely determine the appropriate customer needs and segment. To attain that, Value Proposition Canvas is used to delve into the pains and gains experienced by the customers. By determining the appropriate customer needs and segment, InTune Productions can further determine which innovative products and services are best suited to offer to create competitive advantage among competitors.

2. Literature Review

Previous Researches

Research conducted by Amadea & Purwanegara (2020) used value proposition canvas to analyze the root causes of the sales stagnation in an art merchandise brand Gutsy Prune, alongside other tools such as STP strategy, marketing mix strategy, organizational structure design, and a generic competitive strategy. The purpose of this is to sum up the business strategy's direction. The outcome of the research is a one-year implementation plan to execute the business strategy. In this research, value proposition canvas has been proven to be useful as a foundation to discover product-market fit for Gutsy Prune.

Another research conducted by Pradana, Purnomo, & Bunyamin (2021) also used value proposition canvas to analyze consumer responses to further become a reference in making biomass briquette. The purpose of this study is to market test and determine consumer response to the quality of the biomass briquette produced. Through the use of value proposition canvas, it can be concluded that the briquette produced hasn't fully met the customers' expected quality. Hence, further quality tests need to be done in order to get more specific qualifications.

Other research in creative industry utilized value proposition canvas conducted by Setiawan, Sandy, & Karmagatri (2021). The main goal on this study is to examine the customer perspective. Value proposition canvas is used to evaluate and confirm the photography business's products and services. This study utilized a qualitative approach in portraying the information assembled from respondents—the information was accumulated through interviews with ten company clients. Purposive sampling method was utilized to select responders. This study illustrates that a combination of inventiveness and quality drives customer fulfillment at a sensible cost. The part of the canvas that needs enhancement is relationship, ability, and information. This study provides business knowledge that can empowers companies to create and enhance engagement techniques over time.

Value Proposition Canvas

The Value Proposition Canvas is a tool designed by Osterwalder et al. (2014) to propose solutions to customers' needs (Fernandes, Rosa, & Rozenfeld, 2018). The canvas has two sides. Customer Profile on the right side is used to clarify the customer understanding. This is where the customer jobs, pains and gains are identified. The Value Map on the left side describes how to create value for that customer. This is where products and services are identified as the pain relievers and gain creators. Fit between the two is achieved when one meets the other (Osterwalder et al., 2014).

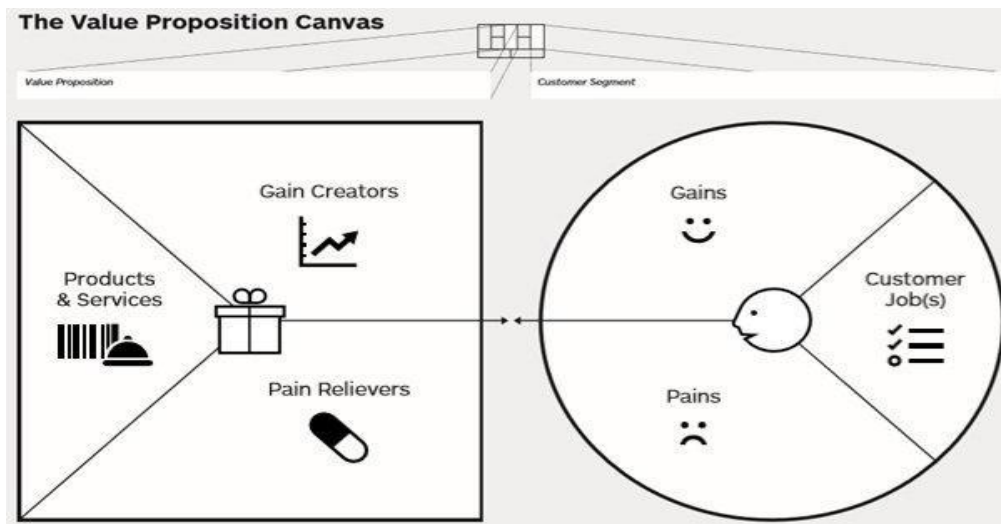


Figure 1: Value Propotion Canvas
Source: Osterwalder, A., Pigneur (2014)

Customer Segment

The Customer (Segment) Profile on the right side breaks the customer down into its jobs, pains, and gains. Customer Jobs describe what customers are attempting to get done in their work and in their lives. It may well be the tasks they are trying to perform and complete, the problems they are trying to solve, or the needs they are trying to satisfy. There are three main types of customer jobs: functional jobs (when a customer tries to complete a specific task or solve a specific problem), social jobs (when a customer wants to be perceived well by others), and personal/emotional jobs (when a customer seeks a specific emotional state, such as feeling good or secure). There are also supporting jobs that emerge from three distinctive roles: buyer of value (jobs related to buying value, such as comparing offers and deciding which products to buy), cocreator of value (jobs related to cocreating value with the business such as participating in the design of a product or service), and transferrer of value (jobs related to the end of a value proposition's life cycle, such as disposing a product or reselling it). A customer job's importance can range from insignificant to important.

Pains depict anything that anticipates a client in getting the work done, such as undesired outcomes, risks, and obstacles. Undesired outcomes can be functional (e.g., a solution doesn't work), emotional (e.g., negative feelings in doing the customer job), or ancillary. Obstacles are things that prevent customers from even getting started with a job (e.g., lack of time or budget). Risks are the things that could go wrong and have negative consequences (e.g., a security breach). The pain severity can range from moderate to extreme.

Gains portray the results clients need to realize or the benefits they are looking for. There are four types of customer gains: required gains (without this, a solution wouldn't work – for example, without a phone no calls can be made), expected gains (gains that expected even when solutions can be achieved without it – for example, we expect iPhone to look good), desired gains (gains that go beyond what we expect from a solution but would love to have if we could), and unexpected gains (gains that customers wouldn't even come up with). Customer gains relevance can range from essential to nice to have (Osterwalder et al., 2014).

Value Map

The Value (Proposition) Map on the left side breaks the value proposition down into products and services, pain relievers, and gain creators. Products & Services section is a list of all the products and services the business provides and the value proposition is built around. There are various types of products and services, such as physical / tangible (goods, such as manufactured products), intangible (products such as copyrights or services), digital (products such as digital downloads or services such as online recommendations), and financial (products such as insurances or services such as the financing of a purchase). Just like the gains section, products & services section can have relevance ranging from essential to nice to have.

Pain Relievers section describes how the products and services alleviate customer pains. They can be in the form of eliminating obstacles, fixing underperforming solutions, helping a customer feel better, eliminating customers' risks, and many more. Pain Relievers also has relevance ranging from essential to nice to have.

Gain Creators section describes how the products and services create customer gains. They can be in the form of producing outcomes that exceed customer's expectations, making a customer's work or life easier, creating positive social consequences, and many more. Gain creators also have relevance ranging from essential to nice to have. When the value map meets the customer profile (when the products and services produce pain relievers and gain creators that match one or more of the jobs, pains, and gains that are important to the customer), that is when fit is achieved. (Osterwalder et al., 2014).

3. Research Method

This research is conducted using a qualitative descriptive method approach. The goal of qualitative descriptive studies is a comprehensive summarization, in everyday terms, of specific events experienced by individuals or groups of individuals (Lambert & Lambert, 2012). According to Boslaugh (2007), primary data is data collected by the researcher for the specific purpose or analysis under consideration, while secondary data is data collected by someone else for other purposes. In this research, the primary data is collected through interviews with the co-founders of InTune Productions consisting of 1 managing director, 1 creative director and 1 producing director; as well as 20 customers who are business owners that need audio for their branding and marketing activities. Secondary data is collected through references found in journals, books, library studies, and other literature relating to research.

This research was conducted for one year from February 2021 to March 2022. The data analysis consists of four steps, including data collection, data reduction, data displays and conclusion drawing/verification (Mayer, 2015). Data is analyzed using triangulation approach, which involves comparing existing theory in a field of science with existing

findings in a practical way to gain a full knowledge of the research findings. The study's findings were compared to an existing theory to see if they were valid (Putra, 2013)

4. Results and Discussion

The primary step in filling out the value proposition canvas is filling out the customer profile. In this case, InTune Productions' customers are business owners who need audio for their branding and marketing activities. The customers have the social job to create a good and trusted brand image for their brands. To achieve that, they have the functional job to do branding and marketing activities such as making video promotions in social media or audio promotions in radio. After the discussions, it is found that there are several pains that the business owners face when trying to do their functional jobs. To begin with, they have no thought of where to begin and what to anticipate in making an audio branding. Hence, they feel hesitant to order for a service, as they are not beyond any doubt what they will get in return. In addition, some business owners haven't even had adequate branding knowledge to build their brand and map their customer segments. This will be a challenge, as they have no thought how to showcase their brand because they cannot define who their target audience is and what messages their brand wants to carry to the audiences. Another pain that some business owners face is the lack of budget. Some business owners are still starting out so they would like a service price that will fit their budget. Lastly are copyright issues. There are many audios that can be downloaded online, which can even be labeled as "copyright-free." In any case, there's no ensure that these audios will be until the end of time copyright-free. The copyright proprietor can one day alter its copyright status and take down any substance that utilize their sound in social media. This makes vulnerability and a feeling of frailty for commerce proprietors to utilize audios that they discover online. The discussions also show that there are several gains that business owners expect when it comes to making audio branding. First, they need the audio to genuinely suit their brand character and carry out the messages they need to communicate. Second, they want audio that can be modified in the future, whether it is abbreviated, extended, revised, or the style is changed. Typically, the needs of the business can alter by time. For comparative reasons, business owners would moreover like sound that can have various forms in terms of durations or arrangements of action to suit different purposes of the sound (for illustration, longer form to be played in an offline store, shorter adaptation for video publicizing in social media).

After filling out the customer profile, the next step is reinventing existing products and services in InTune Production as pain relievers to solve customers' pains, as well as formulating gain creators to meet the clients' needs and expectations. The current main services that InTune Production provides are audio commercials, customized jingles, customized audio logo, and customized background music. InTune Production also currently provides ready-to-use background music. This product is a more affordable option of background music offered to customers, in which InTune Productions can sell the audio to more than one customer. New services to solve the clients' problem of having no idea of where to start and what to expect in making an audio branding (and their reluctance to order before getting to know deeper about what they will get in return), InTune Productions offers a free consultation session via face-to-face meeting or zoom meeting for potential customers. After the meeting, potential customers have no obligation to order any services if they feel they don't need our products or services. Moreover, InTune Productions (whom its founders have background in business management) also offers a free general branding consultation included in consultation session. Hence, InTune Productions also helps the customers clarify

their brand’s target market, positioning, and brand voice in general. Another problem that InTune Productions solves is copyright issues. Before dealing any products or services with clients, InTune Productions provides standard operational procedures to presents a contract stating that the customers have the master license and public performance license of the audio. Master license refers to the right to exploit the recorded master (not the underlining song), including for TV commercials, video advertisements, streaming advertisements, and more; while public performance license refers to the right to play the audio in public venues such as stores (Smith, 2020). The last problem that the customers face is having a tight budget. To solve this, InTune Productions offers a wider range of product prices for the customers to choose from. For example, for customized jingles, InTune Productions offers 3 types of prices distinguished by duration - 15 seconds jingle, 30 seconds jingle, and 1 minute jingle. For background music, InTune Productions also offers a more affordable price through ready-to-use background music that can save their budget up to 75% compared to customized background music. This is also in line with one of InTune Productions’ gain creators, which is variations of audio arrangements and/or durations available. Not only are the jingles customizable into different durations, it is also customizable into different arrangements. This customization will fit in to customers’ needs in using the audio, whether to be played at a store, as a background for a video, and many more. Additionally, InTune Productions also provides special price services for customers who haven’t had the need to make alternatives at the moment, but would like to do so in the future. This means that our products and services are updatable and upgradable, where our customers can shorten, extend, or revise their jingle in the future with a special price. Lastly, as brand owners, our customers will need the audio to suit and represent their brand identity. To fulfill their needs, InTune Productions are equipped with the knowledge and resources to produce audio with a wide range of styles and arrangements. For example, InTune Productions are able to create Dangdut genre audios for older target markets with lower socioeconomic status, since dangdut has always been synonymous with the middle and lower economic and social circles and its listeners are dominated by the X generation (Farras, 2020). By adjusting the music style based on the target audience, our clients can also increase the success rate of their campaign / ads.

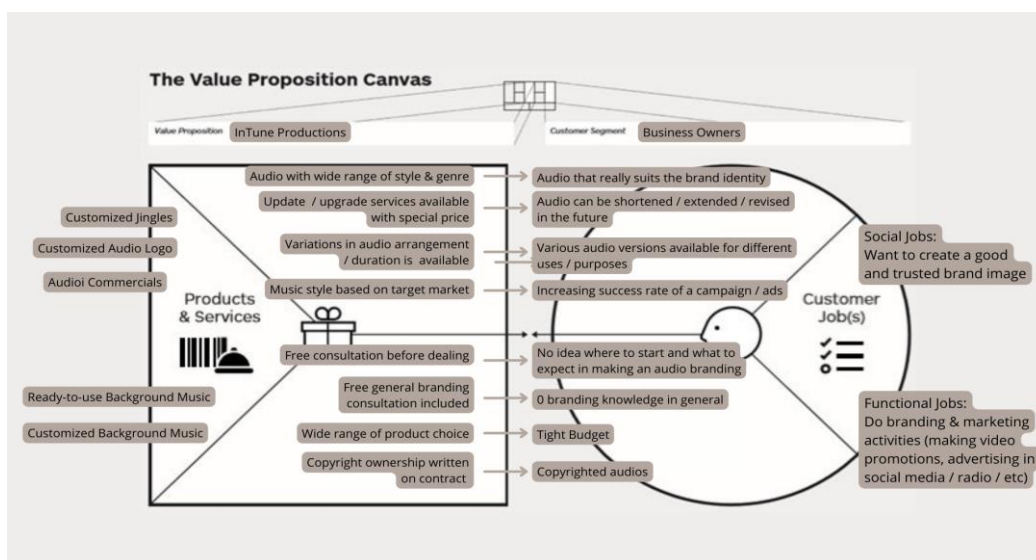


Figure 2: Value Propotion Canvas of InTune Productions
 Source: Processed data by researchers (2022)

5. Conclusion

The use of Value Proposition Canvas has been helpful for InTune Productions to map its customer profiles, pain, and gain same as research Setiawan, Sandy, & Karmagatri (2021). From the discussions, it is found that customers need to do branding and marketing activities in order to create a good and trusted brand image. The pains that the customers face in doing so are having no idea of where to start and what to expect in making an audio branding, no adequate knowledge of branding in general, being in a tight budget, and having problems with copyrighted audio. The customers also expect the audio to really suit and represent their brand identity, have various versions for different purposes, and can be modified later in the future. In order to accommodate the customers' pains and gains, InTune Productions reinventing several offers. To ease the customers' pains, InTune Productions offers free consultation before dealing, which also includes free general branding consultation. InTune Productions also provides a contract in which the rights given to customers are clearly written. Moreover, InTune Productions also provides a wide range of product and service choice to fit customers' budget, as well as their need of a variation and updatable audio in the future. InTune Productions are further equipped with the resources and knowledge needed to create diverse audio styles that will suit customers' branding. In conclusion, Value Proposition Canvas is a suitable tool to dissect customers' pains and gains, as well as determining innovative products and services that are suitable to accommodate them. In the future, Value Proposition Canvas can be updated according to customers' needs, and will continue to help business owners in establishing their values that will create competitive advantage among competitors same as research Pradana, Purnomo, & Bunyamin (2021).

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