

I would like to share an overview of the results that I went over with the members that attended the 2018 EMA conference in Ft. Lauderdale Florida. The survey was sent out to both members and nonmembers of EMA. The following are the results of that survey. All companies in the industry are set up a little differently, which the survey confirmed multiple times. However, there were common business model / structures that many companies shared with one another that will be shared below.

When it comes to pricing structure on how the industry is set up, the survey showed there are 2 main pricing structures. The first one is based on a monthly charge per the number of productions done. The above chart shows 5 examples from the survey. There were also numerous examples of companies charging based on a monthly charge, but for unlimited productions.

Monthly Charge for Productions 2018

# of Productions	1	2	4	6	12
Company 1	\$49.00	\$49.00	\$79.00	\$79.00	\$99.00
Company 2	NA	\$39.95	\$49.95	\$150.00	NA
Company 3	NA	\$40.00	\$60.00	\$75.00	\$100.00
Company 4	NA	\$54.95	\$64.95	\$99.95	NA
Company 5	\$34.95	\$44.95	\$54.95	NA	NA

Unlimited Productions per Month

- \$19-\$59
- \$45
- \$49
- \$64.95

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The second pricing structure that was most common from the survey was charging based on a per production. Instead of charging a monthly rate the client is charged specifically based on per production. When looking at the results for this there were numbers all over the place and could become very confusing. I chose to take the min, max, and average of the costs to show a variety of how different each company is set up with their pricing. There were also other examples shown below in bullets that also dealt with how the pricing structure was set up.

Cost of Productions 2018

# of Productions	1	2	4	6	12
Min	\$125.00	\$249.00	\$396.00	\$510.00	\$540.00
Max	\$895.00	\$1,220.00	\$2,170.00	\$3,000.00	\$5,000.00
Average	\$361.08	\$616.88	\$918.15	\$1,287.65	\$1,709.28

- X amount on 1st production, updates are \$75
- After 1st production it is \$295 each
- No Charge

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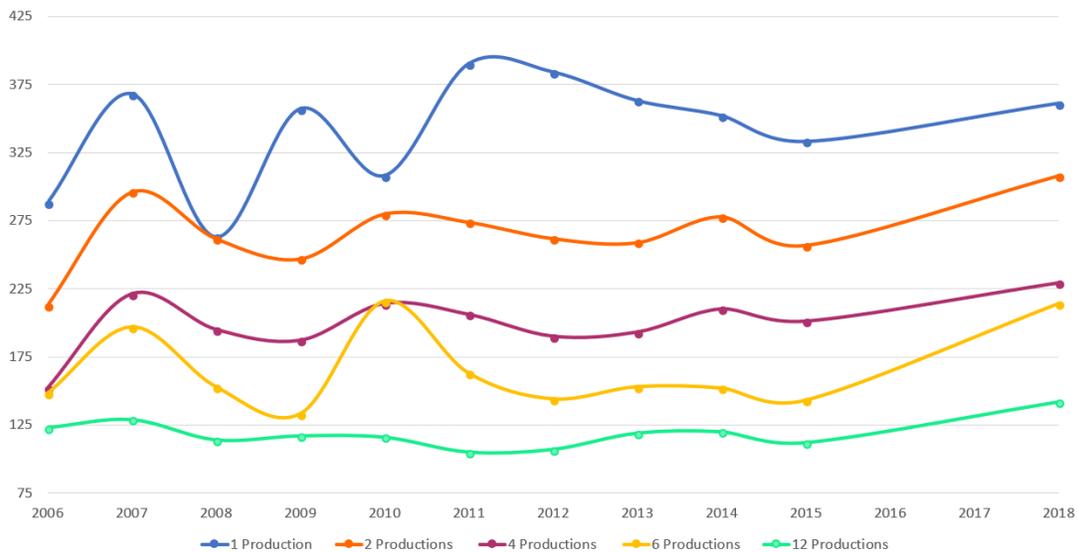
I was able to obtain previous pricing for productions over the years. I took the average of all the costs and provided them in two visual graphs that are listed below. My hope is to continue documenting the pricing and see if there are any trends that can be confirmed in the industry.

Average Over the Years.....

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2018
1 Production	\$288 ↑	\$368 ↓	\$263 ↑	\$357 ↓	\$308 ↑	\$390 ↓	\$384 ↓	\$363 ↓	\$352 ↓	\$333 ↑	\$361
2 Productions	\$213 ↑	\$296 ↓	\$262 ↓	\$247 ↑	\$280 ↓	\$274 ↓	\$262 ↓	\$259 ↑	\$278 ↓	\$257 ↑	\$308
4 Productions	\$152 ↑	\$221 ↓	\$195 ↓	\$187 ↑	\$214 ↓	\$206 ↓	\$190 ↑	\$193 ↑	\$210 ↓	\$201 ↑	\$229
6 Productions	\$148 ↑	\$197 ↓	\$153 ↓	\$133 ↑	\$216 ↓	\$163 ↓	\$144 ↑	\$153 ↓	\$152 ↓	\$143 ↑	\$214
12 Productions	\$123 ↑	\$129 ↓	\$114 ↑	\$117 ↓	\$116 ↓	\$105 ↑	\$107 ↑	\$119 ↑	\$120 ↓	\$112 ↑	\$142

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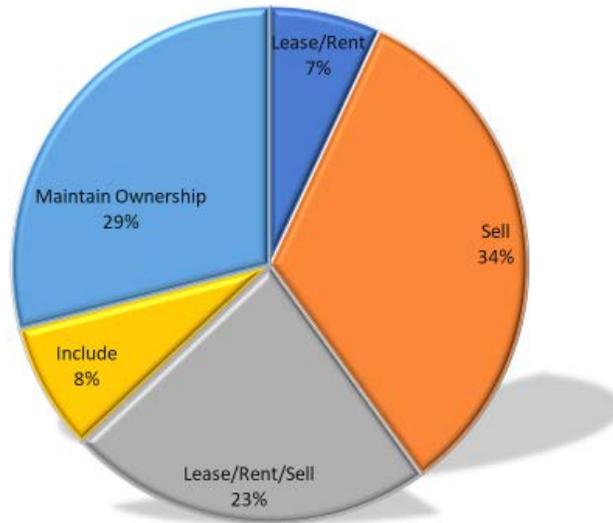
Average Production Costs



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Another aspect of the business model is when equipment is required for your clients how is it provided. Below shows the percentages that the survey revealed on how the equipment is offered to your clients.

MOH Equipment

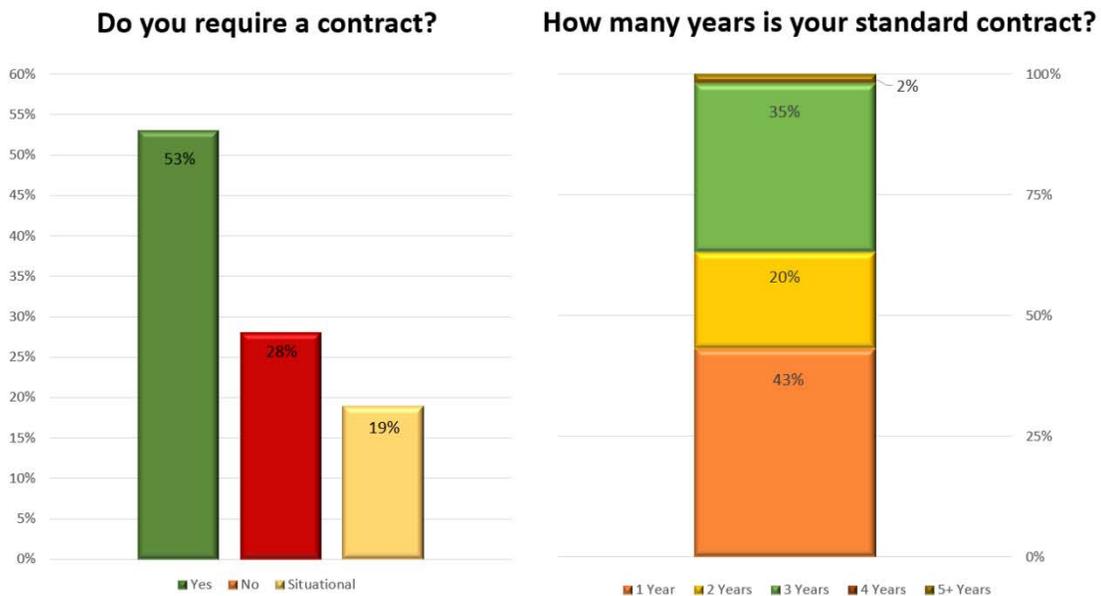


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Other answers from the survey were;

- Depends / Varies
- If the client signs up for a 3-year contract, the equipment is free

The 3rd aspect that was surveyed was if you offer a contract or not. Below shows that 53% require some sort of contract with 28% does not. Out of the 53% that do require contracts were then asked how long your standard contract is.



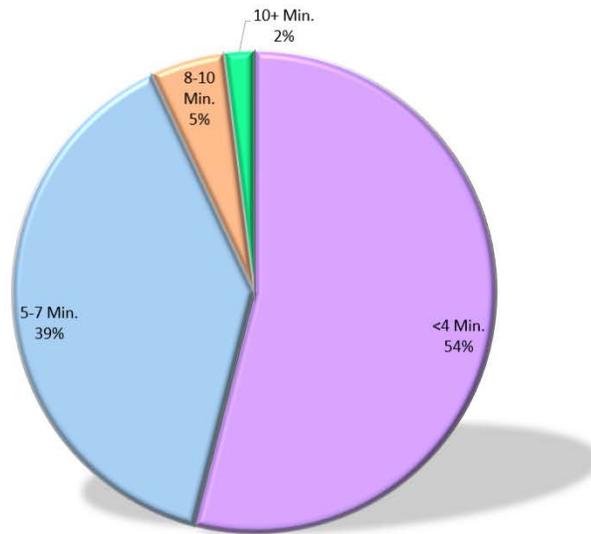
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Other comments from the ones who require a contract were;

- You require a 30 or 60-day notice of cancel
- Contracts on an auto renewal concept
- Set up for a month to month basis contract

Looking at time of productions, the majority of you have a standard message that is 4 min or less. 93% of you that took the survey on average produce a 7 min or less message for your clients. Also, over the year your creativity of productions has had to increasingly improve due to the expectation and entertainment factor of your client's client.

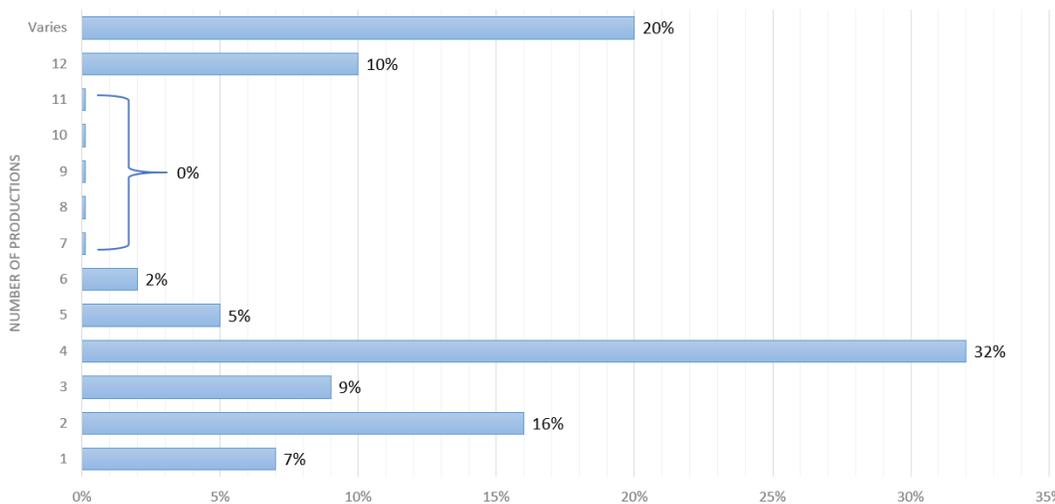
Time of Productions



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Taking a look at how many productions per year your clients sign up for was pretty dry cut. Most you are able to have at least 4 productions on average that you do for your clients. In my mind this translates into a logical reason with having 1 production per quarter or season. The second majority answer was "varies" at 20%. Every client's needs are different, and this reflects that.

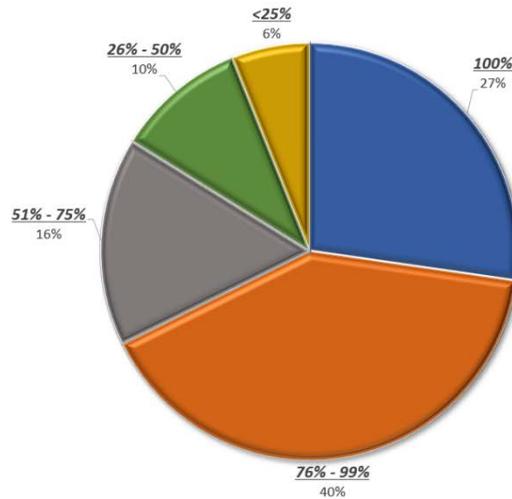
How many productions per year?



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Out of the productions that your client signs up for how many are actually completed? 67% of you said you are able to obtain a 75% or more completion rate. There are many ways in order to obtain a higher completion rate. The answer is simple, use technology to your advantage. There are many remote units out there that allow you to have your clients “hands free” from the downloading of the messages.

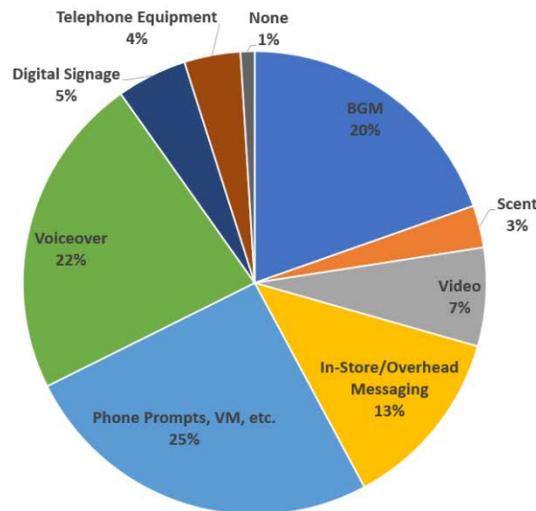
What percentage are actually completed?



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How diversified is everyone in the industry is always a topic and is increasing due to the rate of technology. Below shows the percentages of what other companies offer besides MOH.

Other Services you offer?



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Other answers that were received were;

- Website Design
- Video Production
- Radio / TV Commercials
- Social Media Marketing / Digital Marketing

Please do not hesitate to reach out to myself at (603) 425-1096 ext. 317 or aharshman@picapd.com with any comments or questions with the above results. Also, I would love to talk more with anyone that is interested on where technology is heading and what solutions are out there to improve and make your lives much simpler in this ever-changing tech world.