



A smartphone screen displays a map of Ciudad de México. The map shows the city's grid, with labels for 'Ciudad de México', 'VENUSTIANO CARRANZA', 'Aeropuerto Internacional Benito Juárez (MEX)', 'VIADUCTO RIO DE LA PIEDAD', 'IZTACALCO', and 'CIRCUITO INTERIOR'. A blue spiral icon is placed on the map. The phone's status bar at the top shows the time '11:40' and various icons. The bottom of the screen shows a navigation bar with 'Personas', 'Dispositivos', and 'Artículos'. A yellow and orange patterned wristband with a blue spiral icon is overlaid on the right side of the phone.

Partnership Proposal | Mexico
October, 2024



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Welcome to Digital Magic

The MyMagic+ initiative, launched in 2013, was a shining example of how Disney successfully merged technology with its guest experience. The introduction of the MagicBand offered a smooth, intuitive way for visitors to interact with Disney's parks—unlocking hotel rooms, accessing rides, and making purchases with a simple tap. Now, envision taking that magic outside parks and into every-day life.

With the Moana Kids iBand, Disney has an exciting opportunity to partner with Apple, a brand synonymous with trust, security, and innovation. This partnership combines Disney's storytelling magic with Apple's technological reliability and innovation, delivering an enchanting experience that both children and parents will love, while continuing to build on the deep trust Disney and Apple holds with its customers.

Product Design

Moana iBand by Apple



How it works

Step by step to use the iBand

1. Locate the iBand's secure compartment
2. Insert the AirTag
3. Pair the AirTag with your Apple device



Executive Summary

This partnership has significant potential to expand Apple's reach in a new demographic and drive sales while promoting the Moana 2 release in a meaningful and engaging way. The iBand is a children's accessory designed to complement Apple's existing AirTag technology. Made from the same high-quality rubber material as Apple Watch bands, the iBand conceals the AirTag within a child-friendly bracelet, allowing parents to discreetly track their children. This secure design is particularly suitable for the Mexican market, where safety concerns are a daily reality.

Mexico is currently ranked as the third most dangerous country in the world, with frequent robberies and kidnappings. Parents in urban areas like Mexico City prioritize their children's safety when outside the home, making the iBand a practical solution that blends protection with simplicity. By leveraging the beloved Moana theme, this product offers a unique opportunity to connect with both children and parents, ensuring it's not just another safety device but an item kids will be excited to wear.

Market Opportunity

Apple's entrance into this segment comes at a time when the children's wearable technology market in Mexico is experiencing rapid growth. Currently valued at \$58 million annually, the market is expected to nearly double in size over the next five years. Major competitors, such as Huawei, have already capitalized on this trend, making it crucial for Apple to establish its presence early.

Strategic Value

For Apple, the iBand serves as an entry-level product targeting a previously untapped demographic, offering a seamless integration into its ecosystem. The product is projected to sell 56,000 units during the initial 8-week campaign, generating \$3,640,000 in direct revenue. Additionally, the campaign is expected to drive incremental AirTag sales, contributing an additional \$345,000 in revenue, bringing the total campaign revenue to \$3,985,000. Beyond immediate financial returns, this partnership allows Apple to build early brand affinity with younger users, nurturing future customers who will grow into independent consumers familiar with Apple's ecosystem.

For Disney, the collaboration provides an opportunity to extend the Moana brand into a tangible product that aligns with the adventurous spirit of the movie. Disney will benefit from a 15% royalty on iBand sales, projected to earn \$546,000 plus an additional licensing fee of \$200,000. The product's association with Moana supports the movie launch and promotes Disney's presence in Mexican households, reinforcing its role as a trusted family brand.



Product-Market Fit

The Moana Kids iBand is designed for young Disney fans, particularly children aged 5 to 11, with mothers as the primary buyers. These mothers belong to Class A/B households in affluent cities in Mexico, like Mexico City, where they often seek the latest trends and prioritize their children's safety. As a discreet and visually appealing accessory, the iBand fits seamlessly into their lifestyles without exposing their children to the risks associated with flashy or high-tech devices. The campaign leverages Disney's strong emotional connection with families, aiming to accelerate the decision-making process for parents already engaged with the Moana brand.

Marketing Strategy

The Moana Kids iBand campaign is built around four key strategic pillars that guide the overall approach and objectives. The first pillar is product integration and ecosystem expansion, aimed at strengthening Apple's ecosystem by introducing a child-friendly accessory that complements the existing AirTag technology. By targeting young users and families, Apple can deepen its brand engagement and nurture future customers, allowing them to build experiences with Apple from a young age and engaging with the brand. Additionally, this integration not only promotes the iBand as a valuable accessory but it also encourages all current AirTag users who fit into the segmentation to explore additional Apple devices and services, and thus further increasing Apple's presence in Mexican households.

The second pillar is family safety and child-focused appeal, which leverages the iBand's secure design and Moana-themed branding to resonate with safety-conscious parents. This pillar addresses the growing concern for family security in Mexico, making the iBand an attractive solution that blends practicality with emotional appeal. The third pillar, cross-selling and incremental revenue growth, focuses on increasing revenue by positioning the iBand as a complementary product that drives AirTag sales and increases the average order value. Lastly, emotional engagement and brand loyalty aims to build deeper connections with families by aligning the product's messaging with Moana's themes of adventure and safety, reinforcing trust in Apple and Disney as brands that care about family well-being. Together, these pillars create a comprehensive strategy to achieve market success and long-term growth.

Campaign Execution

The Moana Kids iBand campaign will run for 8 weeks, divided into three key phases: pre-launch awareness (weeks 1-2), active promotion and optimization (weeks 3-6), and a final conversion push (weeks 7-8). Each phase is designed to build momentum through a mix of influencer partnerships, offline ads, and digital marketing. This timeline allows each strategy to build on the other, guiding customers from initial awareness to purchase. Throughout the campaign, KPIs such as adoption rates, incremental AirTag sales, and engagement metrics will be tracked on a weekly basis to assess performance. With a focus on reaching 56,000 units sold and generating a 140% ROI, the campaign is aimed at positioning the iBand as a core family product in Apple's portfolio and a possible model for future expansions.

Country Overview: Mexico

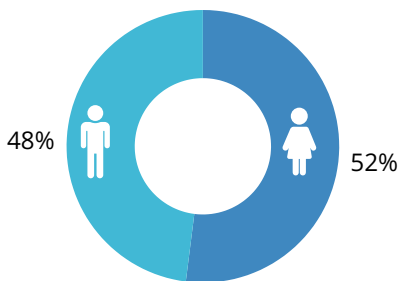
Population

129 million

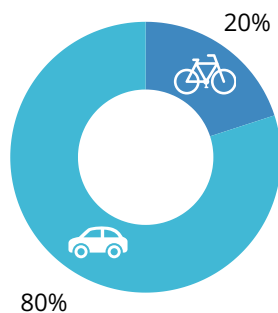
Capital city

Mexico City

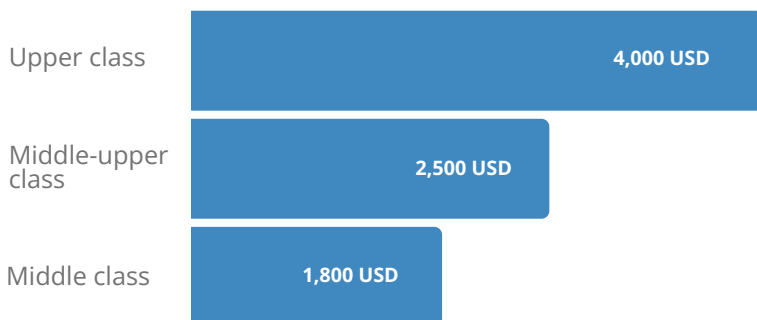
Gender Split



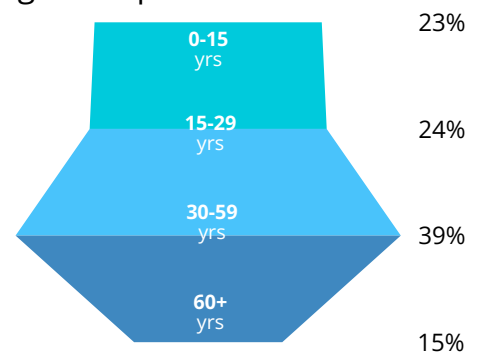
Urban vs Rural



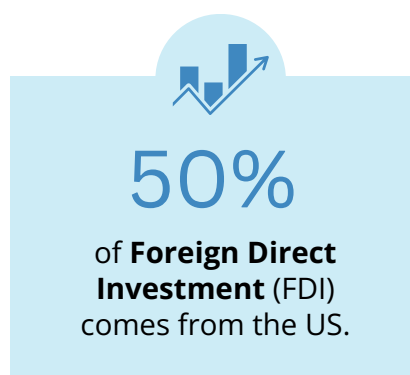
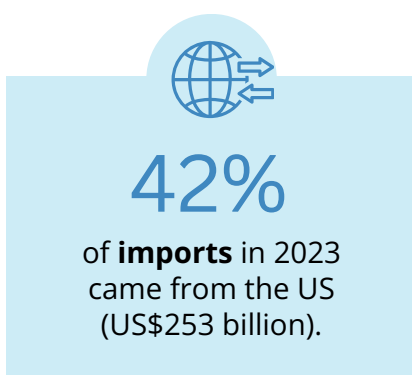
Average Income per Social Class



Age Groups



US-Mexico Economic Relationship



Life in Mexico Today

83%

living in urban areas say they are **happy**



Happiness Score

Mexico is a happy culture, known for its vibrant energy and positive outlook on life. Mexicans enjoy spending time outdoors in parks like Chapultepec, engaging in activities such as walking, biking, and traveling locally. Family and social connections are deeply valued, making them central to life.

47%

say **crime** and **violence** is their top concern



Crime on the Rise

Crime and violence remain significant issues in Mexico, making safety a primary concern for nearly half of the population. Robberies, shootings, and kidnappings have turned public safety into a pressing social problem, deeply impacting daily life and elevating it as a critical priority for citizens.

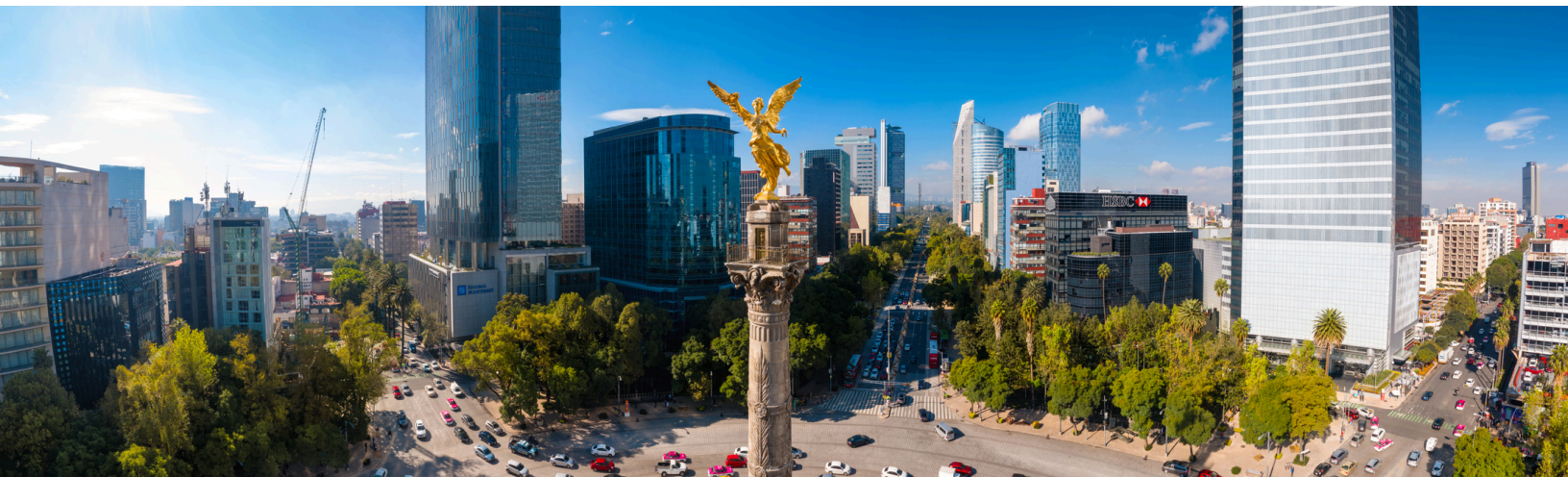
95%

Mexican adults own a **smartphone**



High Technology Use

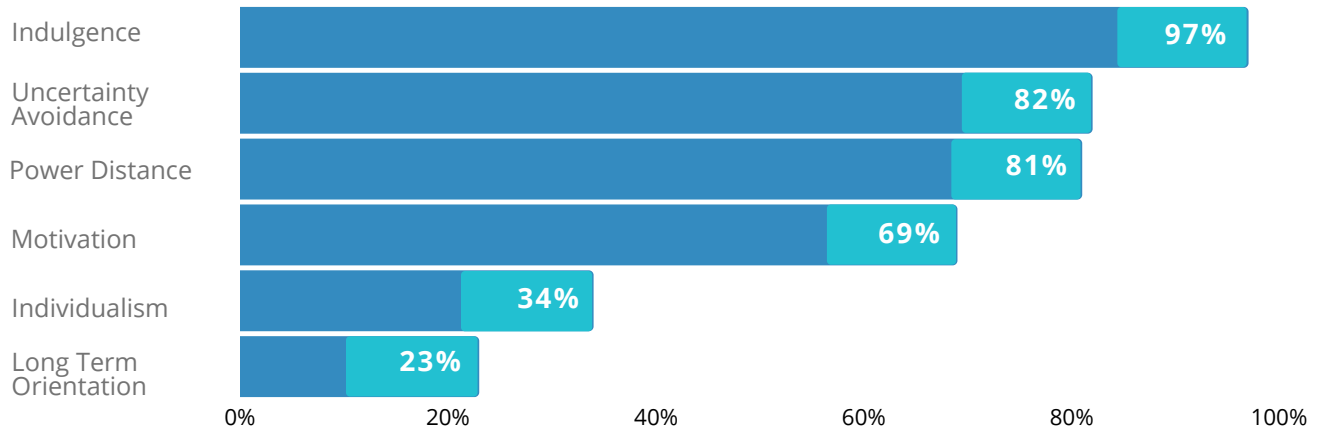
Mexico's technology adoption has surged from 57% to 81% in 10 years, reflecting a society embracing technology like smartphones, laptops, smart TVs, and smartwatches. This growth aligns with Mexico's urban development, rising purchasing power, and improved education, creating a strong market for tech products.



Cultural Values

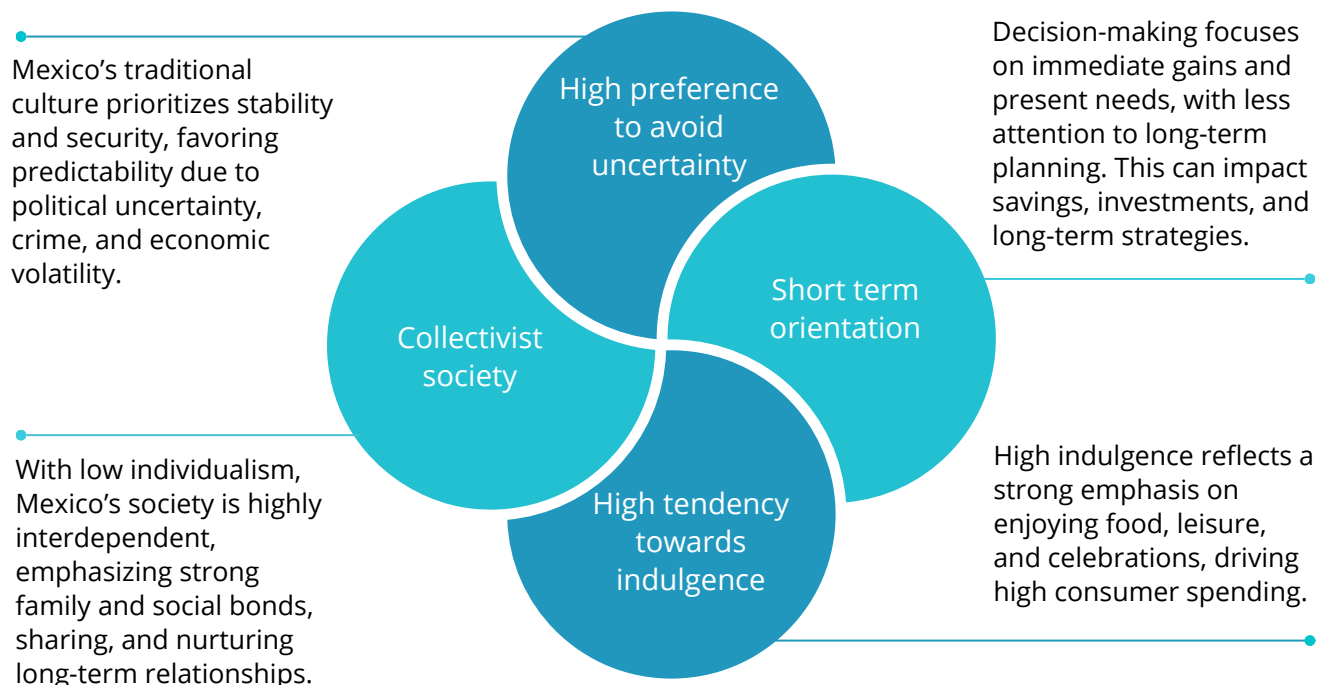
The Hofstede 6-D Model offers a comprehensive framework to understand Mexican society's cultural dynamics and shared values. Each of the six dimensions provides unique insights into local preferences and behaviors, revealing key drivers of consumer decisions.

Hofstede 6-D Model©: Mexico



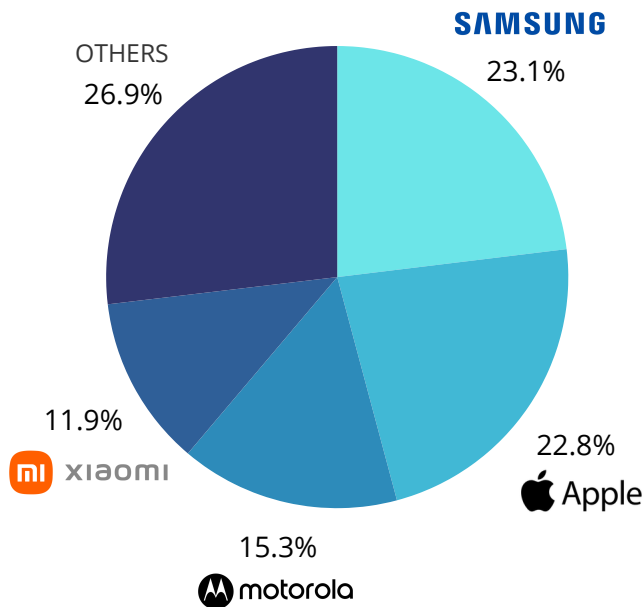
Source: Hofstede Insights, 2024.

Key Insights



Tech Industry Landscape

Smartphone market



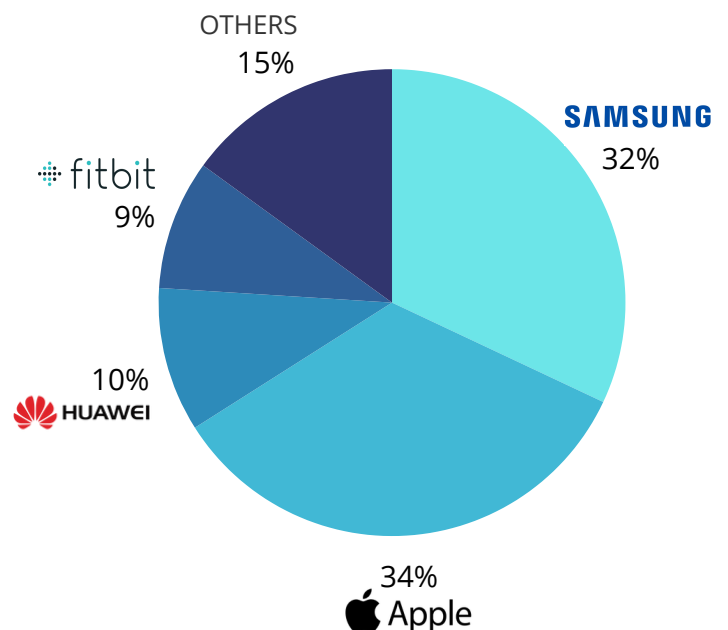
Apple is a strong competitor in Mexico, ranked second to Samsung, with a market valued at US\$6.25 billion and 9.4 million smartphones sold in 2023. The competitive landscape also includes brands like Motorola, Xiaomi, and Huawei, which focus on the mid-range segment, targeting cost-conscious consumer.

The market is showing a 4.5% annual growth, which reflects the increasing demand for premium devices, driven by a rise in smartphone adoption and urbanization. The market is expected to grow 12% by 2032 as technology becomes more integrated into everyday life and purchasing power increases.

Smartwatch market

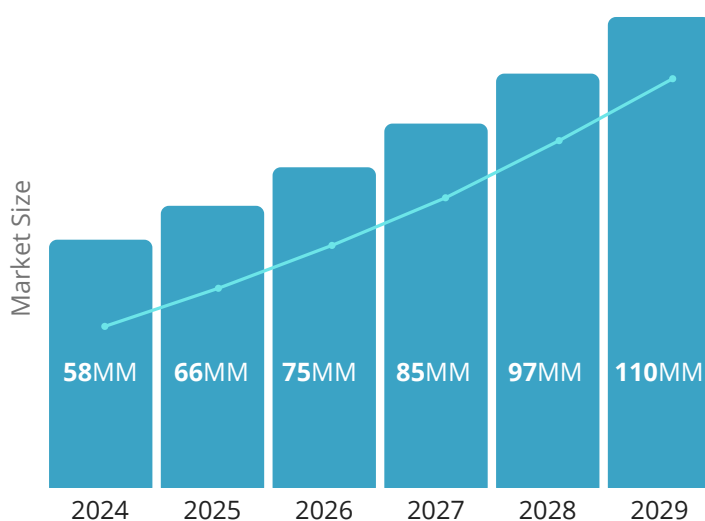
Apple leads the wearable market in Mexico with a 34% share, followed by Samsung at 32%, both driving the segment's growth. The market is valued at \$928 million, supported by approximately 47.4 million Mexicans using wearables.

As demand for health and fitness tech increases, brands like Fitbit are gaining traction, reflecting a growing preference for connected devices that support wellness and active lifestyles, making this a key area of expansion.



Tracking Devices for Kids

Kids Smartwatch market



Source: StatCounter, 2024.

Within the smartwatch category, a new niche has emerged, targeting families who want to keep their kids connected and safe in a highly connected world. This product line focuses on digital gadgets that act as tracking devices while incorporating features like calls, cameras, and educational games. Valued at \$58 million in Mexico, the market is forecasted to nearly double by 2029 and see a 50% growth in the next five years, driven by growing adoption among families looking for child-friendly tech solutions.

Key Players

Huawei and Xplora are the leading competitors in the kids' smartwatch segment in Mexico, offering devices through platforms like Amazon, Mercado Libre, and major electronics retailers.

Their products come in youthful colors and multiple design options, equipped with advanced features such as cameras, GPS tracking, and calling functions.

While these high-tech options are popular, there is a lack of simpler, comfort-oriented alternatives that prioritize ease of use and basic safety features for younger children, leaving room for new players in this segment.



Competitor Analysis

Huawei and Xplora are the only established players in the kids' smartwatch market offering distinctive features that justify their premium pricing, setting them apart from generic brands. However, their designs and functionalities make them similar to other high-tech smartwatches on the market. Here's how they compare:



Huawei Kids Smartwatch 4 Pro	Product name	XPLORA XGO3
2021	Year of release	2022
★★★★☆ (4.5/5)	Overall rating	★★★★☆ (4.2/5)
GPS, 4G connectivity, voice & video calls, camera, fitness tracking, AI learning apps	Capabilities	Location tracking, voice calls, SMS, camera, SOS button, fitness tracker, no internet Access
GPS, AI Camera, 4G calling, interactive learning Apps	Primary features	GPS, safe zones, fitness goals, SOS alerts, activity tracking
\$200 - \$280 USD	Price range	\$150 - \$200 USD
Up to 48 hours	Battery life	Up to 72 hours
High in Asia-Pacific	Product acceptance	High in European markets
6 - 12 years	Target age range	5 - 12 years
Larger screen, premium feel, color options	Product design	Compact, durable, kid-friendly
Strong sales in key markets (China, Europe)	Sales performance	Moderate global sales
Medium (internet and App access)	Parental controls	Strong (no internet access)
5MP	Camera quality	2MP
4G, Wi-Fi, and Bluetooth	Connectivity	4G SIM Support, No Wi-Fi
High-tech features with educational content	Unique Selling Proposition	Strong focus on safety and physical activity
Tech-centric with broader capabilities	Positioning	Safety-focused device
Online, specialty stores, retailers	Distribution channels	Online, major electronics stores

SWOT Analysis

S Strengths

- **Strong brand recognition:** Apple has a strong global brand loyalty and is viewed as status symbol.
- **Loyal customer base:** Apple's ecosystem encourages strong customer loyalty and repeat purchases.
- **Ecosystem integration:** the seamless integration between products (iPhone, iPad, Mac, AirTag and others) offers a competitive advantage.
- **Retail presence:** Apple's stores in major cities, like Mexico City, facilitate distribution and availability.

- **No-discount strategy:** Apple's no-discount policy limits appeal to consumers that are price-sensitive.
- **Low adaptation to local preferences:** Apple's global product strategy doesn't always address specific local needs, such as features or services tailored to the Mexican market.
- **Dependency on iPhone sales:** the iPhone is central to Apple's ecosystem. Any decline in its market share can impact the company's performance.

W Weaknesses

O Opportunities

- **Growing economy:** Mexico's position as the second-largest market in Latin America and its rapidly growing middle class are ideal for expanding Apple's product ecosystem.
- **Safety needs increase:** high crime rates make safety a top priority, creating an opportunity to introduce a product designed to address family safety concerns.
- **Untapped segment:** the kids wearable devices is an undeveloped market where Apple can grow.

- **Economic instability:** fluctuating exchange rates and inflation can affect purchasing power, making Apple products seem less affordable.
- **Political uncertainty:** shifts in political climate and policies could impact business operations and import regulations.
- **Security and privacy concerns:** parents may worry about data security and privacy-related issues related to tracking devices may arise.

T Threats

Buyer Persona



Mariana Sanchez

Age: 34 years old
Location: Polanco, Mexico City



Organized



Analytical



Protective



PERSONAL DETAILS

- **Marital Status:** Married, two children
- **Occupation:** Customer Success Manager at Alsea
- **Household Income:** \$200,000 MXN/month (US\$10,000)
- **Education:** Bachelor's degree in Business Administration from ITAM

VALUES & INTERESTS

- Family safety
- Personal development
- High-quality brands
- Technology enthusiast

CHALLENGES & NEEDS

- Time management
- Safety concerns
- Lack of personal time
- Needs reliable products

TECHNOLOGY USAGE

- Daily use of iPhone, iPad, and AirTag
- Regularly uses smart home tech (Alexa, Google Home)
- Favors seamless integration across Apple devices
- Prefers gadgets that combine practicality with aesthetics

LIFESTYLE

- Demanding career and family responsibilities
- Enjoys shopping at premium stores
- Spends weekends on family activities

PERSONALITY

- Detail-oriented and organized
- Security-driven
- Family-centric
- Problem-solver

FAVORITE BRANDS

ZARA



MANGO

User Persona



**Sofia
Sanchez**

Age: 7 years old
Location: Polanco,
Mexico City



Extroversion



Adventurous spirit



Curiosity



PERSONAL DETAILS

- **School:** Colegio Miraflores, Mexico City
- **Family:** daughter of Mariana Sanchez and Pepe Sanchez, older sister to Mateo
- **Favorite place:** Disney World
- **Favorite accessory:** Disney-themed backpack

TECHNOLOGY USAGE

- iPad under parental supervision for kids shows
- Apps like Disney+ and YouTube Kids
- Prefers gadgets with vibrant designs and easy navigation
- Likes products that incorporate her favorite characters for an added sense of excitement

VALUES & INTERESTS

- **Favorite Disney characters:** Moana and Elsa
- **Favorite activities:** dress-up games and exploring places
- **Hobbies:** drawing and painting
- **Favorite moments:** spending time with family and friends

LIFESTYLE

- Attends Colegio Miraflores from 8 a.m. to 2:30 p.m.
- Spends time with her family or at friends' houses

PERSONALITY

- Highly extroverted
- Adventurous spirit
- Curious and expressive
- Family-oriented

FAVORITE BRANDS



Market Research Findings

1 High-potential market

Mexico, a market of 129 million people, is geographically close to the U.S., making it highly attractive for Western brands. The smartwatch industry is in a growth phase and consolidating under the \$6.4 billion smartphone market. This landscape reveals strong opportunities, particularly in the kids' wearables segment, which shows the highest growth potential due to increasing demand among tech-savvy families. As the market matures, each category offers room for expansion.

2 Family-oriented values

The Hofstede 6-D Model identifies Mexico as a collectivist country that places high importance on family, friends, and close relationships. People prioritize spending time together and focus on protecting their loved ones. This cultural value makes them highly receptive to products that support family well-being. Brands like Bimbo leverage this by positioning themselves as family-oriented, creating strong emotional bonds through their messaging and offerings that resonate with the Mexican consumer.

3 Safety is a key concern

Mexico is the third most dangerous country globally, with nearly 1 in 2 Mexicans citing crime and violence as their top concern. This creates strong demand for safety-focused products, from home security systems to tech that enhances personal safety. Brands providing reliable solutions are well-positioned to capture interest in this risk-aware environment where safety is a priority.



Market Research Findings

4 High US brand penetration

The U.S. has been investing in Mexico for over 100 years, taking advantage of a large and growing market with strong geographical proximity, as the two countries share a border. This long-standing relationship has led to high levels of Foreign Direct Investment (FDI) from the U.S. into Mexico. As a result, Mexican consumers are highly influenced by American brands and trust names like Apple, Walmart, and Ikea, associating them with quality and reliability.

5 Opportunity for expansion

Apple currently doesn't participate in the kids' smartwatch market, which presents a unique opportunity due to strong growth, increasing demand, and low competition. Most existing competitors don't specifically target kids, leaving the segment relatively underserved. In the Mexican market, only a few players are active, creating an optimistic landscape for brands with strong positioning to enter, differentiate themselves, and drive product adoption in this high-potential niche.

6 Market gap for a new product

High insecurity in Mexico creates a need for a product that is simple, easy to use, and not flashy. It should have an intuitive interface, evoke an emotional connection with families, and be priced affordably. Seamless integration with other devices is essential to ensure safety and functionality while avoiding attention, making it ideal for concerned parents.



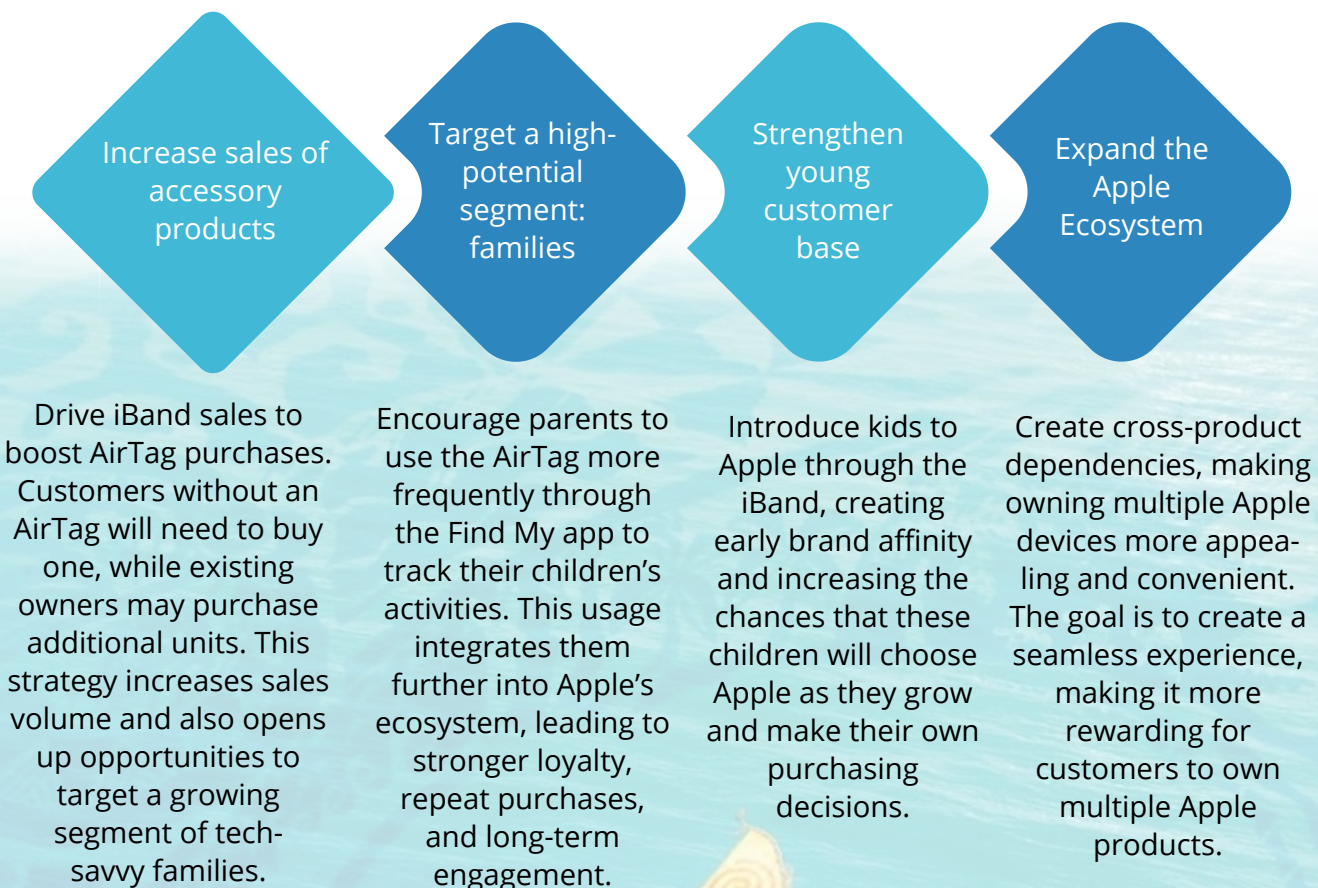
Strategy Overview

Partnership Introduction

Given a situational analysis that identified a gap in the market for kids' wearables that enhance personal safety, Apple will partner with Disney to launch the Moana Kids iBand, an AirTag accessory designed for children aged 5 to 11. This Moana-themed bracelet is made from the same soft, durable rubber as Apple Watch Bands, ensuring comfort and security. It discreetly conceals the AirTag, appealing to mothers who value safety and want to keep track of their kids' activities.

The product targets Mexican families who already own iPhones and AirTags, aiming to position the Moana iBand as a kid-friendly extension of Apple's ecosystem. Featuring Moana, a beloved Disney character, appeals to young Disney fans while sparking interest in families who prioritize safety. This unique combination opens up significant growth potential for Apple in an underrepresented segment of the market.

Strategic Campaign Objectives



Key Outcomes

Strategic Goal 1

The primary goal is to increase sales of complementary products within Apple's portfolio by focusing on the Moana Kids iBand, which serves as an AirTag accessory. Since the iBand only functions with AirTags, it targets Mexican families who already own an iPhone and potentially AirTags, making them a highly receptive audience. This approach leverages the existing customer base, boosting iBand adoption and encouraging more AirTag purchases for multiple family members. The campaign aims to achieve two main objectives: achieve an 8% adoption rate of the iBand among AirTag users within two months and achieve a 10% increase in AirTag sales over historical

averages. By segmenting communication and offering targeted campaigns, Apple expects to engage up to 1 million email recipients and drive significant online traffic to the product page. To ensure campaign success, the strategy will also focus on increasing overall traffic to the AirTag product page by 15%, translating into 250,000 additional unique visitors and aiming for a 4.5% conversion rate on these visits. This cross-promotion tactic is designed to amplify the iBand's impact, not only boosting its sales but also elevating interest in AirTags, resulting in incremental revenue and reinforcing Apple's broader ecosystem.

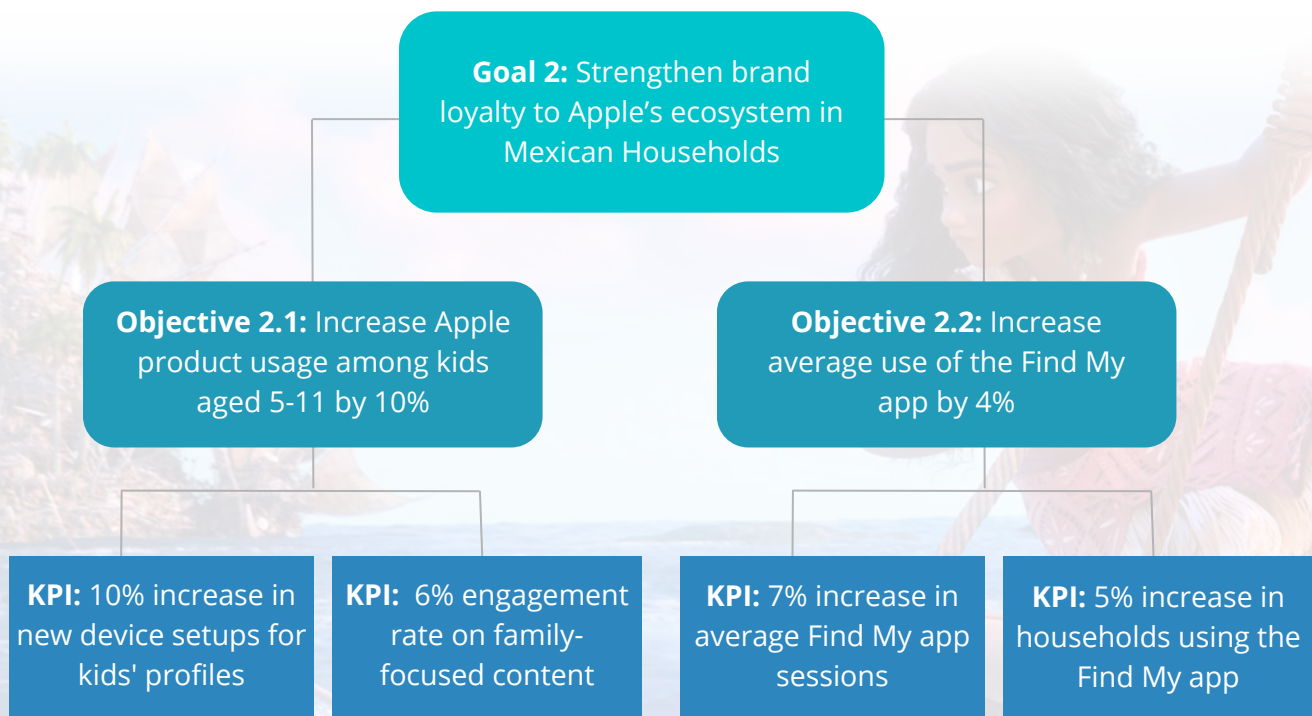


Key Outcomes

Strategic Goal 2

The second goal is to strengthen brand loyalty to Apple's ecosystem among Mexican families by increasing Apple product usage and engagement in households with kids aged 5 to 11. The strategy aims to create early touchpoints with young users through the Moana Kids iBand, positioning Apple as the go-to technology brand for safety and family connectivity. To achieve this, the campaign sets two key objectives: increase Apple product usage among kids aged 5-11 by 10% in two months, and increase average use of the Find My app by 4% in households during

the same period. This approach ensures that both kids and parents have positive experiences that encourage long-term brand affinity. Additionally, the campaign will focus on deepening family integration within Apple's ecosystem by promoting the use of the Find My app across multiple devices. By targeting an increase in app sessions and a growth in households using Find My to track more than one device, Apple aims to strengthen its presence in everyday family routines, making Apple products essential tools for safety, convenience, and reliable connectivity.



Differentiation Strategy

Apple Mexico demonstrates a strong set of capabilities that position the company to enter a new market segment with a highly competitive product. The Moana Kids iBand stands out due to its distinct features and strong differentiation.

Key Differentiators

- **Brand appeal:** since buyers are already Apple users, the brand's reputation and trust add tremendous value. This differentiates Apple from competitors like Huawei and Xplora, which lack Apple's high brand affinity.
- **Price:** the Moana Kids iBand is priced over 50% lower than Huawei's Kids Smartwatch 4 Pro, making it more accessible for the same target segment.
- **Ecosystem integration:** unlike Xplora and Huawei, which require separate apps for connectivity, Apple leverages its ecosystem to provide a seamless experience using the iPhone, iPad, or MacBook for tracking and monitoring.
- **Emotional connection:** partnering with Disney to feature Moana enhances emotional engagement, appealing to kids while satisfying parents' desire for products that deliver both functional and emotional value.

Differentiation Matrix

A rating of 1 to 5 was applied to evaluate common factors across the current offerings using a Differentiation Matrix. The Moana Kids iBand scored the highest, evidencing a clear differentiation.

	Additional features	Battery Life	Design	Emotional Connection	Brand Appeal	Price	Ecosystem Integration	Total Score
Apple Moana Kids iBand	2	4	5	5	5	4	5	35
Huawei Kids Smartwatch 4 Pro	5	3	4	3	4	3	4	31
Xplora XGO3	5	2	3	1	2	2	1	17

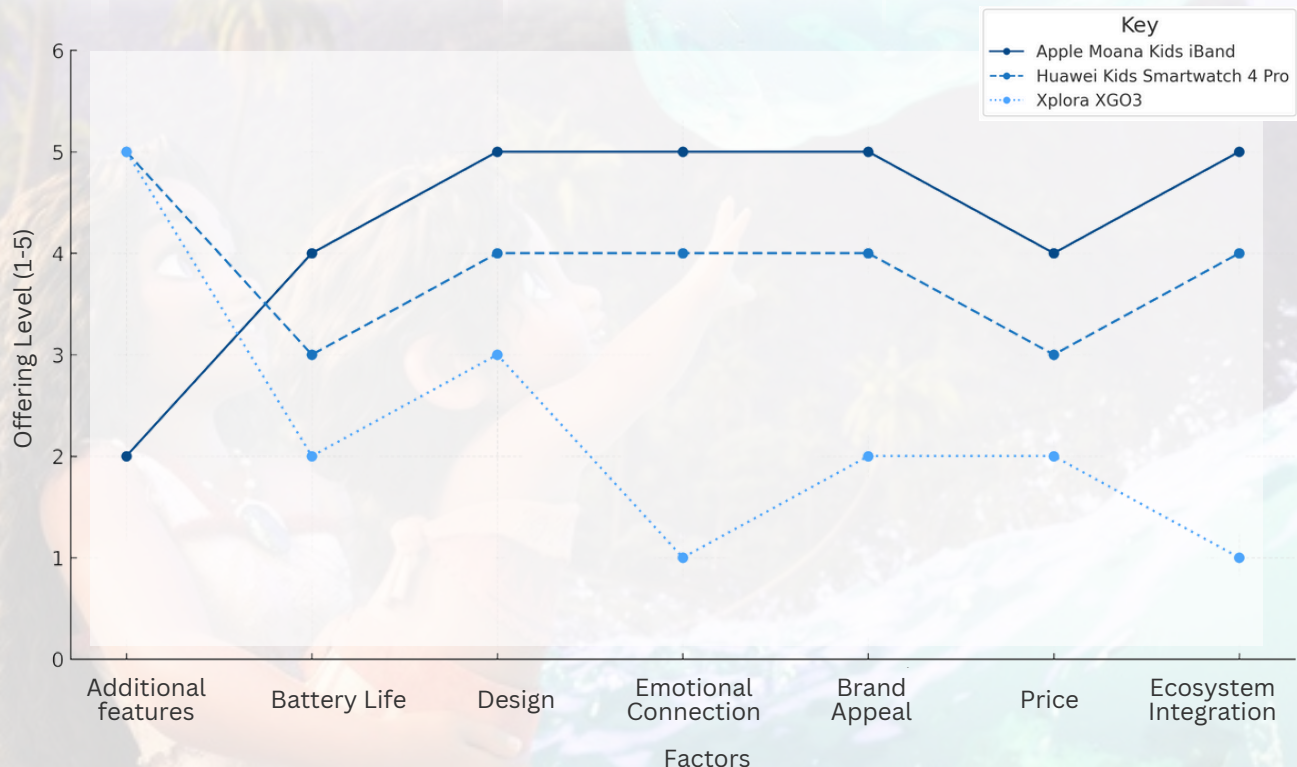
Blue Ocean Strategy

The Moana Kids iBand creates a new market space in the kids' wearable segment focused on family safety and brand trust.

The strategy canvas highlights that the Apple Moana Kids iBand has successfully differentiated itself from its competitors, the Huawei Kids Smartwatch 4 Pro and Xplora XGO3, by focusing on underdeveloped factors such as emotional connection, design, and ecosystem integration. While competitors concentrate heavily on additional features, battery life, and price, the iBand's strength lies in its ability to deliver a premium, family-friendly experience that resonates with both parents and children. This approach creates a distinct value curve, making the iBand the only offering that prioritizes the emotional

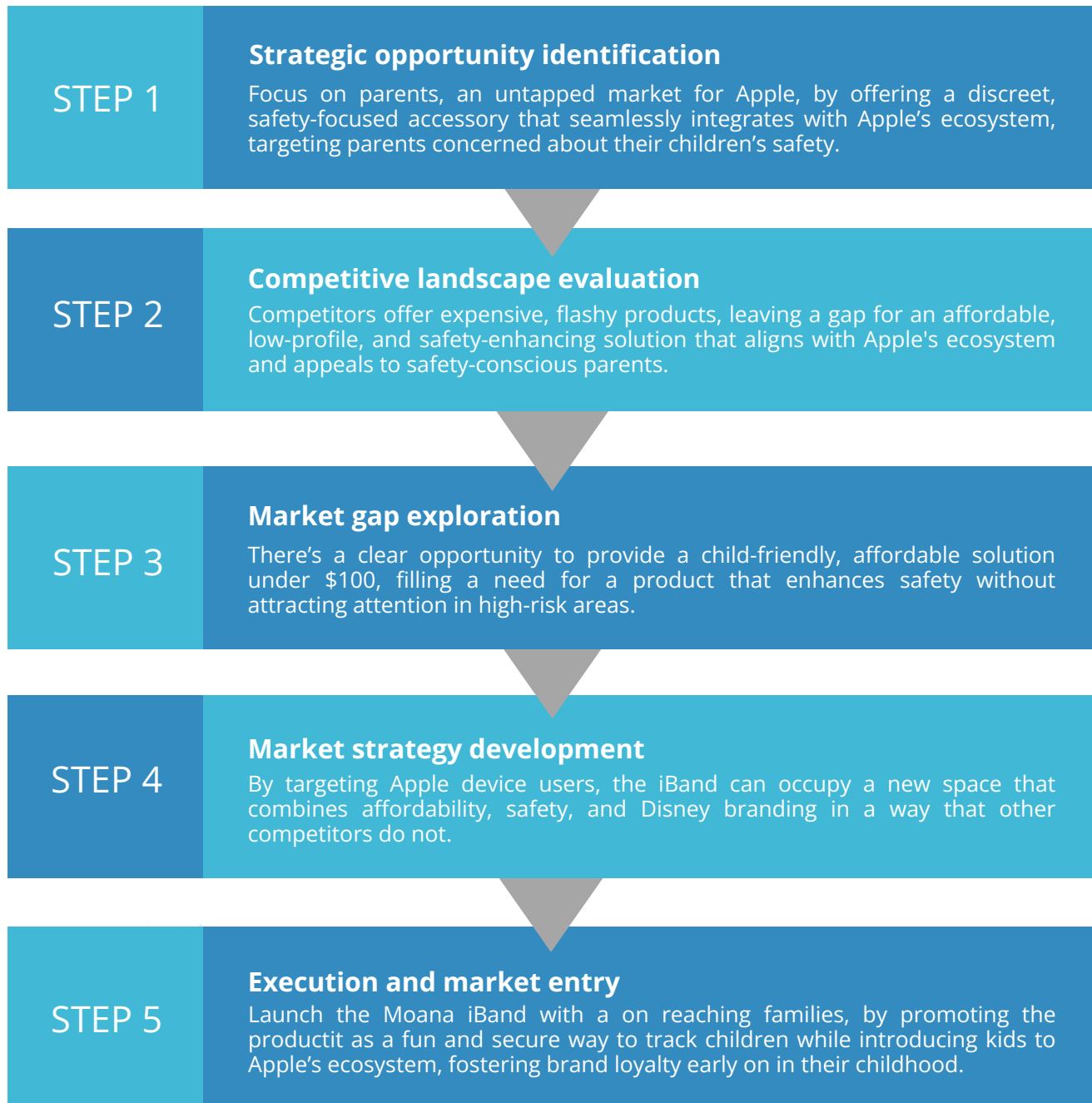
engagement and brand trust in the kids' wearable segment. This strategic divergence positions the iBand in a blue ocean, where it can capture a new market space by shifting focus from the over-competitive technical features to a holistic value proposition centered on family safety and seamless integration within the Apple ecosystem. By leveraging its unique strengths, the iBand has the potential to redefine what parents look for in a child safety device, moving away from just feature-based competition and creating a compelling narrative around peace of mind, connectivity, and long-term reliability.

Industry Strategy Canvas for Apple Moana Kids



Blue Ocean Strategy

The Moana Kids iBand opens a clear path into a blue ocean, as the competitive landscape shows that the product fills a distinct gap in the market by providing an affordable, simple, and reliable solution that no other established brand currently offers. It also presents a unique value proposition by tapping into parents—a segment with significant growth potential for Apple. Five key steps have been established to drive demand in this identified blue ocean:

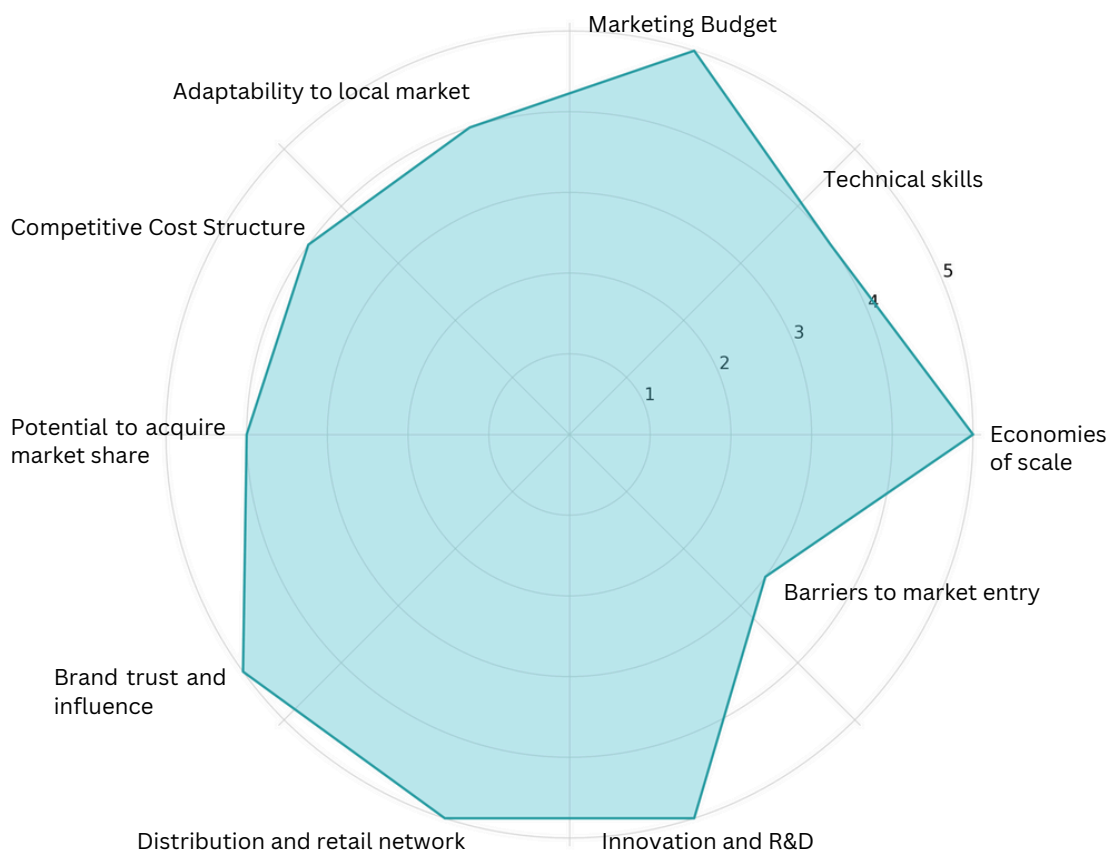


Capability Assessment

Apple is well-positioned to expand into new segments, with a strong market position and technical expertise that enables it to introduce new products with lower risk, supported by its economies of scale and high production quality. Its brand trust and influence in Mexico provide a solid foundation for expanding into new segments, making it easier to introduce sensitive offerings like child safety products. Apple's extensive distribution network ensures efficient rollouts and accessibility, helping reach consumers quickly through both online and physical channels. Also, combined with its strong ecosystem integra-

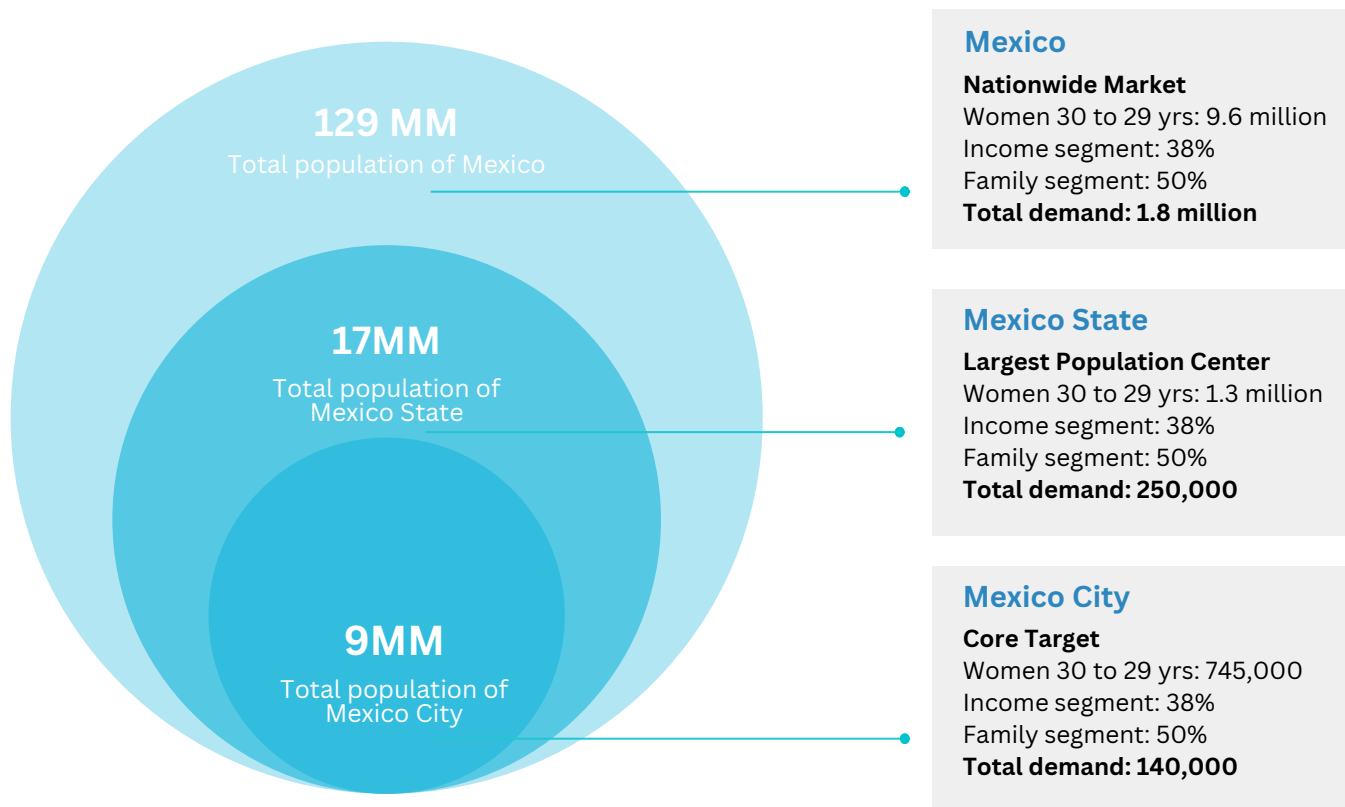
tion and marketing capabilities, Apple is well-equipped to capture a larger share in new categories. However, there are moderate barriers to entry due to regulatory compliance in the child tech market, which require careful management. Additionally, Apple's local adaptability could be improved to better resonate with Mexico's distinct cultural values, making a tailored approach crucial for future success in this market. Overall, Apple's brand strength, R&D, and distribution make it a powerful contender for launching new products, but a localized strategy will be key to fully unlocking its potential in Mexico.

Capability Radar Chart for Apple Mexico



Segmentation

Segmentation Overview



Market Quantification

The segmentation begins by analyzing the total Mexican population of 129 million and progressively narrowing it down to focus on the most relevant audience for the Moana Kids iBand. The first filter is mothers aged 30-39, which narrows the group to 9.6 million potential customers. Next, focusing on income level, 3.65 million of these women fall into the middle to upper-income brackets, making them more likely to invest in premium products like Apple's iBand. From this group, it's estimated that 50% have children, which results in a segment

of 1.8 million mothers. The target then narrows further to Mexico City, identifying 140,000 women who fit the criteria for in-store purchases, forming the key market for direct sales. To achieve 14,000 units sold in Mexico City, the strategy focuses on capturing 10% of this key segment. This sales target will be supported by targeted campaigns that leverage Apple's existing customer base and in-store promotions, ensuring effective reach and engagement with this high-potential audience.

Marketing Mix

Considering there is an addressable market, internal capabilities for the development and launch of the product and partnership, and projected demand, the product will be introduced with the marketing mix.

Marketing Mix for Moana Kids iBand

Product

- Unisex design for kids aged 5-11.
- Single SKU to optimize logistics.
- Durable, soft rubber material for comfort.
- Disney-themed Moana design for visual appeal.
- Seamless integration with the Apple ecosystem.

Price

- Priced at 1,300 MXN (65 USD).
- 50% lower than closest competitor.
- No discounts or bundles offered.
- Focuses on value over price reduction.
- Apple Store financing options available.

Promotion

- Localized influencer partnerships.
- User-generated content (UGC) strategy.
- Digital ads targeting parents.
- Outdoor ads near physical stores.
- Co-branded campaigns with Disney.

Place

- Available at the two Apple stores in Mexico, located in Mexico City.
- Online store with shipping options.
- Accessible nationwide via e-commerce.
- Positioned in high-traffic retail locations.
- Select availability through authorized resellers.

Product Design & Features

The product's design and functionality are strategically developed to position against digital smartwatches, providing a trusted and cost-effective solution. Below is a detailed comparison with its direct competitors.

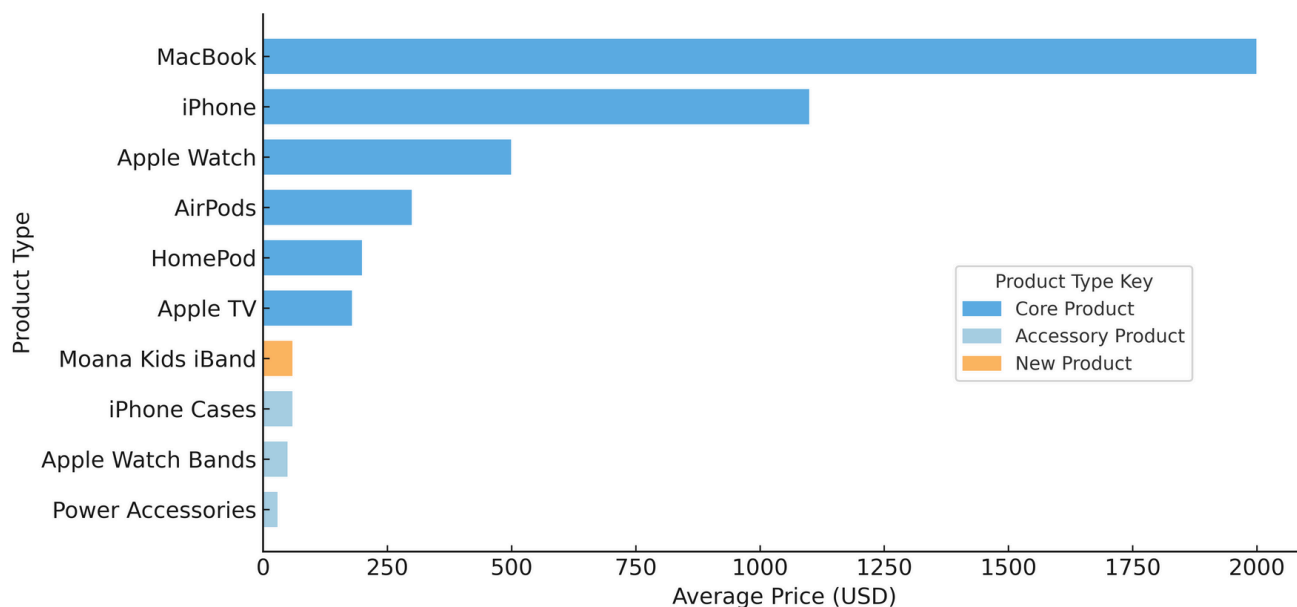


Product	Apple Moana iBand for AirTag	Huawei Kids Smartwatch 4 Pro	XPLORA XGO3
Price (MXN)	\$1,300.00	\$3,000.00	\$4,800.00
Price (USD)	\$65.00	\$150.00	\$250.00
Tracking Features	AirTag-based, real-time tracking	GPS, Location services	GPS, Location services
Additional Features	Real-time location tracking, Disney-branded, secure AirTag integration	Video calls, GPS, 5MP Camera	GPS tracking, Safe zones, Camera, Pedometer
Subscription Required	No	No	Yes (for GPS services)
Battery Life	More than 1 year	2 Days	1-2 Days

Price Strategy

The pricing strategy is built around three primary factors: market prices of direct competitors, internal cost structure, and positioning within Apple's existing product range. The final retail price is set at 1,300 MXN (US\$65) to remain competitive within the kids' wearables segment, align with Apple's accessory pricing, and maintain balanced margins while leveraging Disney's brand value.

Apple Mexico Products Price Comparison (USD)



Cost Structure

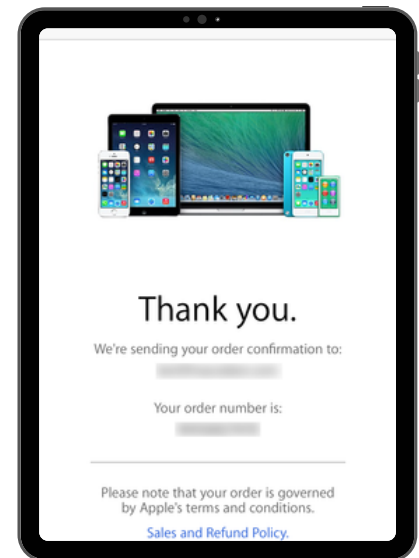
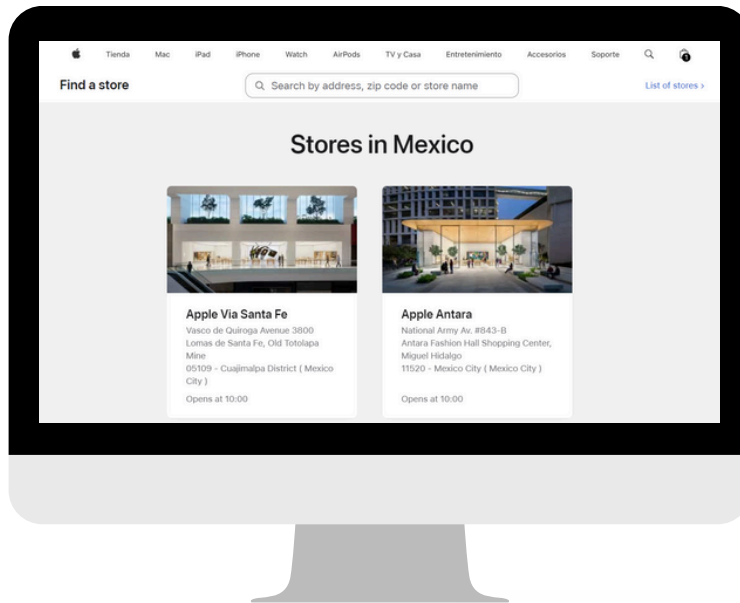
Category	Cost per Unit (USD)
Price Point	\$65.00
Production Costs	(\$12.00)
Disney Royalties	(\$9.75)
Marketing Expenses	(\$14.23)
Distribution & Logistics	(\$2.00)
Customer Support & Overhead	(\$1.75)
Total Unit Cost	(\$39.73)
Gross Margin per Unit	\$25.27
Profit Margin Percentage	38.88%

The cost structure benefits from economies of scale by using the same rubber materials as Apple Watch bands. Distribution and logistics costs are optimized through Apple's bulk import agreements and favorable shipping terms. Customer support and overhead costs are allocated for handling, shipping, and staffing in both online and offline channels.

Then, Disney royalties account for 15% of each unit sold, equating to \$9.75 per unit. With a marketing budget of \$797,000, the total cost per unit is \$39.73, resulting in a 38.8% profit margin.

Distribution Channels

Apple's strong retail presence in Mexico, along with its extensive distribution capabilities, provides a significant advantage for the Moana Kids iBand's rollout. With only two retail markets in Latin America—Brazil and Mexico—Apple's firsthand presence in Mexico positions it to effectively manage nationwide orders, ensuring smooth distribution and better market reach.



Online at Apple.com/MX

Reach: Nationwide

The Moana Kids iBand will be available through the official Apple Store online, which ships across Mexico. This channel will be supported by marketing tactics to ensure visibility.

In-Store at Apple Stores

Reach: Mexico City

The new gadget will be sold exclusively at the two Apple Stores in Mexico, located in Mexico City:

- **Apple Antara Polanco**
- **Apple Vía Santa Fe**

These stores are located in high-traffic, affluent areas known for attracting a demographic with strong purchasing power. The customer base in these locations includes professionals, tech enthusiasts, and families who prioritize quality and style.

Promotion Plan

Digital Marketing

- UGC Content with Influencer Moms: collaborate with influential mothers like Michelle Torres (500K), Ana Paola Lynch (450K), and Denise Nunez (300K), who have a strong following among parents and are trusted voices in the parenting community.
- Create search ads campaign with Google Ads and Facebooks Ads, redirecting to the Apple product page.

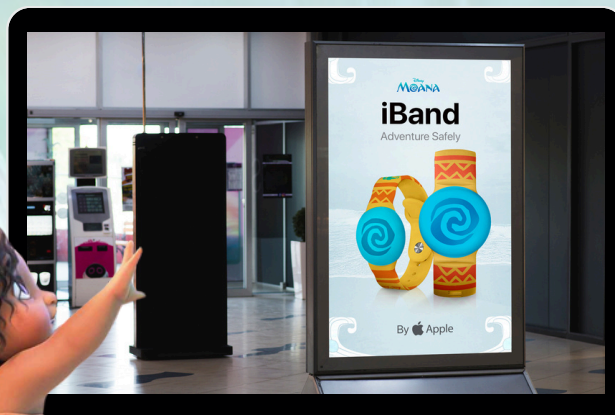


Email Marketing

- Targeted email campaigns directed at Apple's existing customers in Mexico, particularly focusing on parents aged 30-39, to highlight the unique partnership with Disney and present the safety features.

Offline Advertising

- Banners in high-traffic malls placed at Antara Polanco and Santa Fe malls, targeting parents and families who frequent these locations.
- Billboards on premium streets, positioned along Paseo de la Reforma and Polanco—two of the wealthiest and most heavily trafficked areas in Mexico City. This approach will focus on reinforcing brand presence and creating awareness among affluent residents who are familiar with both Disney and Apple products.



Marketing Funnel Strategy

The Moana Kids iBand campaign strategy focuses heavily on the consideration phase, as Apple's established brand awareness in Mexico means that initial awareness efforts are less critical. The strategy's goal is to transition from Apple's general brand recognition to a targeted approach that emphasizes the iBand's unique value for child safety. Key tactics include leveraging billboards and mall banners in high-traffic locations, paid search ads, and mid to macro-level influencer partnerships. Each tactic is designed to communicate the iBand's benefits and encourage parents to explore how this product increases the

safety of their children. Given this established awareness, the campaign strategically allocates a significant portion of its budget to driving consideration and intent to purchase. Influencer partnerships and search ads, paired with location-specific billboards, work to build a compelling case for why parents should consider the iBand for their children. The conversion stage focuses on targeted email marketing, aimed at converting interested leads into customers by showcasing product benefits and purchase incentives, thus moving the iBand from consideration to a finalized purchase.

Campaign strategy

FUNNEL STAGE	OBJECTIVE	MEDIUM	FORMAT	CAMPAIGN DAYS
AWARENESS	Consideration	Social Media Traffic	Static/ Video Ads	60
CONSIDERATION	Lead Generation	Influencer Partnerships	Sponsored Content & Stories	75
CONSIDERATION	Consideration	Billboards & Mall Banners	Billboard Ads	80
CONSIDERATION	Consideration	Paid Search Ads	Search Ads	60
CONVERSION	Drive Sales	Email Marketing	3 Email Sequences	76

Budget & Financial Metrics

Marketing Expenses Breakdown (USD)

\$255,000

Influencer Partnerships

\$200,000

Billboards & Mall Banners

\$30,000

Email Marketing

\$147,000

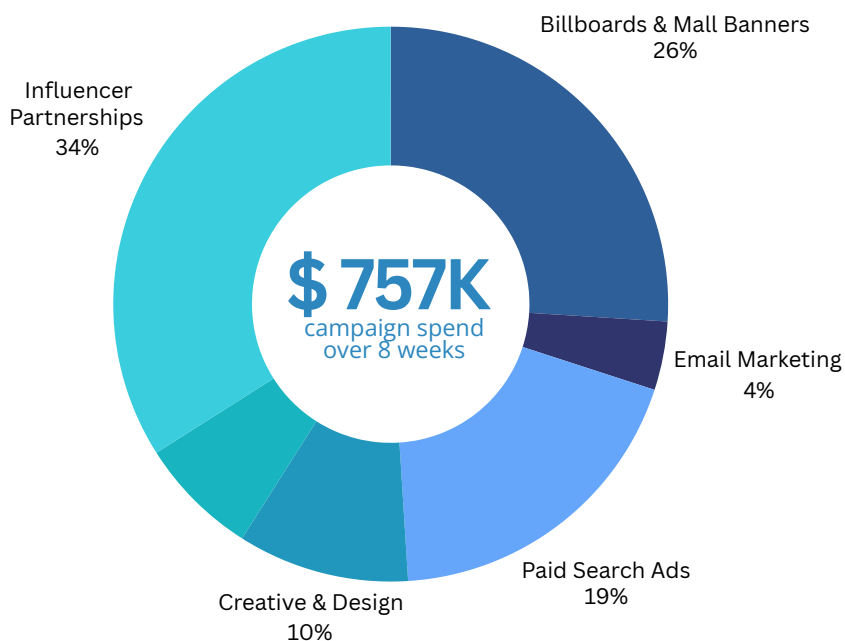
Paid Search Ads

\$75,000

Creative Design

\$75,000

Distribution, Logistics & Legal



Costs Breakdown

Cost Category	Amount (\$)
Total Fixed Costs	1,007,000
Marketing Expenses	757,000
Distribution & Logistics	30,000
Customer Support & Overhead	20,000
Disney Licensing Fee	200,000
Total Variable Costs per Unit	\$21.75
iBand Production Cost	\$12.00
Disney Royalty per Unit	\$9.75

Financial Metrics

Metric	Value
Total Fixed Costs	\$1,007,000
Variable Costs per Unit	\$21.75
Sales Price per Unit	\$65
Breakeven Units	23,273 units
Total Campaign Revenue	\$3,640,000
Total Variable Costs	\$1,218,000
Total Campaign Costs	\$2,225,000
Net Profit	\$1,415,000
ROI	140%
Profit Margin	38.88%
Contribution Margin	66.54%

Execution Plan

The strategic foundation, budget allocation, and financial projections converge into a structured action plan divided into distinct categories. Each category allows for precise tracking of progress and individual ROI evaluation. The execution plan is structured as follows:

Promotion Channel	Tasks/Activities	Timeline	Responsibility	Budget	Success Metrics
1. Influencer Partnerships					
Mid-Tier Influencers	- 10 influencers (50K to 250K followers) create 2 posts each (1 UGC video + 1 Instagram post) showcasing daily use of the iBand.	2 weeks pre-launch	Influencer Manager	\$50,000	6% engagement rate - Reach
Macro-Influencers	- 10 influencers (250K to 1M followers) create 3 posts each (YouTube video, Instagram Reel, Facebook Story) focusing on family outings.	3 weeks pre-launch	Influencer Manager	\$130,000	4% CTR - Reach and visibility
Boosting & Repurposing	- Boost high-performing posts and repurpose UGC into digital ads.	Post-launch phase	Digital Marketing Team	\$75,000	+30% reach - CTR growth
2. Offline Advertising					
Mall Banners	- Large banners at Antara and Santa Fe malls, capturing attention of family shoppers.	3 weeks pre-launch	Ad Agency	\$40,000	- Impressions - In-store purchase
Billboards	- 5 premium billboards on Periférico and Reforma with bold child safety messaging.	4 weeks pre-launch	Ad Agency	\$160,000	- Impressions - Traffic data
3. Email Marketing					
Targeted emails	- Targeted email campaign for Apple's parent segment in Mexico, focusing on safety benefits and limited availability.	1 week pre-launch	Email Marketing Manager	\$30,000	1.5% email-to-purchase conversion rate KPI
4. Paid Search Ads					
Search Ads	- Google and Facebook ads targeting keywords like "child safety wearable" to drive traffic to the product page.	Launch date	Digital Marketing Team	\$147,000	4.5% conversion rate 15,000 units sold
5. Creative & Design					
Marketing Agency	- Develop Moana-themed visuals for digital, social, and print channels for a cohesive brand identity.	Pre-launch & Launch	Creative Team	\$75,000	6% social engagement - Visual impact score.
6. Distribution & Logistics					
Handling & Shipping	- Ensure smooth distribution and logistics for iBand, targeting family-oriented retailers and direct channels.	Launch date	Operations Team	\$50,000	- On-time delivery - Retailer satisfaction.

Execution Calendar

Strategy	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8
Influencer Partnerships	Recruit Michelle Torres (500K) & Initial content creation (UGC)	Michelle Torres: UGC video & 1 Instagram post	Engage Ana Paola Lynch (450K) - YouTube & Instagram Reel	Push 2nd Macro Influencer content (Reel, FB Story)	Repurpose UGC for digital ads & boosting	Boost UGC for reach & engagement - Final push	Re-share top-performing content for impact	Report on final engagement & reach metrics
Offline Advertising	Launch initial mall banners in Santa Fe	Monitor banner placements in malls	Launch 1st set of Billboards on Periférico	Track & push performance optimization	Measure performance of all offline ads	Push cross-channel promotions	Measure cumulative impressions	Finalize impressions & traffic analysis
Email Marketing	Send 1st email sequence: Topic is "Adventure Safely"	Measure open rates & optimize content	Send 2nd Email: "Safety First: Top Features for Parents"	CRO adjustments on landing pages	Send 3rd Email: "Limited Availability - Secure Now!"	Track engagement & purchase conversions	Send urgency email: "Last Chance to Get Your iBand!"	Conclude email campaigns, report CTR & Open Rates
Paid Search Ads	Launch "Adventure Safely" Campaign - 1M Impressions Target	Track & optimize keywords/budget	A/B test visuals, copy & bid adjustments	Launch ads with optimized visuals & copy	Reallocate budget for top-performing ads	Final retargeting optimizations	Push final optimization for maximum sales	Analyze search ads campaign results
Creative & Design	Develop digital assets for launch	Outline next set of visuals for ads	Create post-launch visuals for social channels	Repurpose digital assets for email & social channels	Launch visuals for final campaign push	Create visuals for last ad retargeting	Launch last set of visuals across channels	Complete visual content review & close project
Distribution & Logistics	Verify inventory & logistics setup	Manage order fulfillment workflows	Ship inventory to Apple Stores in CDMX	Verify order fulfillment to Polanco & Santa Fe	Monitor all orders & fulfillment logistics	Monitor distribution and retailer channels	Handle final orders & distribution in CDMX	Complete all order fulfillment and logistics wrap-up

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Analytics

The Moana Kids iBand campaign aims to achieve a balance between short-term sales and long-term brand loyalty by integrating Apple's ecosystem into Mexican households. Tracking the success of this strategy requires a comprehensive set of metrics that go beyond basic figures. For this reason, they are grouped into two categories which should be tracked on a weekly basis. The details and expected results are shown below.

Group 1: Direct impact on core goals

- **Adoption Rate (%)**: the core metric for measuring the success of the campaign. An 8% adoption rate among AirTag users will validate the demand for iBand and its impact on the Apple ecosystem.
- **Sales Volume (Units)**: indicates overall demand and campaign performance in terms of actual purchases. Achieving 56,000 units sold will meet both adoption and revenue goals.
- **New AirTag Sales (% Increase)**: measures accessory product sales growth. A 10% increase over historical averages demonstrates successful cross-selling efforts.
- **Incremental Revenue from AirTag Sales**: tracks the financial impact of additional AirTag sales driven by the iBand campaign. This metric highlights the project's broader contribution to Apple's ecosystem. The goal is to generate \$345,000 in incremental revenue by Week 8.
- **Email-to-Purchase Conversion Rate (%)**: assesses the effectiveness of targeted email campaigns. With a 1.5% conversion rate, this KPI validates the impact of segmented messaging.

Group 2: Supports engagement and optimization

- **CTR from Ads (%)**: measures engagement with paid ads. A high CTR (4% or more) on this campaign will indicate an effective creative messaging and audience targeting.
- **Conversion Rate from Traffic (%)**: shows the effectiveness of website optimization and landing pages in driving purchases. A 4.5% conversion rate confirms the quality of traffic and on-page elements.
- **Multi-Device Adoption Rate (%)**: demonstrates the campaign's effectiveness in driving multi-device usage within households and reflects deeper ecosystem integration for families. The goal is achieving a 10% increase in multi-device adoption by the end of Week 8.
- **Average Use of the Find My App**: measures how effectively families are integrating the iBand with the Find My app, reflecting the campaign's success in deepening Apple's ecosystem usage among households. It is projected to see a 4% increase in average Find My app sessions among users by the end of Week 8.

Conclusion

The Moana Kids iBand by Apple in collaboration with Disney is a strategic initiative aimed at introducing a family-friendly safety product to Apple's portfolio, exclusively targeting the Mexican market. As the second largest market in Latin America (after Brazil), Mexico is an attractive market to explore, driven by cultural values that prioritize family well-being, which also aligns with Disney's values and mission. Leveraging the opportunity, the beloved Disney character Moana will provide a strong emotional connection with a young customer base, making it an ideal push strategy for parents.

Aligned with the core themes of Moana 2, the iBand campaign celebrates the adventurous spirit and independence that resonate with children, while providing a layer of safety for parents. Even further, by successfully capturing the essence of curiosity and the desire to explore, the iBand promotes safe adventures for "little explorers", encouraging them to adventure safely. A meticulously planned 8-week promotional strategy integrates multiple channels—both digital and offline—including influencer partnerships, in-mall advertising, targeted email marketing, and paid search ads to target moms (buyers) with young children and high acquisition power and their young kids (users) that will employ the wearable.

This collaboration specifically addresses safety-conscious parents seeking reliable tracking solutions for their children. Simultaneously, it allows Apple to tap into a younger audience and family-oriented segments—demographics that are not typically Apple's primary focus but hold significant potential for growth. Consequently, the campaign's main objective is to drive adoption of the iBand among current AirTag users, leveraging Apple's existing customer base to strengthen ecosystem integration and boost brand loyalty.



Conclusion

Each campaign activity is designed to maximize visibility, drive conversions, and achieve the goal of selling 56,000 iBand units during the 8-week period. Success will be measured using KPIs that align with strategic objectives, such as adoption rates, total sales volume, and incremental revenue generated from AirTag cross-sales.

Market research indicates that the Moana Kids iBand is uniquely positioned to capture a growing segment in Mexico's technology market, specifically addressing family safety. With crime and security concerns being top priorities for Mexican parents, the iBand's discreet design and robust functionality present a compelling value proposition. Additionally, leveraging the emotional connection with Moana through a Disney partnership enhances its relevance, especially for families already integrated into Apple's ecosystem.

Financial projections estimate the campaign will generate \$3,640,000 in revenue, resulting in a projected net profit of \$1,415,000, yielding an ROI of 140%. This indicates that for every \$1 invested, the campaign will return \$1.40 in profit, showcasing the product's strong potential to exceed its break-even point of 23,273 units and generate profits effectively. Furthermore, the projected incremental revenue from AirTag cross-sales underscores the iBand's value in boosting the sales of Apple's existing products.

Finally, the most valuable aspect of this project is its role as a pilot to explore the addition of a new product into the Apple portfolio in Mexico. If successful, the iBand could be expanded to other countries and adapted for different segments, such as creating versions for pets or elderly family members, thereby broadening Apple's reach and enhancing its safety solutions for a diverse range of users.

