

The background of the advertisement is a green-tinted photograph of a young man with dark hair, smiling and looking slightly to his right. He is wearing large headphones around his neck. The image is partially obscured by a solid green rectangular area on the right side, which contains the text.

**RADIO**

On Air. Online. On Target.

# RADIO

A MASS MEDIUM DELIVERING AUDIO  
CONTENT TO PASSIONATE AND LOYAL  
LISTENERS ACROSS MULTIPLE PLATFORMS



# RADIO

ON AIR. ONLINE. ON TARGET.

## ON AIR

- ✓ A **mass medium** capable of easily delivering your message to many people
- ✓ Targetable (by demo, lifestyle and geography) to assure **the right people are exposed to your message** with little waste

## ON LINE

- ✓ Digital capabilities offering **interactive opportunities** to complement and enhance your campaign and **reach consumers** using multiple touch points

## ON TARGET

- ✓ An environment that **delivers consumers** who are **engaged** and passionate about the content
- ✓ Exposure to your message when and where consumers are ready to **buy or shop**

# A GROWING AUDIENCE

2012 RADIO AUDIENCE IS AT  
AN **ALL-TIME HIGH!**



↑ **2.7M** FROM 2009




↑ **5.1M** FROM 2006

Sources: Arbitron RADAR 90, 102, 114, Sept 2006, Sept 2009, Sept 2012, (Persons 12+, Monday-Sunday 24-Hour Weekly Cume Estimates)



# WHO'S LISTENING?

## JUST ABOUT EVERYONE!



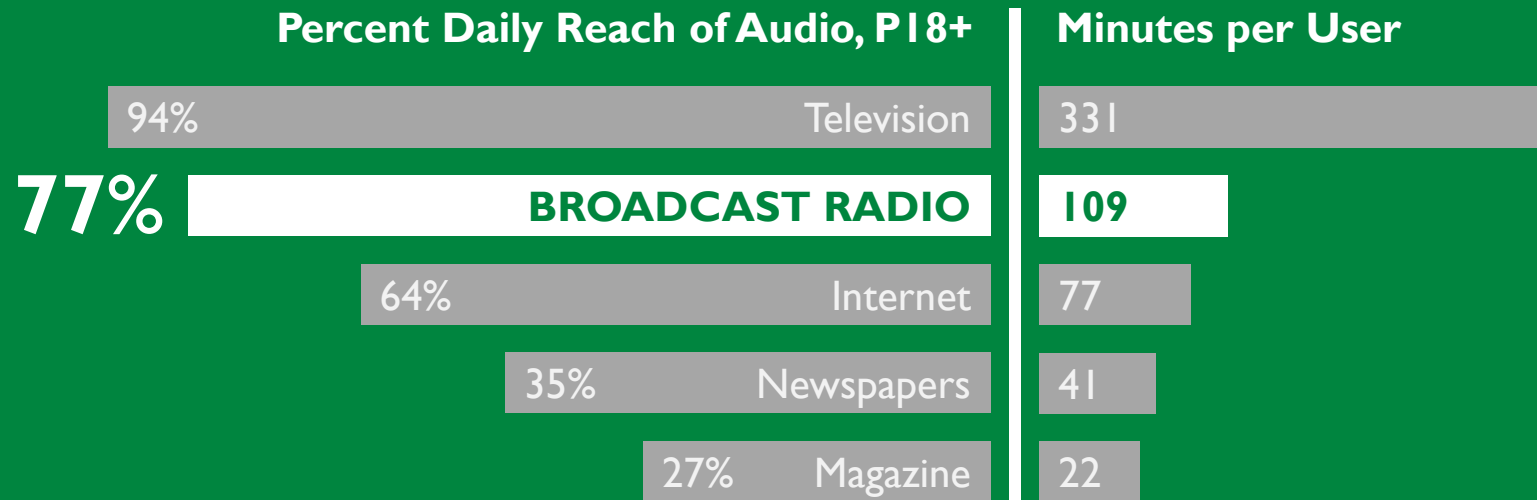
**93%**  
of Americans 12+  
**every week**

Sources: Arbitron, RADAR 114, September 2012 Arbitron (Persons 12+, Monday-Sunday 24-Hour Weekly Cume Estimates)



# STILL BOOMING

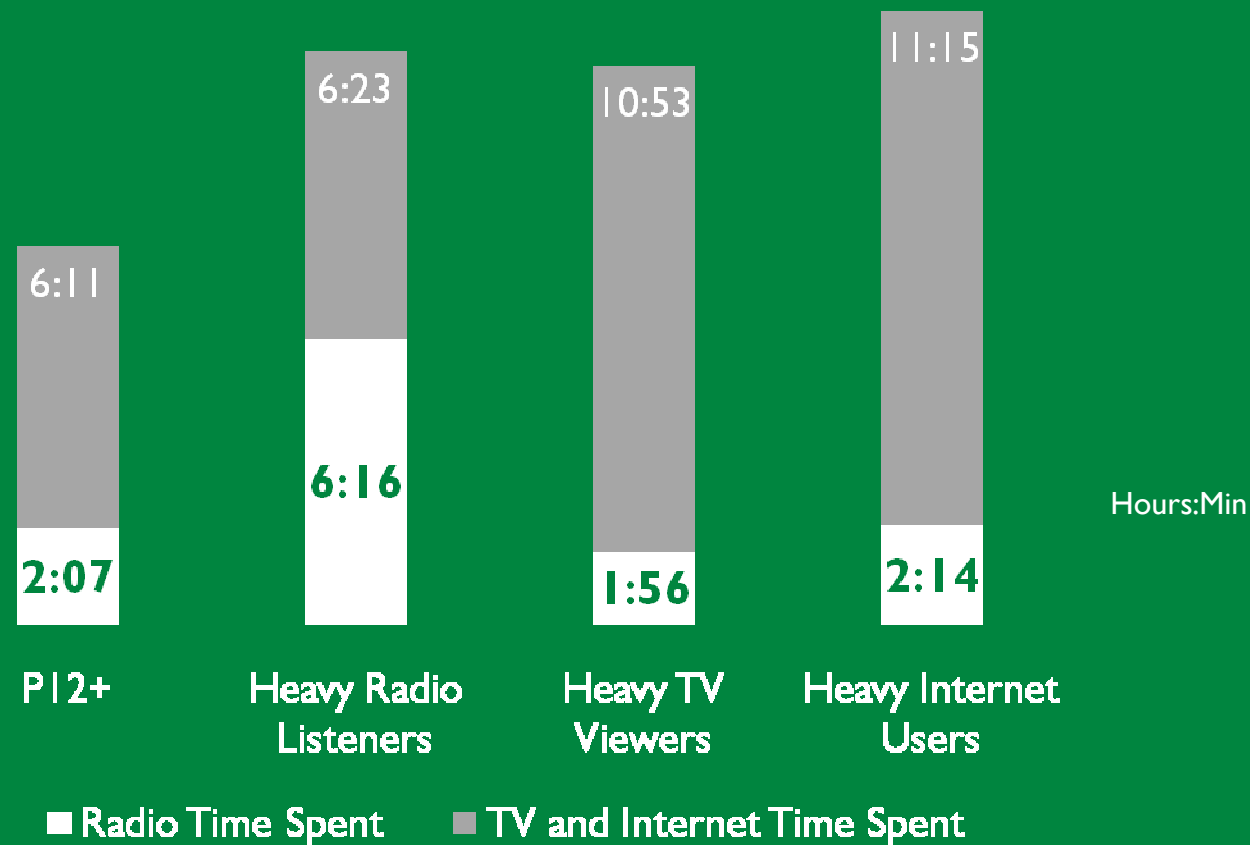
## PEOPLE CONTINUE TO SPEND TIME WITH RADIO



Note: Internet usage excludes email; TV usage excludes time-shifted viewing; Source: Nielsen's "How U.S. Adults use Radio and other forms of Audio", 2009; an analysis of the Consumer Mapping Study by the Council of Research Excellence

# CONSISTENT TIME SPENT

## EVEN AMONG HEAVY USERS OF OTHER MEDIA

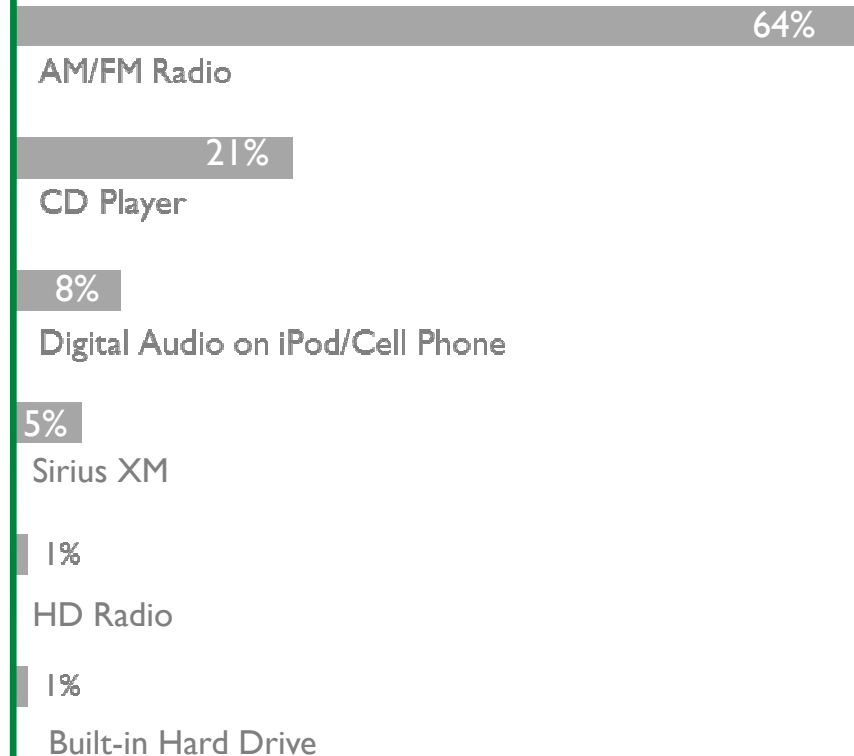


# CAPTIVE AUDIENCE

## AM/FM RADIO DOMINATES IN-CAR LISTENING



### % of Time Spent Listening in Car



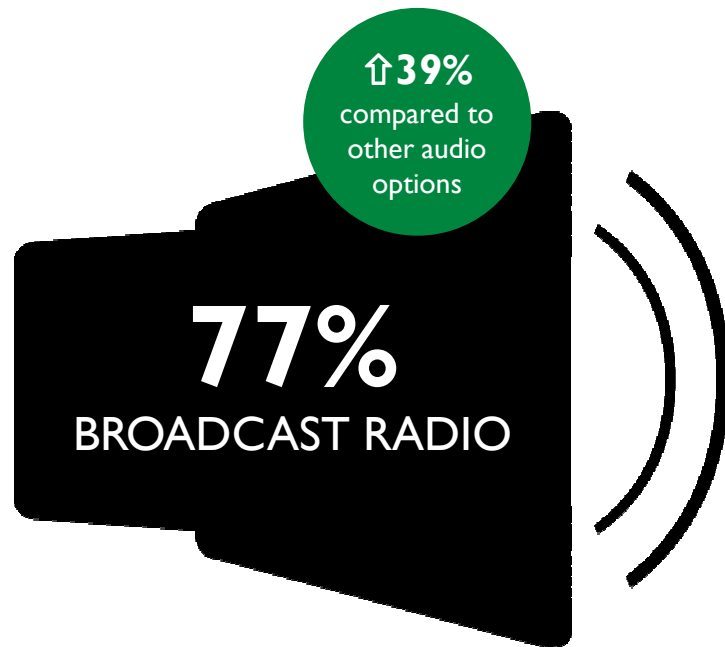
Source: The Road Ahead, Arbitron/Edison/Scarborough Study 2011; BASE: Use at least one audio device in car



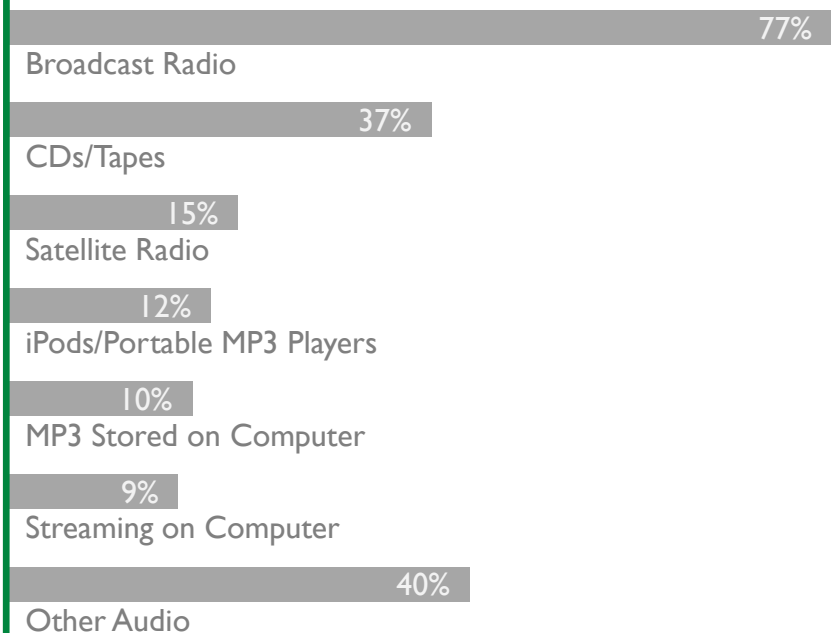


# HIGH FREQUENCY

BROADCAST RADIO IS THE DOMINANT SOURCE  
FOR AUDIO CONTENT



% Daily Reach of Audio, P18+

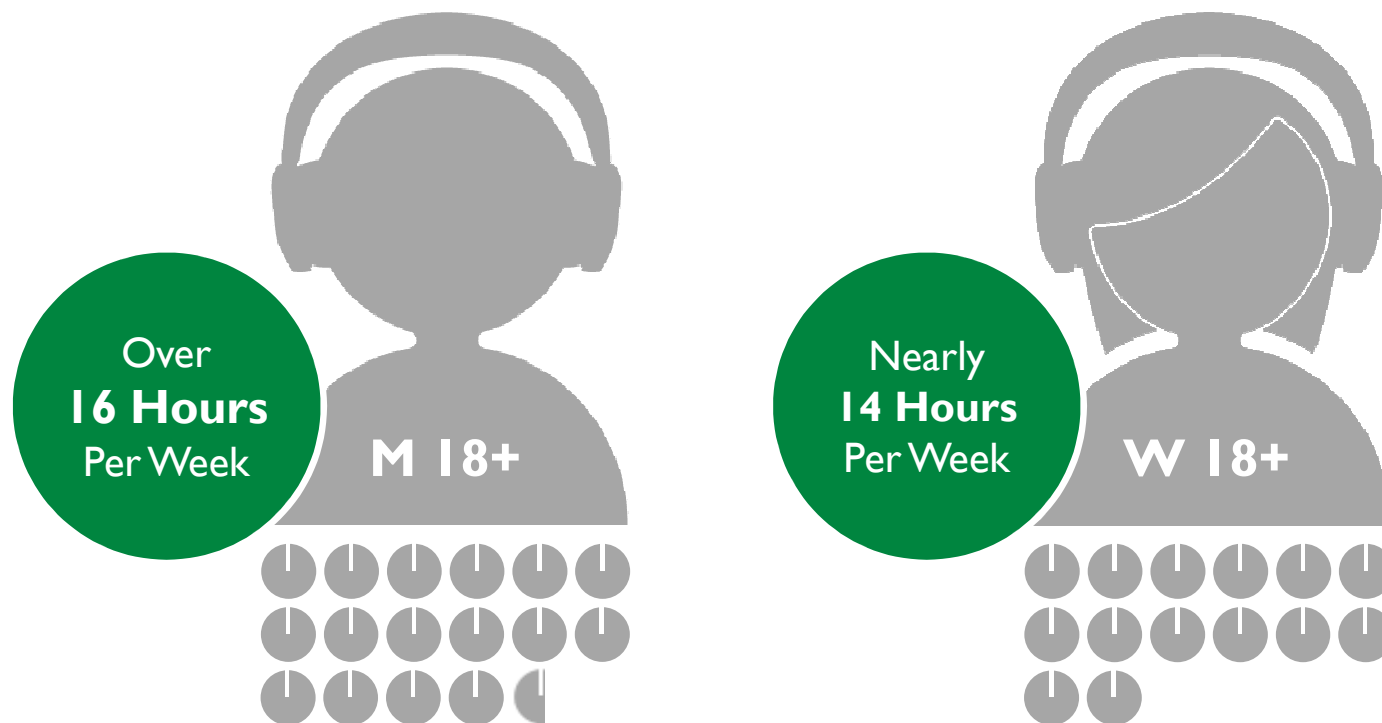


Sources: "How U.S. Adults Use Radio and Other Forms of Audio", 2009; an Analysis of the Consumer Mapping Study by the Council of Research Excellence



# TUNED-IN

WEEKLY BROADCAST RADIO LISTENING IS  
CONSISTENT AND STRONG



# MULTI-CULTURAL

WEEKLY USE IS EVEN HIGHER AMONG HISPANIC  
AND AFRICAN AMERICAN LISTENERS



**African American** listeners  
and **Hispanic** listeners  
(versus General Market, P 25-54)

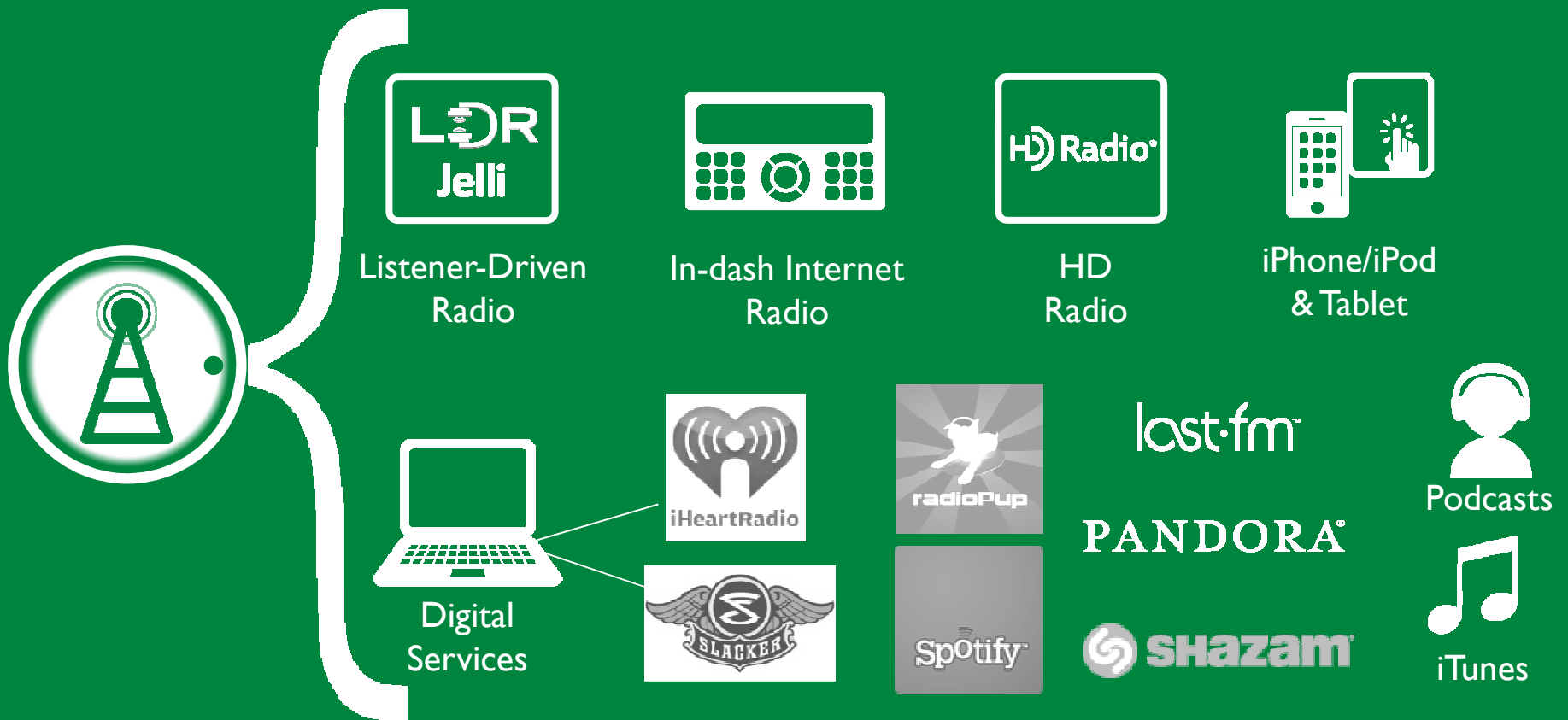


Source: Arbitron, RADAR 114, Sept 2012 (Monday-Sunday 24-Hour Weekly TSL Estimates)



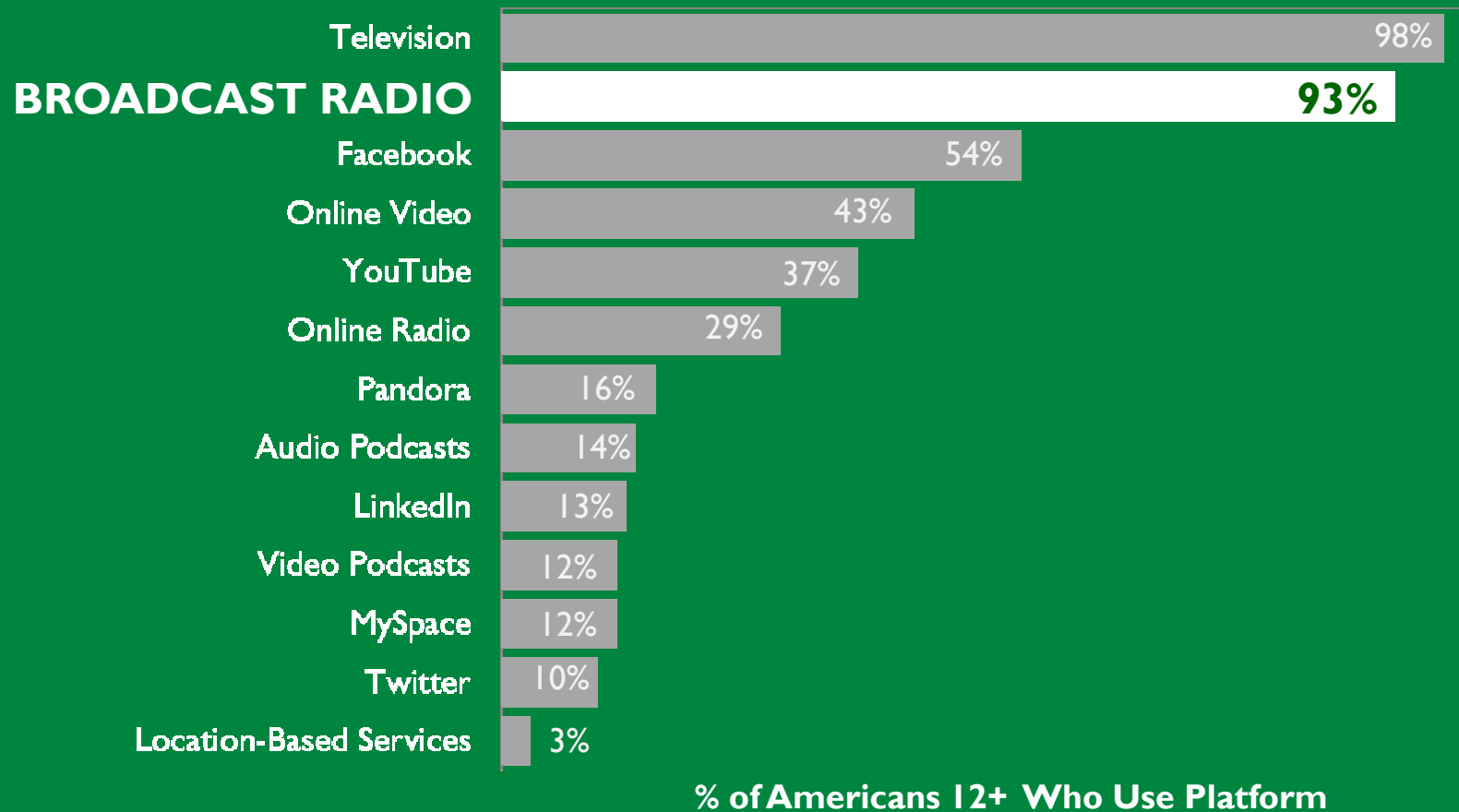
# BEYOND THE DIAL...

RADIO IS SPONSORED AUDIO CONTENT



# GOING STRONG

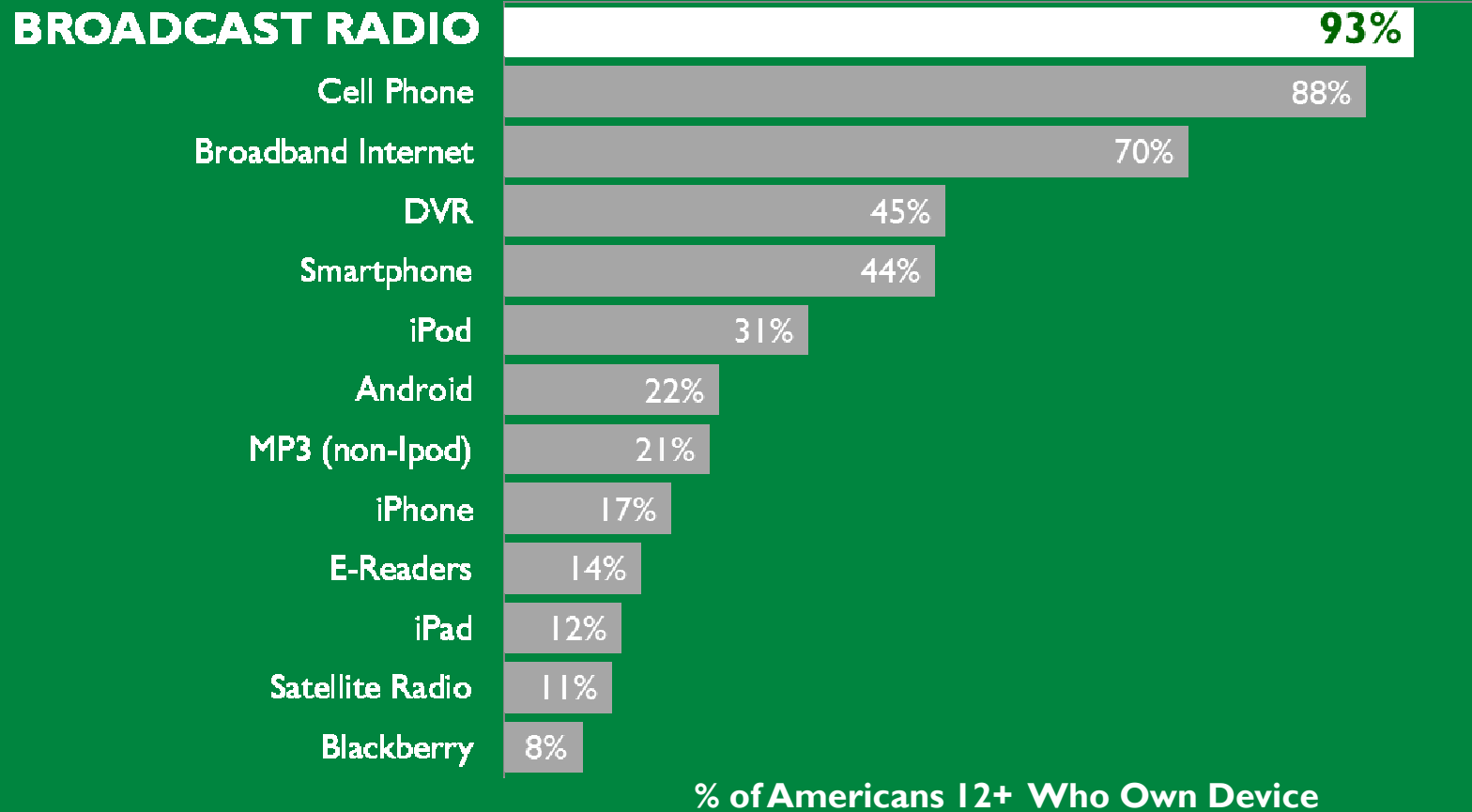
RADIO IS THE 2<sup>ND</sup> MOST USED PLATFORM IN AMERICAN LIVES



Source: The Infinite Dial 2012 – Arbitron Inc. Edison Media Research ;  
Note: Pandora is a subset of Online Radio and shown separately as a pure-play operator

# AND STRONGER

## RADIO OUTRANKS TODAY'S DIGITAL DEVICES



**AND GROWING...**  
U.S. ONLINE RADIO AUDIENCE IS AT  
AN ALL-TIME HIGH OF **103 MILLION**  
MONTHLY LISTENERS!\*

↑ **2X**  
FROM  
2006

\*P 12+; Source: The Infinite Dial 2012 – Arbitron Inc. Edison Media Research



# LISTENING AT WORK

## AUDIO STREAMING MIRRORS THE AVERAGE WORK DAY

8-9  
AM

**LISTENING PEAKS** between 8AM – 5PM

4-5  
PM

Drive-time peaks are expected when streaming in cars becomes standard.

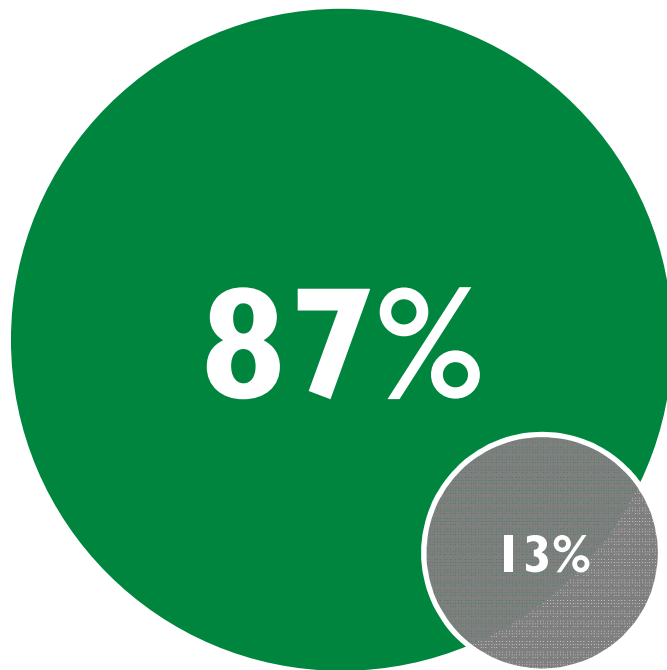
Local Streaming Station Audience, Arbitron PPM, May 2012, Persons 18+ (45 stations from 30 metros)





# ADDED VALUE

ONLINE RADIO LISTENING IS A **COMPLEMENT**  
TO BROADCAST RADIO—**NOT A SUBSTITUTE!**



% of weekly Online Radio  
listeners who listen  
to Broadcast Radio  
(versus those who do not)



# DIGITAL GROWTH

RADIO'S DIGITAL OFFERINGS ARE  
STEADILY INCREASING

## STREAMING

- ✓ Projected **6000** streaming stations by 2012

## HD RADIO

- ✓ More than **2100** stations broadcasting in HD

## PODCASTS

- ✓ **36MM** Americans have downloaded a podcast in the past month



Source: Inside Radio / M Street Corp., 2012; No Canadian or Mexican stations are included (HD Radio stat from iBiquity/HD Digital Radio Alliance, 2012); The Infinite Dial 2012 - Arbitron Inc./Edison Media Research

# THE EVOLVING DASHBOARD

## EXPANDING RADIO'S VISUAL CAPABILITIES



HD  
Radio



Content  
On-Demand



Real-time  
Navigation



Song  
Tagging



SYNC® Applink



# HYPERLOCAL SITES

## BRANDED STATION SITES ARE SERVING AS AN ENTERTAINMENT SOURCE

Delivering local events, news & sports updates.



# MOBILE AUDIO

## LISTENERS ARE TAKING THEIR AUDIO CONTENT ON-THE-GO



- On demand content delivering sports, music, information and entertainment downloads **whenever the listener wants it**
- **36%** of smartphone users have listened to music/audio in past 30 days
- Tablet owners index at **105** for weekly AM/FM radio listening
- Smartphone owners index at **103** for weekly AM/FM listening audio content on a cell phone/smartphone

Sources: 2011 Mobile Consumer Report, Experian/Simmons;  
The Infinite Dial 2012 – Arbitron Inc. Edison Media Research

# MOBILE APPS FOR YOUTH

## RADIO DISNEY APP ALLOWS LISTENERS TO INTERACT WITH RADIO DISNEY FOR FREE



- Listen to live on-air, multi-task listening, song requests, shout-outs, recent playlists; listen to on-air activity and learn about local events

# LISTENER INTERACTIVITY

## LISTENER DRIVEN RADIO PROGRAMS ENGAGE LISTENERS IN REAL TIME



- **LDR Takeover** (Offers listeners real-time control of a radio station's programming)
  - ✓ Offers listeners real-time control of a radio station's programming
  - ✓ Move songs in the playlist queue; recommend songs for airplay; receive SMS text messages, IMs, or e-mails when their favorite songs play; song dedications via Facebook
- **Jelli**
  - ✓ Increase of social media usage by radio
  - ✓ Listeners can “program” the station by tweeting, texting, etc. and voting about the songs on air — all in real time
  - ✓ Jelli now allows listeners to vote on advertiser creative (Hit/Miss)



# SOCIAL NETWORKING

## ADVERTISERS CAN DELIVER PERSONALIZED MESSAGING TO A RECEPTIVE AUDIENCE

The image displays three promotional banners for radio station loyalty programs. The top-left banner is for '101.1 WINS INSIDER?' and features a three-step process: 1. SIGN UP for FREE (with a laptop icon), 2. EARN POINTS in fun ways (with a cherry, notepad, and headphones icon), and 3. USE POINTS to win big! (with a smartphone icon). The top-right banner is for '94.9 REWIND' and says 'feel good favorites from the 80s & more!' with a 'CLICK HERE TO JOIN NOW!' button. The bottom banner is for 'WJJK REWARDS' and lists 'AWESOME PRIZES!' such as answering trivia questions and playing blackjack to earn points, which can then be used to enter contests for big prizes. It includes an image of a guitar, a smartphone, and a stack of cash, along with a 'Use Points' button and the text 'CHECK OUT SOME OF THESE THINGS TO DO'.

- Applications like Facebook and Twitter allow listeners to publish audio, receive song and station event updates
- Loyal listener databases extend the connection that listeners have with their stations by offering exclusive opportunities and deals
- Databases are virtually untapped by advertisers



# HIT YOUR TARGET

## DATA MINING AND GROUP COUPONING



- **Robust database**
  - ✓ Offers insights into programming and marketing to listeners
  - ✓ Provides engagement metric with stations and advertised brands
- **22% of people who visit a Broadcast Radio station website clip advertiser coupons**

Source: Release I of 2010, Scarborough Persons 18+ Coupon usage by Radio Format;

# WORKING 9 TO 5

## RADIO DOMINATES THE RETAIL DAY

% of Media Time Spent per Day, A25-54

**BROADCAST RADIO**

**51%**

Internet

43%

Television

39%

Newspaper

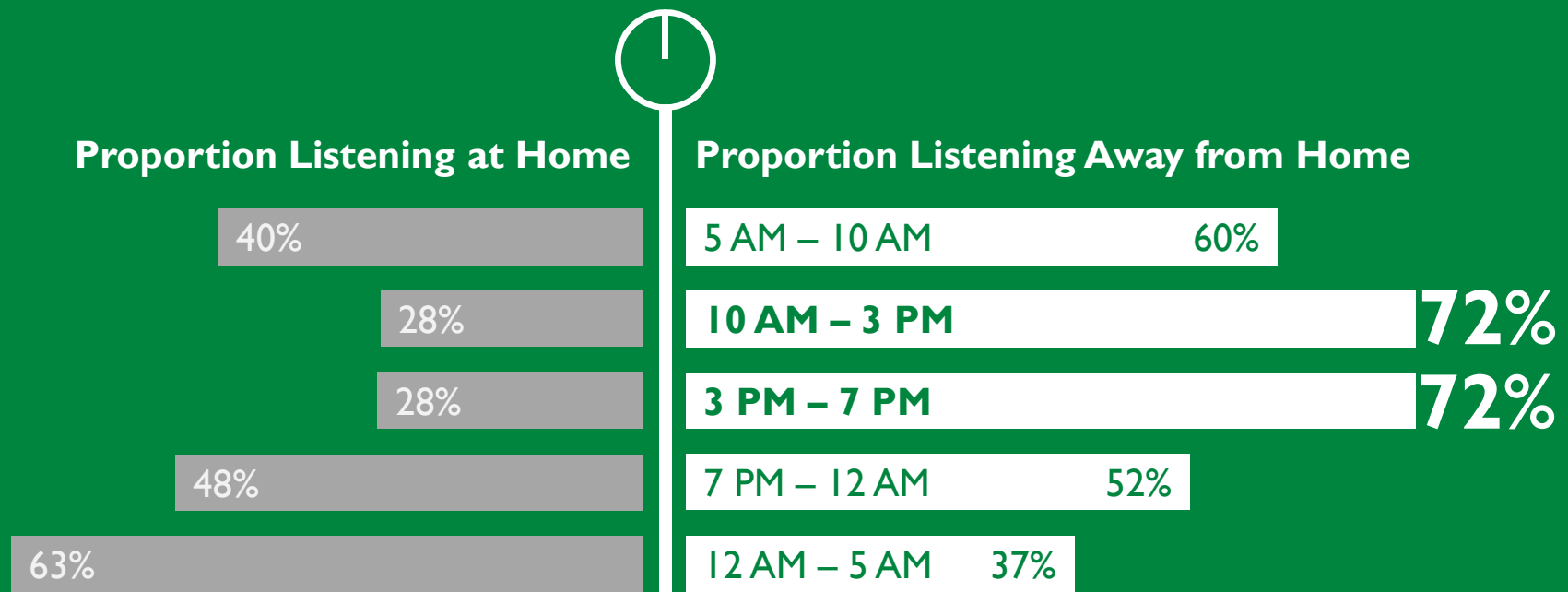
22%

Magazine 18%

Source: GfK MRI – MediaDay Doublebase 2012 (Fieldwork 2011-2012/Doublebase Respondents) weighted to population.  
Base: Adults 25-54; Daypart: 9AM-5PM

# CLOSE TO PURCHASE...

RADIO REACHES LISTENERS OUTSIDE THE HOME  
WHEN THEY ARE READY TO BUY



# VERY CLOSE!

## RADIO IS THE **MOST-USED MEDIUM** JUST PRIOR TO SHOPPING



40%

22%



- **40%** of adults are reached two hours before the peak 1PM -2PM shopping period
- **22%** of adults listen to the radio a half-hour before
  - ✓ Greater than live TV, Internet, mobile web/app, social networking and print

# NO COMMERCIAL SKIPPING

## COLEMAN STUDY – 93% AUDIENCE RETENTION DURING COMMERCIALS

What Happens When  
the Spots Come On?  
2011 Edition

- 2011 highlights 93% retention
- 2006 highlights 92% retention
  - ✓ No time shifting
  - ✓ No below the fold
  - ✓ No load times

Sources: 2011 Arbitron Inc., Media Monitors, and Coleman Insights

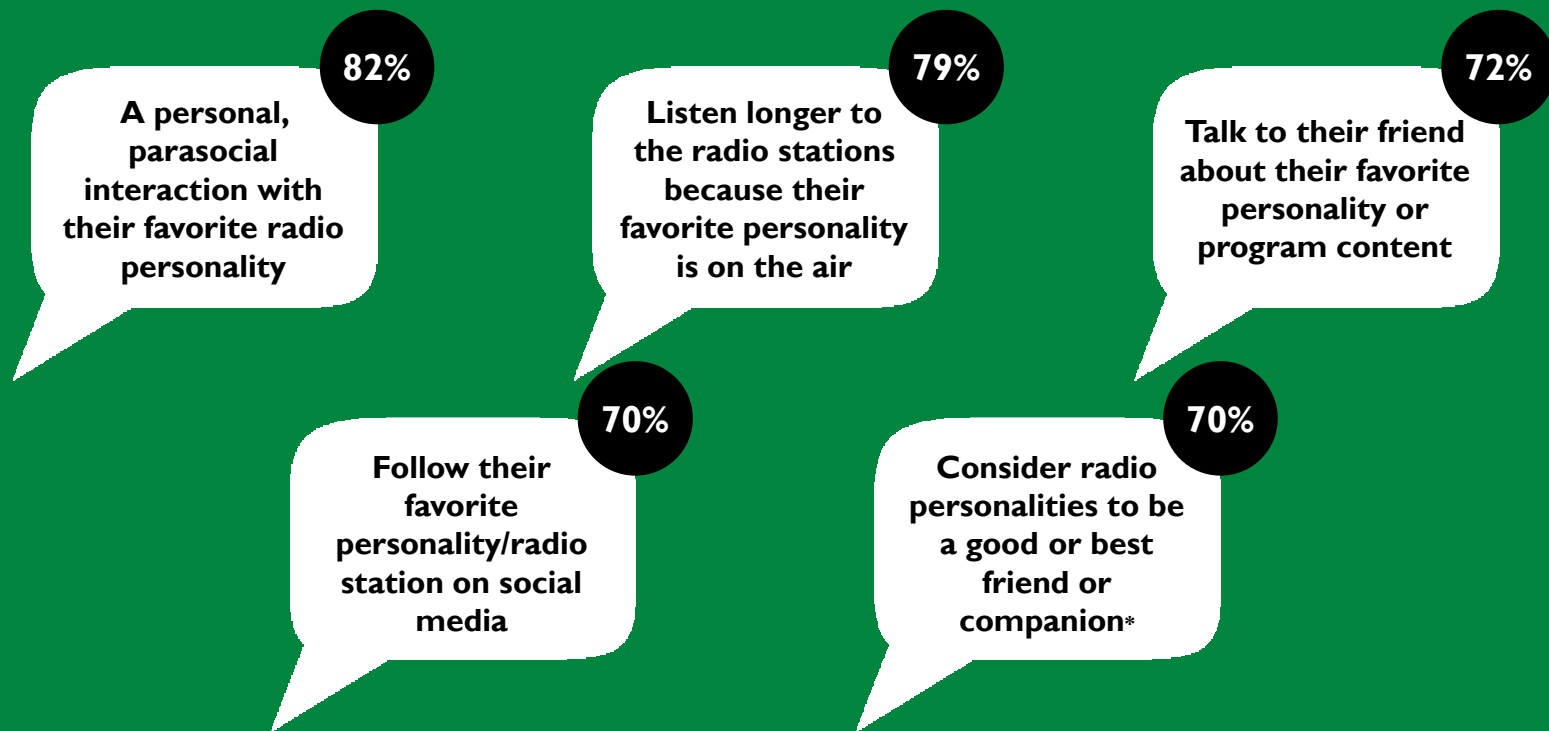
# BEHAVIOR MOTIVATOR

## RADIO INFLUENCES ACTIONS AND IMPROVES MARKETING OBJECTIVES

DRIVES SALES	BUILDS BRAND TRUST	ENGAGES CONSUMERS	INCREASES BRAND AWARENESS	DRIVES WEB TRAFFIC
✓ Target's Personality driven Holiday 2009 campaign drove a <b>2.5% increase in store traffic</b> and contributed to a <b>2% overall sales lift</b>	✓ ING Direct used this tactic and experienced a record number of accounts opened in 1 day ✓ Incremental accounts per day up <b>353%</b> .	✓ Local station ran a text promotion for a beer distributor that yielded <b>11,426 incoming texts in 10 minutes</b>	✓ Firehouse Subs saw a <b>10% sales increase</b> in markets when radio was used and maintained those gains – comparable <b>sales went from -6% to +11%</b>	✓ Aloft Hotels (Starwood) saw <b>20%-67% increase</b> in visits to their websites after an on-air and streamed radio promotion

# RADIO FAMILY

## LISTENERS HAVE EMOTIONAL CONNECTIONS TO THEIR FAVORITE RADIO PERSONALITIES



Source: USC, Annenberg School for Communication & Journalism, PSI Study released June 2012, Woodley, P. and Movius, L. People With a Favorite Radio Personality in Los Angeles; \*Alan Burns "Here She Comes" 2012 online survey of 2,010 women 15-54 in May 2012

# LOCAL MATTERS

## CONNECTION TO LISTENERS

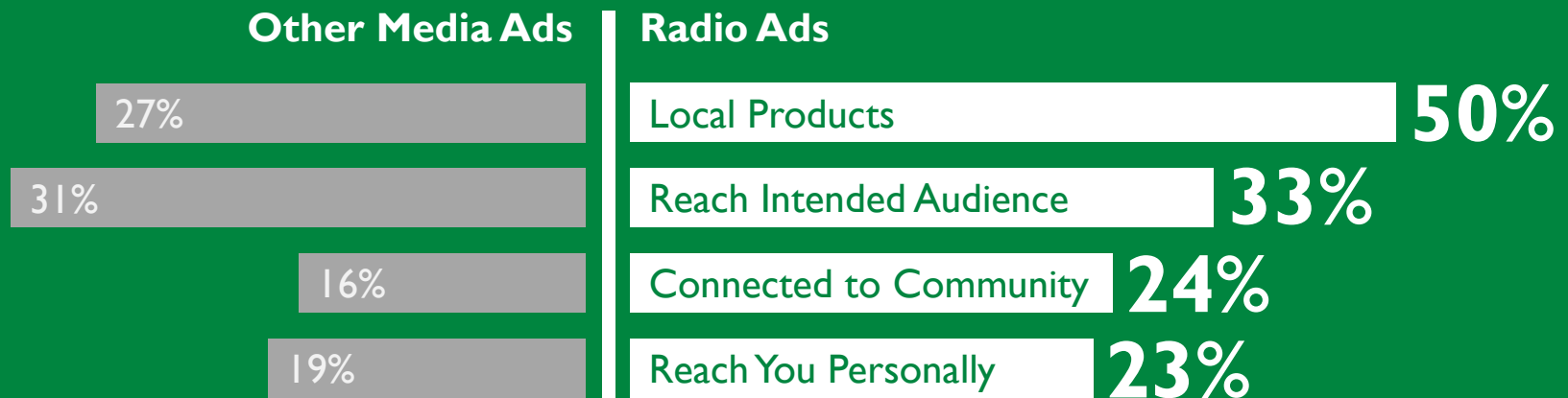


- Local content and promotions that strengthen local community connections
- Audience engagement with sites that offer local music talent and playlist interactivity between listeners and station
- Community events driven by stations prove local radio's connection



# IT'S PERSONAL

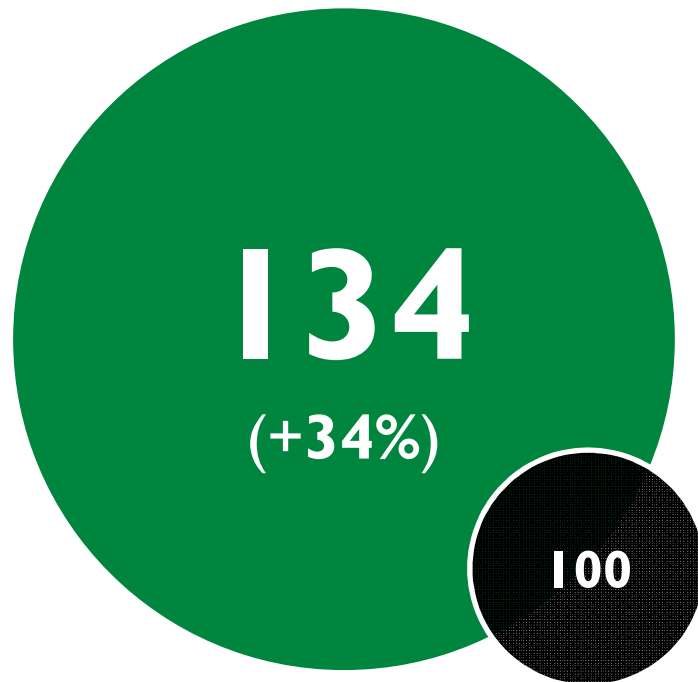
CONSUMERS PERCEIVE RADIO ADS TO BE MORE PERSONALLY RELEVANT THAN OTHER MEDIA



\*% Who Agree Strongly or Somewhat Agree; Source: "Personal Relevance Two: Radio's Receptive Ad Environment" (2006), Harris Interactive/Wirthlin Worldwide; Radio ads compared to average of other media

# HIGH RECALL

UNAIDED RECALL INCREASES UP TO 34% WHEN  
RADIO IS ADDED TO **TELEVISION** CAMPAIGN



**Unaided recall index** of one Radio ad and  
one Television ad

(versus 2 Television ads)

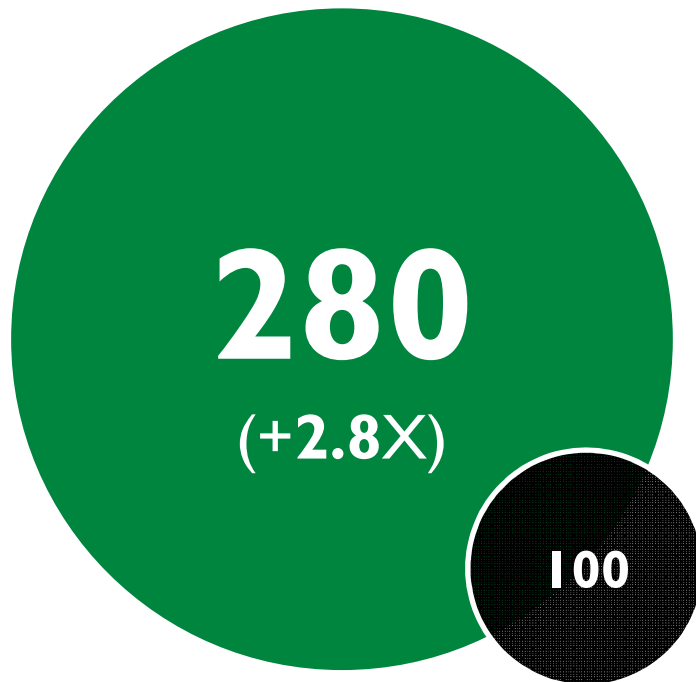
Test ad categories:

- Fast Food
- OTC Allergy Medicine
- Auto
- Cell Phone Service Provider
- Credit Card

Source: "The Benefits of Synergy: Moving Money Into Radio" with PreTesting Company (2004);  
Approximately 100 respondents per group

# HIGH RECALL

UNAIDED RECALL INCREASES UP TO **2.8X** WHEN  
RADIO IS ADDED TO **NEWSPAPER** CAMPAIGN



**Unaided recall index** of one Radio ad and  
one Newspaper ad  
(versus 2 Newspaper ads)

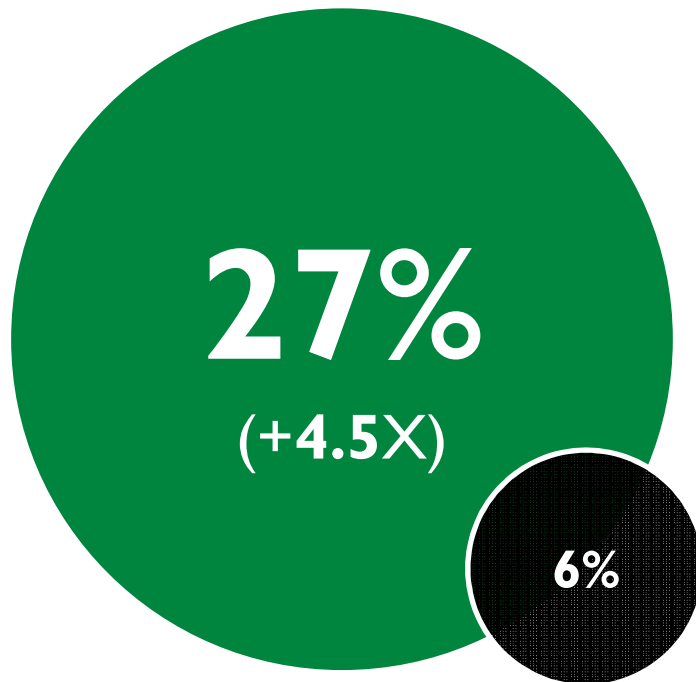
Test ad categories:

- Fast Food
- OTC Allergy Medicine
- Auto
- Cell Phone Service Provider
- Credit Card

Source: "The Benefits of Synergy: Moving Money Into Radio" with PreTesting Company (2004);  
Approximately 100 respondents per group

# HIGH RECALL

UNAIDED RECALL INCREASES UP TO **4.5X** WHEN  
RADIO IS ADDED TO **INTERNET** CAMPAIGN



**Average unaided recall** of one Radio ad  
and one Internet ad

(versus 2 Internet ads)

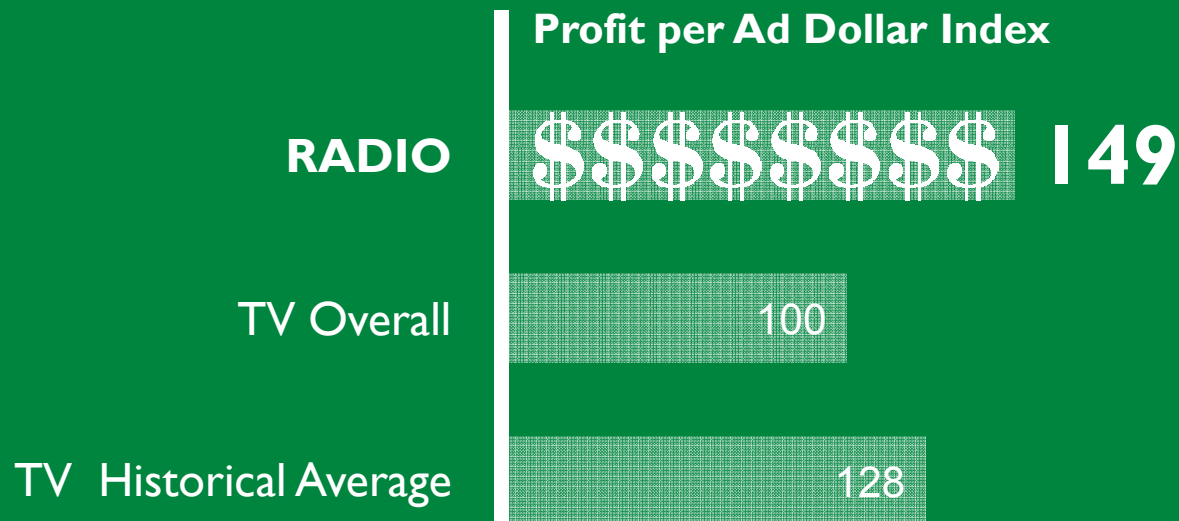
Test ad categories:

- Fast Food
- Other Restaurant
- Grocery Meat
- Grocery Canned
- OTC Headache
- OTC Breath
- Travel
- Electronic Device

Source: "Radio and the Internet: Powerful Complements for Advertisers" with Harris Interactive (2006); Approximately 100 respondents per column

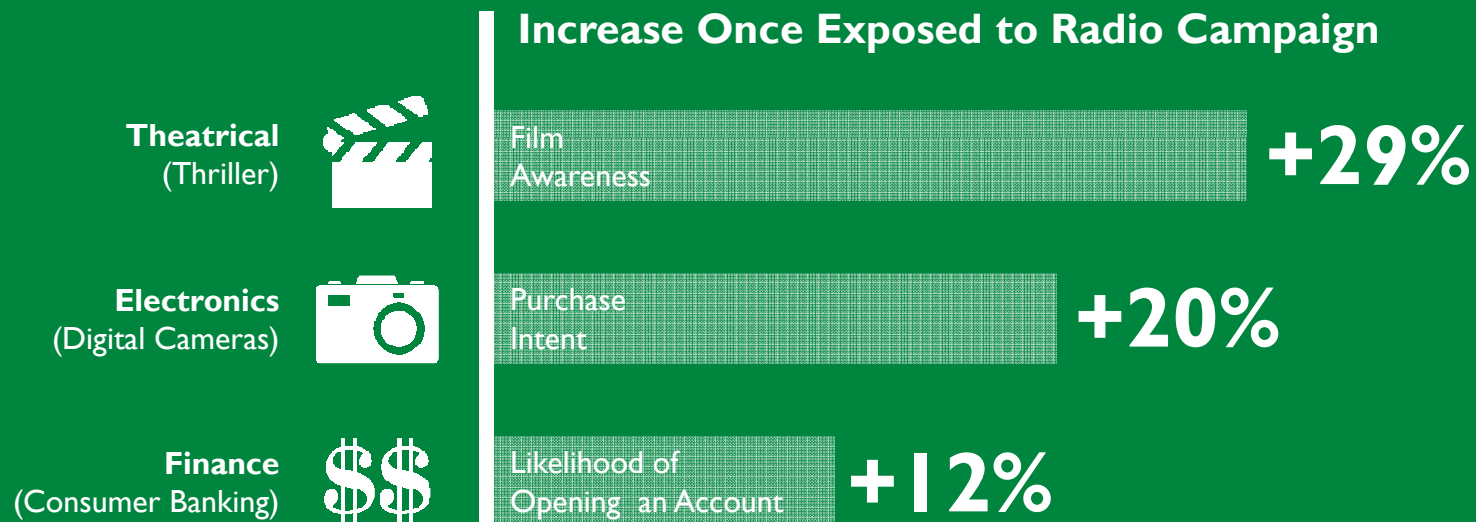
# A STRONG ROI

INCREMENTAL RADIO CAMPAIGNS SHOW A  
GREATER ROI THAN NATIONAL TV CAMPAIGNS



# INFLUENCING BEHAVIOR

RADIO DRIVES TRAFFIC WHICH INCREASES  
BRAND AWARENESS AND PURCHASE INTENT



# TACTICAL STRENGTHS

ACCORDING TO ADVERTISING EXPERTS...  
HERE IS WHAT RADIO DOES BEST!

96%

✓ Control by  
Time of Day  
and/or  
Day of Week

89%

✓ Reach people  
Out of Home

82%

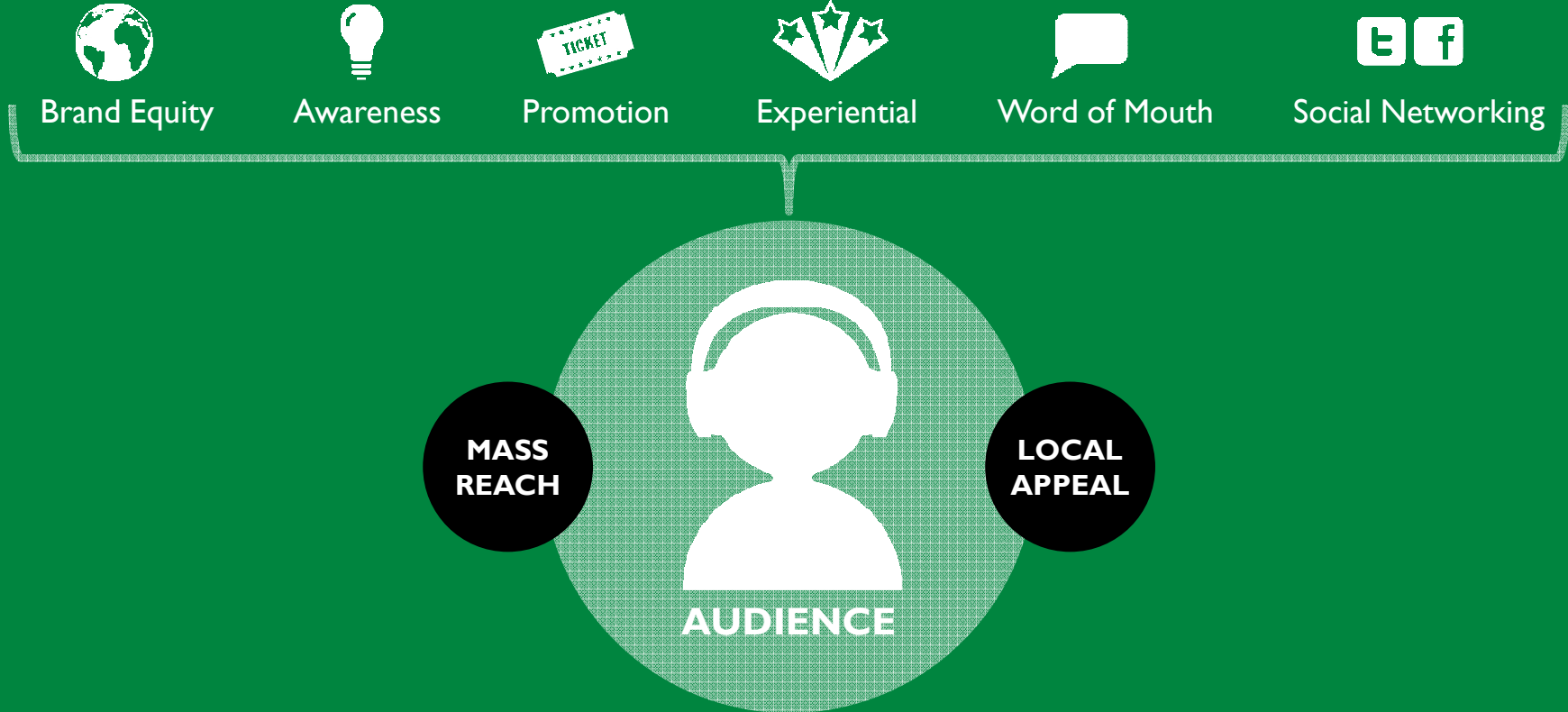
✓ Geo-Targeting  
(Target by  
DMA / Metro)

79%

✓ Create/Rotate  
Messages  
Quickly

# INCREASE EFFECTIVENESS

## CROSS-PLATFORM RADIO FULFILLS MULTIPLE ROLES IN THE MARKETING PLAN





# RADIO

ON AIR. ONLINE. ON TARGET.

## ON AIR

- ✓ A **mass medium** capable of easily delivering your message to many people
- ✓ Targetable (by demo, lifestyle and geography) to assure **the right people are exposed to your message** with little waste

## ON LINE

- ✓ Digital capabilities offering **interactive opportunities** to complement and enhance your campaign and **reach consumers** using multiple touch points

## ON TARGET

- ✓ An environment that **delivers consumers** who are **engaged** and passionate about the content
- ✓ Exposure to your message when and where consumers are ready to **buy or shop**

# MORNING TO NIGHT

RADIO LISTENERS ARE CONSUMING AUDIO  
HOW, WHERE AND WHEN THEY WANT IT!

## WAKING UP

**#1 Medium**  
from 5am-5pm

## AM COMMUTE

Audio captures **89%** of  
in-car media time

## PM COMMUTE

**90%** tune in just before  
stopping to shop

## MORNING PREP

**More people** listen daily  
than visit the web

## AT WORK

**103 M** consumers listen  
online every month

## TELECOMMUTING

Consumers listen on their  
mobile device **5 hours/week**

## FOR THE BIG GAME

**Listening surges**  
during sporting events



# FIND OUT MORE!

FOR ADDITIONAL INFORMATION,  
VISIT ONE OF THESE WEBSITES...



- [www.arbitron.com](http://www.arbitron.com)
- [www.raisingthevolume.com](http://www.raisingthevolume.com)
- [www.radiomercuryawards.com](http://www.radiomercuryawards.com)
- [www.rab.com](http://www.rab.com)
- [www.engagingcommercials.com](http://www.engagingcommercials.com)
- [www.radioadlab.org](http://www.radioadlab.org)
- [www.researchexcellence.com](http://www.researchexcellence.com)
- [www.thebestofradio.com](http://www.thebestofradio.com)

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