

Radio & Music Discovery

Radio is still #1 in terms of music discovery:

You've probably heard about the new Nielsen study indicating that radio remains the leading way folks discover new music.

From RollingStone.com:

Forty-eight percent of listeners discover music via FM and AM stations, according to a new Nielsen Music 360 study of 3,000 online consumers. In second place for music discovery are friends and relatives at 10 percent, followed by YouTube at just seven percent.

This strikes many folks as a surprise, but it shouldn't.

Yet check out *Rolling Stone's* incredulous tone:

Although Nielsen didn't break down the demographics of the survey group, it almost certainly skews older, i.e. people who have the habit of relying on Top 40 DJs to tell them what's cool or office workers who have little choice but to listen to what's coming over the speakers. In the survey, teen listeners are far more obsessed with YouTube: 64 percent of them discovered music that way, compared to 56 percent for radio, 53 percent for iTunes and 50 percent for CDs. (Fifty percent of teens discover music via CDs? When all the music is available cheaply on Amazon or iTunes or free on Spotify? Hmm. We haven't noticed mobs of teenagers crowding us out of record stores lately.)

What the naysayers are misunderstanding is that most folks don't view "music discovery" the way the music nut views "music discovery." For many, if not most, music listeners, discovery is something they're virtually forced to do, not something they do willingly. Indeed, "discovery" is largely the wrong term for the vast majority of music listeners – the right term would be "exposure."

"Discovery" implies an intention to discover, like panning for gold. "Exposure" reflects being in the right place at the right time and not being averse to that which one is exposed to.

The appetite for “discovery” is vastly overstated, except among the youngest music consumers, as noted above. Whereas “exposure” is something that *happens* to you, not something you seek out.

To diminish “officer workers who have little choice” as being somehow enslaved by “the man” when it comes to their music choices is naive if not downright stupid. And it’s stupid because this idea presumes *consumers* are stupid, and they are not.

The fact is that Top 40 DJs *do* know what’s cool because they are the taste-makers and the taste-reflectors. So take that, *Rolling Stone*.

Here are the [JacoBLOG](#) updates for bob.mccurdy@clearchannel.com

Finding Music

If about half of your company’s sales leads came from one key source, something tells me that you’d do everything you could to keep that financial reservoir happy and healthy. When your best opportunity for exposure, sales, and word of mouth emanates from a single source, smart executives would most definitely laser focus on keeping that fire hose flowing.

But not when you’re talking about the music industry.

In fact, over the last several years, the thinking among many music executives has been to demonize and attack that primary source of exposure, promotion, and discovery – the broadcast radio business.

The digital media revolution over the last decade has taken its toll on traditional media content creators – notably the once symbiotic relationship between the radio and music industries.

That new **Nielsen Music 360 report** reveals something that would be the easiest possible question on *Family Feud*: **most people discover new music on the radio**. Their 3,000 online survey consumers throughout the U.S. reveal that 48% find out about new music from radio, followed distantly by friends and relatives (10%), and YouTube (7%).

Rolling Stone's Steve Knopper calls this new study “**good news for the radio industry and also the record industry...**” Well, maybe.

Michiganders may remember the lengths to which a fledgling Ann Arbor artist went to get his songs added to The Big 8 – CKLW in the early '70s. Bob Seger's “Rosalie” was a laser shot plea to Rosalie Trombley, that station's iconic music director (“She's got the tower, she's got the power”). By the way, CKLW never added the song.

So who knew? Radio has the power to make hits? From Clive Davis to Ahmet Ertegun to Irving Azoff, anyone and everyone with a half a brain in the record industry knew how to get music discovered.

It's radio, stupid.

Until now.

Pandora?

Sirius/XM?

Spotify?

Songza?

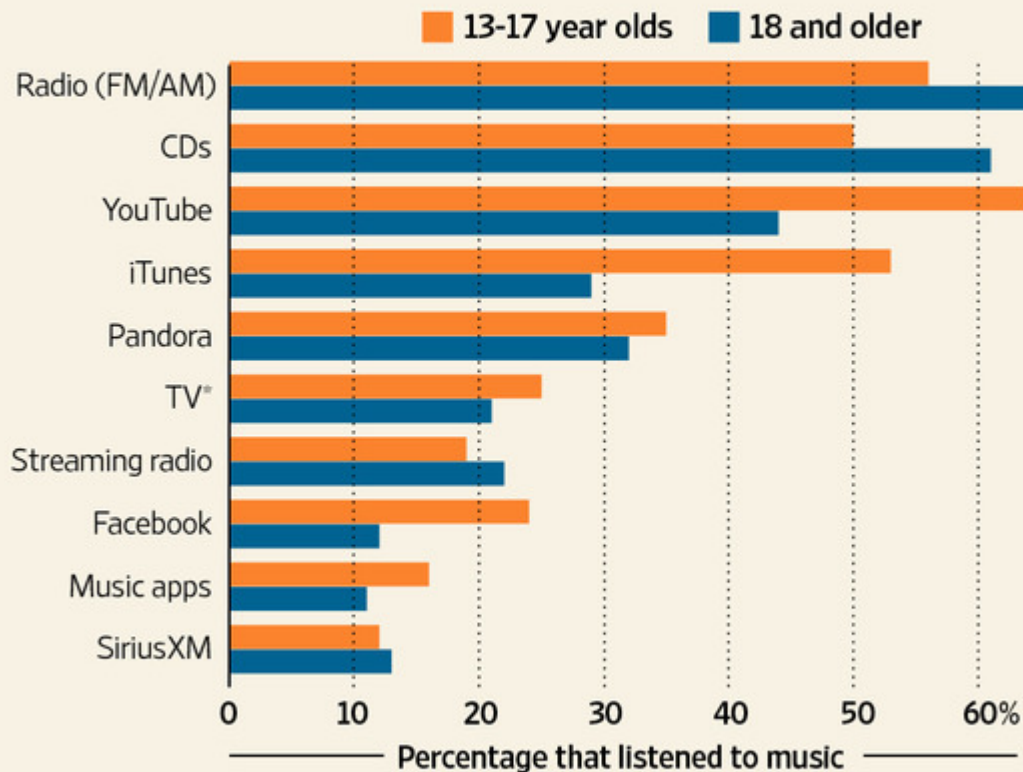
The hot new pure-play of the week?

All small potatoes in the big scheme of things.

This is nothing new. We ask the same question every year in our Techsurveys, and get virtually the same results as Nielsen. If you want to successfully expose your music, you'd better get it on the radio

The Great Divide

Teenagers and adults listen to music in different ways. How each group has listened to music in the last 12 months:



*Includes music channels, streaming services, video on-demand

Source: Nielsen Music 360

The Wall Street Journal

MUSIC DISCOVERY STILL DOMINATED BY RADIO, SAYS NIELSEN MUSIC 360 REPORT

More Teens Listen to Music Through YouTube Than Any Other Source

Nielsen's "Music 360" Report Offers Comprehensive Insights on all Aspects of Music Interaction

NEW YORK—August 14, 2012—Radio is still the dominant way people discover music (48%) – followed by tips from friends/relatives (10%), and YouTube (7%), but more teens listen to music through YouTube than through any other source (64%) -- followed by radio (56%) and iTunes (53%) and CDs (50%) - according to results from a comprehensive, in-depth Nielsen study of consumer interaction with music in the United States, the Music 360. The new Nielsen report offers insights on all aspects of music consumption including listening and purchasing

behaviors; music discovery; live events; the use of social networking and mobile music apps; as well as how the economy is affecting music sales.

“The accessibility of music has seen tremendous expansion and diversification,” said David Bakula, SVP Client Development, Nielsen. “While younger listeners opt for technologically advanced methods, traditional methods of discovery like radio and word-of-mouth continue to be strong drivers. With so many ways to purchase, consume and discover great new music, it’s no wonder that the consumer continues to access and enjoy music in greater numbers.”

The following is a small sampling of insights included in the Music 360 report:

Radio is still the dominant way people discover music

- 48% discover music most often through the radio
- 10% discover music most often through friends/relatives
- 7% discover music most often through YouTube

More teens listen to music through YouTube than through any other source

- 64% of teens listen to music through YouTube
- 56% of teens listen to music on the radio
- 53% of teens listen to music through iTunes
- 50% of teens listen to music on CD

Positive recommendations from a friend are most likely to influence purchase decisions

- 54% are more likely to make a purchase based off a positive recommendation from a friend
- 25% are more likely to make a purchase based off a music blog/chat rooms
- 12% are more likely to make a purchase based off an endorsement from a brand
- 8% of all respondents share music on social networking sites, while 6% upload music.

Music player apps are most prevalent, followed by radio and music store apps

- 54% have music player apps on their smartphones
- 47% have radio apps on their smartphones
- 26% have music store apps on their smartphones

Males purchase rock music most often, while females prefer top 40

- 38% of males purchase rock most often
- 15% of females (compared to 9% of males) purchase top 40 most often

Digital music is seen as a slightly better value than a physical CD

- 63% of purchasers identified digital albums as a very or fairly good value
- 61% identified digital tracks as a very or fairly good value
- 55% identified physical CDs as a very or fairly good value

Younger consumers who do buy digital tracks, are more likely to purchase new music immediately after its release

- 33% of teens purchased a digital track within one week of release
- 21% of persons 18+ purchased a digital track within one week of release

36% of teens have bought a CD in the last year; 51% of teens have purchased some kind of music download

18-24 year olds are most likely to attend a music event (among those who attend any type of live event)

- 7% attending once a week or more
- 30% attending once a month

Although 18-24 year olds attend more live events, teens are more likely to purchase T-shirts and posters while there.

- 54% (compared to 46% of 18-24 year olds) of teen attendees purchase concert tees
- 14% (compared to 7% of 18-24 year olds) of teen attendees purchase concert posters

Listeners enjoy hearing movie soundtracks over music related TV shows or video games

- 42% enjoy hearing music via music related TV show
- 59% enjoy hearing music via movie soundtracks
- 28% enjoy hearing music via music related video games

Older consumers have decreased their spending the most during the current economy

- 41% of respondents 55+ reduced their spending to a large degree
- 39% of respondents 45-54 reduced their spending to a large degree
- Only 28% of respondents age 25-34 reduced their spending to a large degree

Data for Music 360 were collected via 3,000 online consumer surveys using Nielsen's proprietary, high-quality ePanel in the United States. Topics addressed in this study include: where/when music is consumed, through which device(s), apps and services; digital vs. physical purchases; the process of discovery, and how/when discovery converts to purchase; insights around spending, share of wallet, and retailer preferences; live events; and much more.

Nielsen is releasing a complimentary, high-level overview report to labels, distributors, retailers, advertisers, and agencies to stimulate discussion. For custom requests for further information from the underlying data in the report, call 646-654-5606 or send an email to know@nielsen.com.

Friends' tips, radio still drive musical choices

By Edna Gundersen, USA TODAY

The digital revolution may not be as revolutionary as believed, according to a music survey that found listeners more in tune with friends' tips and radio than blogs and social networking.

•

By Sam Ward., USA TODAY

By Sam Ward., USA TODAY

Sponsored Links

The Nielsen study shows that file sharing, legal and illicit, is not a primary source of discovering and acquiring music, and that only 10% of fans share music on social network sites. Those uploading music: 8%.

Positive recommendations from friends are most likely to influence music purchases for 57% of respondents, compared to the 27% who prefer music blogs and chat rooms. Data were collected from 3,000 online surveys for the Nielsen Music 360 Study, a comprehensive look at U.S. consumer interaction with music: where it's consumed, through which devices, apps and services, digital vs. physical preferences, the process of discovery, buying decisions, retailer choices, concert attendance and more. An overview report will be released this week to record labels, distributors, retailers, advertisers and agencies.

Results indicate that the airwaves remain a dominant influence: 43% discover music most often through radio, while 13% are alerted to new tunes and acts via friends and relatives and 8% by watching YouTube.

Other findings:

- Each month, consumers spend an average \$22.70 on music, \$36.60 on video games and \$83.30 on TV packages (excluding premium channels).
- Digital albums and tracks were deemed a very or fairly good value by 62% and 61%, respectively, while 56% identified physical CDs as a very or fairly good value.
- Young consumers (33% of teens and 34% of those 25-34) purchased a digital album or track within one week of release.
- The group aged 18-34 frequents live music events most often, with 6% attending once a week or more and 32% once a month. But teens are more likely to buy T-shirts at a concert (54% compared to 46% of the 18-34 set) and posters (14% compared to 7%).
- Among smartphone owners, 53% have music player apps, 44% have radio apps and 28% have music store apps.
- The recession has reduced spending on music to a large degree for 26% of the 25-34 age group, 38% of those 45-54 and 40% for respondents 55 and older.

RADIO #1 REASON CONSUMERS PURCHASE NEW MUSIC

8-6-2012

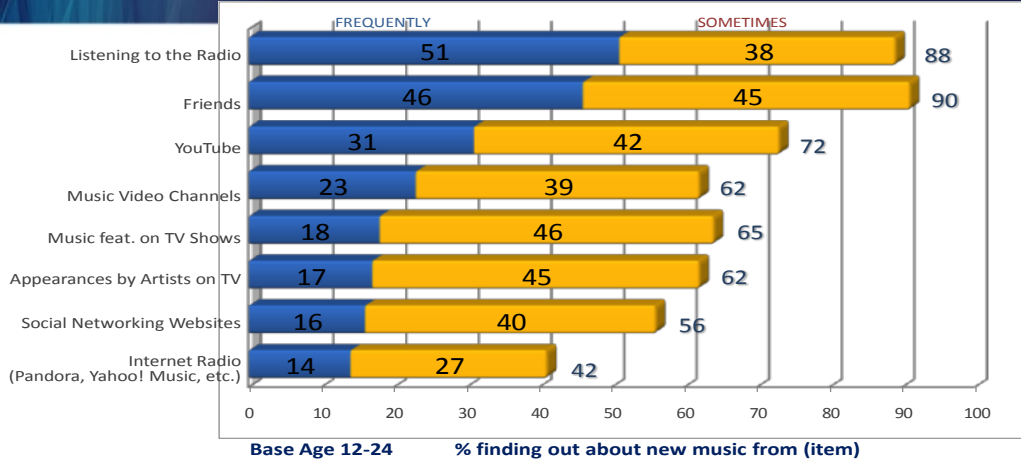
USA Today is reporting a new Nielsen study using data from 3,000 online surveys concludes radio is still by far the number one way consumers hear about new music. 43% say they discover music most often through radio. 13% get recommendations from friends. 8% by watching YouTube.

According the paper, an overview of the Nielsen report will be released this week to record labels, distributors, retailers, advertisers and agencies. In the report, other findings show, among smartphone owners, 53% have music player apps, 44% have radio apps and 28% have music store apps.

Data were collected from 3,000 online surveys for the Nielsen Music 360 Study, a comprehensive look at U.S. consumer interaction with music: where it's consumed, through which devices, apps and services, digital vs. physical preferences, the process of discovery, buying decisions, retailer choices, concert attendance and more.

Radio Is Still The #1 Most Frequent And Leading Overall Media Source For New Music Discovery With Youth

"How Often Do You Learn About New Music By...?"

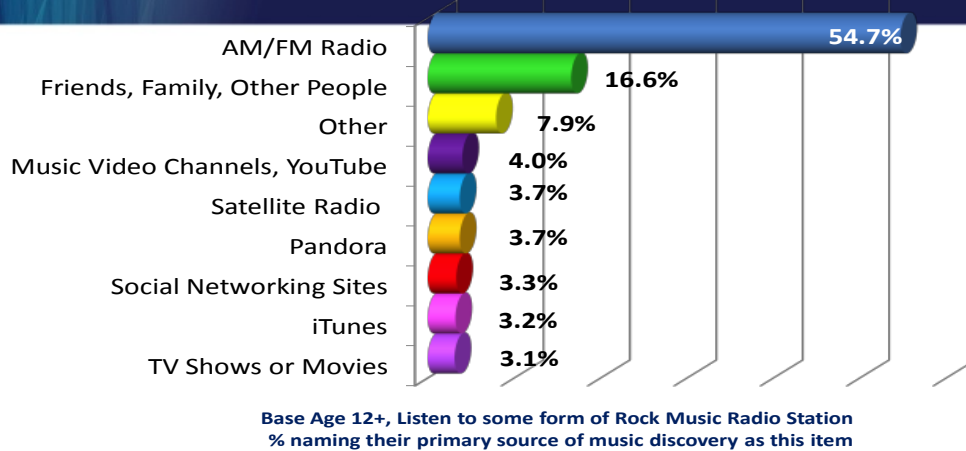


Source: Edison Research, 2010 Youth Study

KATZ RADIO GROUP ³

Radio Is Still The Primary Source By Far For New Music Discovery By Rock Music Lovers

"What is your primary source for discovering new music?"

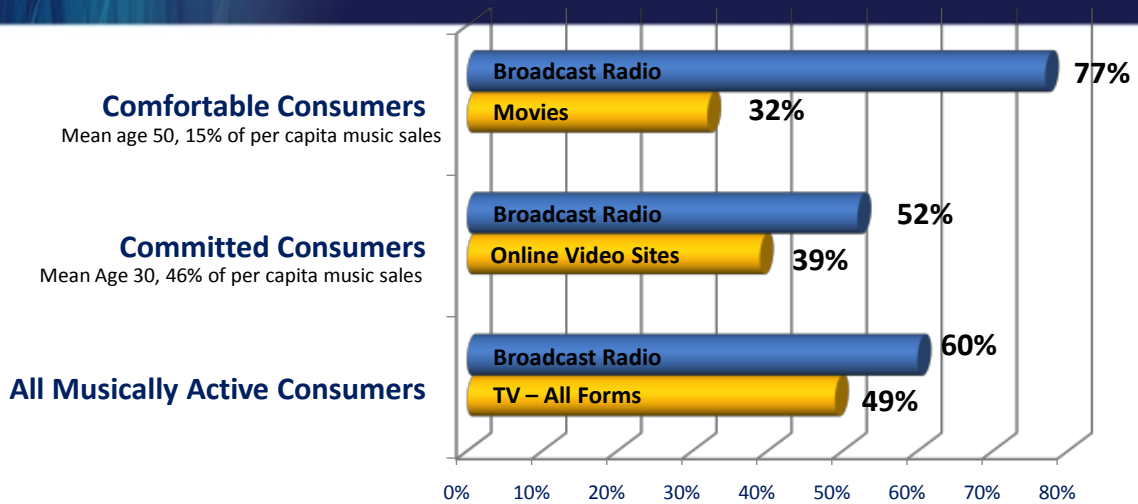


Source: Jacobs Media Tech 7 Surevey, May 2011, based on 20,783 participants in online study conducted between March 28-April 14, 2011

KATZ RADIO GROUP ⁵

Radio Leads All Other Media As Biggest Source For Music Discovery

■ Broadcast Radio ■ Next Ranked Medium



Radio is the unequivocal leader in influencing music discovery among people of all ages

Source: NARM and NPD Group study conducted in August 2011 with 3,771 completed online surveys ; Digital Music News November 15, 2011

KATZ | RADIO GROUP