

Radio's Role in the Media Plan

National advertiser explains why it's betting big on radio. After determining it was under-utilizing radio to fill its virtual and physical classrooms, the University of Phoenix is doubling down on radio. Research showed nearly 70% of the school's students are 35-45 years old when they enroll, a demo that radio is particularly strong with. "We're betting on radio," University of Phoenix chief marketing officer Arra Yerganian says. "We've expanded dramatically, and I know we'll get positive response and some good pull-through." The medium over-indexes with African Americans and Hispanics, two demos that collectively account for 40%-45% of the school's students. Seven in ten of its students attend "class" online and many of them also juggle jobs, lining up with Arbitron data showing employed Americans listen to more radio than those who don't work. Yerganian says the school wants to reach radio's "captive audience" and take advantage of its knack for storytelling to "get an unfiltered connection into our audience." Working with CBS Radio, Radio One and Dial Global, the University is more than doubling the markets it buys radio in this year, from 12 to 29. January and the fall are high season for enrollment and the vast majority of the for-profit school's radio budget is going to straight time buys, including 60-second spots in many markets. But it's also including endorsement and event components in its campaigns.

Traditional media still tops for reach, survey finds. Digital may be the darling of Madison Avenue, but at least for the time being traditional media is still the best way to reach Americans. A survey by KPMG International shows television and radio score best for reach. The study found 74% of those surveyed reported listening to radio in the previous month, and 88% said they'd watched television. Newspaper use has fallen off, but it's still attracting more eyeballs than anything on the web. The best-performing digital platform was social media, used by 57% of survey respondents. That's not to say traditional media doesn't face challenges. A separate survey conducted by Aquent and the American Marketing Association found that one-quarter of ad buyers plan to decrease their focus on radio this year — and a third will put less attention on print and one-in-five say they're less TV-focused. Marketers say they'll spend more time figuring out how to make online, mobile, and social media work for them.

I'm always amused by that question, because the subtext is that radio is in trouble.

To that I say - radio is the ultimate survivor.

It was the first-ever broadcast medium, and it went on the air way back in the 1920s, both in Canada and the United States.

Warren Harding was the first American President to speak on public radio in 1922, and Prime Minister Mackenzie King was the first Canadian leader to be broadcast in 1927.

Radio seemed like a miracle - because it the first time an entire country could hear a live sound at exactly the same time.

Since then, radio has survived the competition of motion pictures, television, VCRs, PVRs and now, the internet.

If I had to put my finger on why radio has survived, I would have to say because it is such a "personal" medium.

Radio is a voice in your ear. It is a highly personal activity. People rarely listen to radio in groups, the way an entire family might sit in front of the television, or go to a theatre to see a movie.

Radio is local. It broadcasts news and programming that is mostly local in nature. And through all the technological changes happening around radio, and in radio - be it AM moving to FM moving to satellite radio and internet radio, basic terrestrial radio world survives into another day.

And in the world of advertising and marketing, radio continues to be incredibly innovative.

There is a music school in Frankfurt, Germany called the University of Hannover Academy of Music.

It is an elite school for musicians.

Hannover wanted to recruit specific people: Those with "perfect pitch."

If you are born with perfect pitch, it means you can identify a specific musical note without any other external assistance or context.

If you think that's easy, try it now: Sing an "A" off the top of your head.

Only one in 10,000 of us can do that.

In Europe and North America, some studies suggest that less than 3% of the population can do it. Yet, 98% have absolute colour recognition.

That's how rare Perfect Pitch is.

So the University of Hannover's Music Department wanted to recruit people with perfect pitch.

So how could they do that on radio?

By doing this: (YouTube insert)

Because people with Perfect Pitch can identify every note on the musical scale, the Hannover School of music communicated to them in a way only they would understand.

The music notes spell out the school's email address.

It was an ingenious use of radio because it did two things:

One: It gave the school heightened awareness and spoke to the creativity of the school. And two: This commercial became the first entrance exam.

Only those with perfect pitch would pass the test by emailing the school.

It was a huge success for the university. Allowing them first crack at the most talented crop of new students.

All done with the innovative use of radio.

Sometimes a great television advertising idea has trouble jumping to another medium.

Take the popular television campaign for Snickers, with the theme line, "You're Not You When You're Hungry." (YouTube insert of Betty White Snickers spot)

This has been a big selling idea for Snickers, and has propelled the candy bar from the #3 position in confectionary brands to #1, surpassing M&Ms and chewing gum Trident.

The campaign idea has worked extremely well on television, using celebrities like Joe Pesci, Richard Lewis, Liza Minnelli and Roseanne Barr.

But transferring this idea to radio could be tricky. Yet, in Puerto Rico, they found an ingenious way to do just that.

In an idea called "The Day Hunger Took Over Radio," 37 different stations across the island all did something they had never done before.

They started playing music they would normally never play.

So the Rock station, for example, suddenly started playing Salsa, the Salsa station started playing Heavy Metal, the Hip Hop station started playing opera, the Latin station started playing Japanese music and the Techno station started playing country:

(YouTube insert)

Each station created chaos, and 3.2 million radio listeners were totally confused - until that is, Snickers cleared up the confusion by airing a personal message that said:

"We apologize for the inconvenience, the DJ is not himself when he's hungry. When he finishes eating his Snickers, we will be back with our regular programming."

It was an outrageous way to get the Snickers brand, and its "You're Not You When You're Hungry" message out to over 3.2 million listeners.

But they did it, and got worldwide press while utilizing nothing but the creative power of radio.

Breast Cancer Awareness Month occurs in October around the world.

In Israel, radio stations got together with the Israel Cancer Association and did something highly creative.

8am is the highest peak of listenership on morning radio. More people tune in at that hour than at any other hour of the day. And as a result, advertisers pay the highest rates in that time period.

On October 30th, at 8:05am, radio stations in Israel did something they had never done before.

All morning shows broadcasted out of the right speaker only.

They did that to convey the idea of what it is like to lose one breast, to lose one part of a whole.

And to achieve maximum reach of that message, every radio station in the entire country silenced their left speaker simultaneously at 8:05am:

(YouTube insert)

Every station assured their listeners they weren't hearing a malfunction, that the one-channel broadcast was intentional to bring awareness to breast cancer, and every station urged women to get tested.

The project was called "The Day Radio Went Mono." It generated tremendous awareness, and press in all other mediums wrote hundreds of stories about it.

But here's the important part: The amount of help-line calls increased by 98%. And mammography testing increased by 24%.

Extraordinary results - generated by the creative use of radio.

Meanwhile, over in Malaysia, a radio station was tackling the topic of breast cancer in a different way.

BFM 89.9 is a radio station in the city of Petaling Jaya that focuses on business news - hence its slogan, "The Business Station."

Working with the Breast Cancer Society of Malaysia, BFM 89.9 wanted to reach their listeners in a unique way during Breast Cancer Awareness month in October.

The radio station has a highly educated, successful business audience, but research showed that same audience ignores basic cancer awareness messages.

So BFM 89.9 chose to break the rules of radio.

They interrupted their regular business news with breast cancer awareness messages - but did it by incorporating those messages seamlessly into their news reports, delivered by the newscasters themselves.

Read in exactly the same style: (YouTube insert)

To BFM's listeners, it must have come as a shock to be listening intently to business news then suddenly hear that rolling nipples between the thumb and index finger is a way to check for lumps and indications of pain.

It was that last line you just heard that makes this campaign so effective. Not only does it give men and women direction on how to check for breast cancer, it highlighted one of the most important aspects of breast cancer:

That it can come when you least expect it.

It was a brave and incredibly creative way to communicate to an audience that ignores the usual breast cancer messages. And the degree of difficulty was high, because the format of an all-business station makes it difficult to do something fresh and compelling.

It was simply a radio idea that was impossible to ignore.

The number of kidnappings in the country of Colombia have always been high.

By 2000, it was estimated that 3,752 people had been kidnapped in the in South American country. While numbers have dropped dramatically over the last 10 years, the rate of kidnappings in Colombia is still one of the highest in the world. And that number includes hundreds of missing policemen and military personnel.

The government of Colombia wanted to try to communicate to its kidnapped soldiers. They wanted to boost their morale, and let them know they are not forgotten.

The government also wanted these kidnapped soldiers to know the government is coming for them.

But how they chose to do this was remarkable.

Because radios are commonly played in the jungle camps of the kidnappers, the government, along with advertising agency DDB, devised a way to talk to the kidnapped soldiers via radio - without the kidnappers knowing.

Essentially, they used a code.

First, a song was written. The song was titled "Better Days" and the message of the lyrics said that - even though you feel forgotten and alone - better days are coming and we will see each other again soon.

While the lyrics were meant to be uplifting, they alone wouldn't have got the attention of the kidnapped soldiers.

Something else would do that.

Morse code. Something all kidnapped military personnel were trained to understand.

A message in Morse code was created, that said:

"19 people rescued, you're next, don't lose hope."

The Morse Code was then re-composed as music inside the song. While the lyric sent out one message, the Morse Code sent out the real one: (YouTube insert)

It was an extraordinary solution, because for the first time in a decade, the voices of the Military Forces of Colombia broke through enemy lines and reached their men with a message of strength and hope.

And they did it by taking radio's biggest strength - its extraordinary ability to reach into the jungle - and sampled it with 21st century thinking.

In Germany, 342 people died last year as the result of drinking and driving.

A voluntary humanitarian organization wanted to do something about this growing problem. They wanted to raise awareness of the issue in a way that couldn't be ignored.

So they did it by creating a "radio ghost."

The city of Hamburg, known for its "red light" district, has one of the highest rates of drinking and driving.

The urgent need was to talk to young drivers who often went nightclubbing then drove home drunk.

The organization came up with a bold idea: To let the people who died speak to the drivers at the place of their death.

Special "death crosses" were built, not unlike what we all see on streets and highways where someone has been killed in a driving accident.

Then they took an FM transmitter and an MP3 player, and used the cross as an antennae to bypass radio frequencies.

The crosses were then placed in locations where people had been killed.

So, when a car stopped at a traffic light where a death cross was positioned, for example, the following message was transmitted to the car and ACTUALLY OVERRODE any radio station the driver was listening to. Instead, they heard a message from the dead person - a "radio ghost."

Source: London International Advertising Awards

"Radio Ghosts" were messages aimed directly at young drivers, delivered in an innovative technical way, and the drinking & driving message was packaged in a completely new and compelling way.

Myself and the other four radio judges had never heard anything like that before. And we awarded it the Grand Trophy.

Because it elevated the medium of radio.

So much innovative work being done in the world's oldest broadcast medium.

When we judged that award show, we were blown away by the degree of innovation in this category.

There was an enormous freedom apparent in the thinking. None of these radio ideas were held back by typical radio conventions, and the creators didn't respect any boundaries.

And while recent technology may have made the "Radio Ghosts" campaign possible, almost all of the other ideas had nothing to do with digital technology - they were just big ideas.

But that is the glory of radio.

A remarkable medium of possibilities.

So when people ask me what's going to happen to radio, I just say I can't wait to find out...

- ...when you're under the influence.

Study sheds light on why enticing pictures of food affect us less when we are full

Published on January 29, 2013 at 3:33 AM [No Comments](#)

New research from the University of British Columbia is shedding light on why enticing pictures of food affect us less when we're full.

"We've known that [insulin](#) plays a role in telling us we're satiated after eating, but the mechanism by which this happens is unclear," says Stephanie Borgland, an assistant professor in UBC's Dept. of Anesthesiology, Pharmacology and Therapeutics and the study's senior author.

In the new study published online this week in *Nature Neuroscience*, Borgland and colleagues found that insulin - prompted by a sweetened, high-fat meal - affects the ventral tegmental area (VTA) of the [brain](#), which is responsible for reward-seeking behaviour. When insulin was applied to the VTA in mice, they no longer gravitated towards environments where food had been offered.

"Insulin dulls the synapses in this region of the brain and decreases our interest in seeking out food," says Borgland, "which in turn causes us to pay less attention to food-related cues."

"There has been a lot of discussion around the environmental factors of the [obesity](#) epidemic," Borgland adds, pointing to fast food advertising bans in Quebec, Norway, the U.K., Greece and Sweden. "This study helps explain why pictures or other cues of food affect us less when we're satiated - and may help inform strategies to reduce environmental triggers of overeating."

The VTA has also been shown to be associated with addictive behaviours, including illicit drug use. Borgland says better understanding of the mechanism in this region of the brain could, in the long run, inform diagnosis and treatment.

RADIO YOU'VE BEEN CHALLENGED

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1-11-13

The latest Borrell and Associates report is mostly positive when it comes to ad spending in 2013. The report says small- and medium-size businesses will increase their ad spending by 8.2 percent in 2013 (from \$88.9 billion to \$96.2 billion). However, according to the study, the only two categories that will decline in 2013 are radio, dropping 5.9 percent, and "other print," dropping 2.5 percent. So now it's up to you to prove those numbers wrong.

Thursday morning during his quarterly earnings call, Emmis CEO Jeff Smulyan said, "There is this perception out there that radio is no longer viable. Despite the fact that listening has held up remarkably well." He said part of the problem is there are so many people selling advertising these days. That statement was backed up by the Borrell report on small businesses.

Respondents reported receiving an average of 17 sales calls per month. Businesses with more than 1,000 employees reported 36 sales calls. Many respondents just said "far, far too many" or indicated a sense of being overwhelmed by the number of emails, calls, and visits. Still, despite the fact that SMBs are

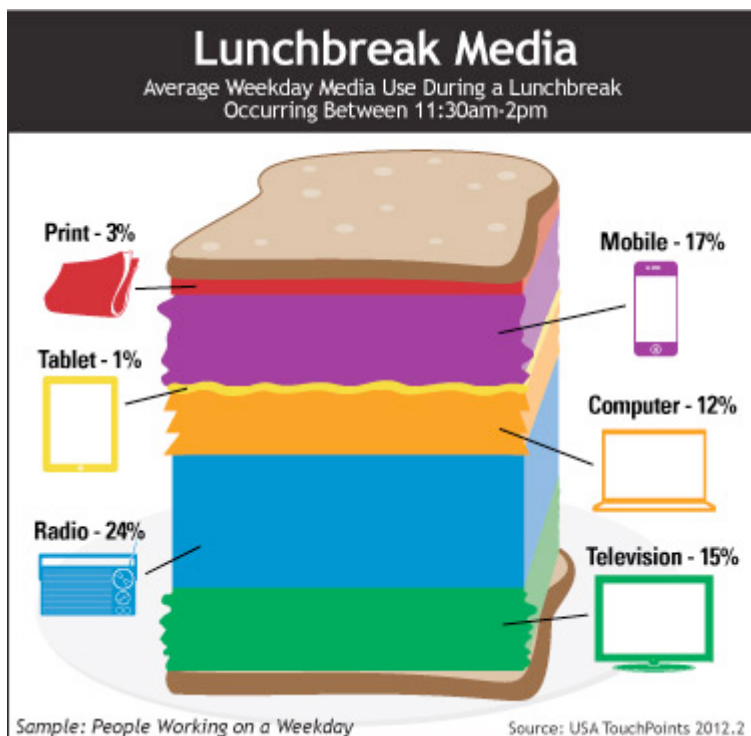
averaging nearly one call per business day, most say they speak with only one or two per week, an average of about six per month. In short, according to the Borrell study, one in three sales calls gets answered.

The report says, "We believe that radio advertisers are being targeted not only by online sellers, but also by cinema, cable, newspapers, and TV sellers. And the attractiveness of reaching niche audiences via online continues to pick off the SMBs who once embraced local auto and real estate magazines and readily bought ads and coupons in local shoppers." Another problem is advertisers have begun to migrate toward, or even demand, significant digital components to ad campaigns. Radio is coming up short on the proposals and tends to lose out as a result.

In addition to ad spending on radio dropping 5.9 percent in 2013, Borrell is forecasting online to increase 30.8 percent, cable TV to increase 10.2 percent, telemarketing to increase 11 percent, local TV to increase 7.8 percent, and cinema to increase 42 percent.

The Whole Story - Lunch-Break Media

by [Mike Bloxham](#), 5 hours ago



Twenty years ago, it's a pretty safe bet that the media profile of the average working person's weekday lunch break will have been dominated by radio, print and TV, with the computer being the new kid on the block.

This USA TouchPoints analysis of which media people use during a break from work occurring anywhere between 11:30 a.m.-2:00 p.m. on the average weekday reveals how that isn't the case today.

While radio is clearly dominant as the medium of choice for 24% of people on a work day, the ascendancy of mobile places it in second place with a reach of 17% -- just ahead of television at 15% and the computer at 12%.

It's safe to assume that the combination of radio in the workplace, the car and at retail outlets and elsewhere combine to support radio's position.

As far as mobile is concerned, it will be interesting to see if usage grows over time during the lunch break or whether this time is used to cram in the business of lunch or personal errands.

The relative strength of the TV at this time may be related to those eating (and perhaps working) at home, but it may in part be influenced by the increase in the prevalence of TVs in public spaces, such as sports bars.

The computer is almost certainly achieving its 12% through a combination of laptop use outside the office and -- perhaps more likely -- non-work related use in the office itself.

Print achieves a reach of only 3% -- presumably having lost share over the years to the computer and perhaps mobile. At present, it is ahead of the tablet, which only currently registers 1% reach during the lunch break. Perhaps touchscreens and food really don't mix.

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- **Media Planning Fundamentals:**
- **Targeting:**

- **Geographically- nearness to purchase (propinquity)**
 - CRE study- 62% of people listen to radio 13 minutes prior to shopping
- **Receptivity - when they are most open to the message**
 - Mindset: proper Frame of Mind (U.K.) study & CIMM
 - Targeting-in-time -ARB 2009 In-car Study: 68% of adults sometimes/frequently think about or make purchasing decisions while driving
- **Recency**
 - Reminding people when they are in the market for your product. Transform frequency into continuing brand presence
 - Radio delivers affordable frequency and product presence
 - Reminding many consumers is better than lecturing a few.
 - Satiation- first impression is most important
 - Point of Diminishing returns

- **Begin building frequency at the expense of reach**
- **TV soon begins duplicating with itself more than another medium**
- **Acceleration**
 - **The longer the flight the more effective. Increasing returns to continuity**
 - **Radio affordable continuity**
- **Synergy**
 - **Reaching consumers in different media will have a more potent impact than the sum of the effects of the individual exposures**
 - **Provides additional reasons to believe**

NEW RESEARCH FINDINGS FROM ESPN'S XP PROJECT SHOWS RADIO AND OUT OF HOME VIEWING ADD SIGNIFICANT LIFT TO FOOTBALL AUDIENCES

ESPN Worked With Arbitron's Portable People Meter Service for Proprietary Study

November 2012 New York, NY -- Today at the ARF Audience Measurement 6.0 Conference ESPN and Arbitron presented key findings from a proprietary research study for ESPN which utilized Arbitron's Portable People Meter™ ratings service.

As part of the ESPN XP research initiative, ESPN worked with Arbitron in November 2010 to measure consumption of ESPN Radio affiliates and football content on ESPN TV networks, both in home and out of home.

This study demonstrated that radio listening and out-of-home TV viewing increased ESPN's Reach by 15.5 million persons, or 23 percent, over in-home TV viewing. The increase in time spent with the content was even greater, a lift of 9.1 billion minutes, or 40 percent, over the average in-home TV audience.

ESPN's net audience for TV and radio, measured by Arbitron's PPM panel, was 99.4 million persons aged 6+. Of those, 22 percent were multiplatform users who both listened to sports programs on radio and watched football programs on TV and 47 percent were multi-location users who consumed ESPN content both in home and out of home.

Multiplatform Users

- Multiplatform users were heavier users of ESPN content, averaging 12 hours 28 minutes in the month, nearly three times the amount of single-platform users.
- These multiplatform users spent more time with TV than the TV only viewers (7:57 vs. 4:37) and also spent more time with radio than the radio only listeners (4:31 vs. 1:41).
- While they were just 22% of users, multiplatform users accounted for 43% of the usage of measured ESPN content.

Multi-location Users

- The users who consumed ESPN content both in-home and out-of-home were also heavier users of ESPN content, averaging 9 hours 44 minutes of usage, compared to 2 hours 59 minutes for single-location users.
- These multi-location users spent more time consuming content in home than the in-home only users (7:11 vs. 3:51) and also spent more time consuming content out-of-home than the out-of-home only users (2:33 vs. 0:44).
- Multi-location users were 47% of all content users but accounted for 74% of the total minutes consumed.

"This study reinforces our principles of the greater engagement of multi-platform audiences and the value of out-of-home consumption for sports content," said Glenn Enoch, vice president of integrated media research at ESPN. "Fans are choosing the best available media platform, and this leads to increased reach and consumption of ESPN content."

Radio is the work horse for a shoemaker targeting the working man. Radio may be theater of the mind, but that's not always been a successful sell to clothing brand marketers who insist their products must be seen. The 107-year old boot brand Red Wing Shoes is out to prove them wrong. For the past several years it has spent nearly all its advertising budget on radio. "We're choosing to use limited resources where we get the biggest bang for the buck and we believe that radio has done that for us," marketing manager Maurice McClurg says. Red Wing may be in high-end department stores like Bergdorf Goodman these days as its product is embraced by urban hipsters, but its roots are with guys who get dirty for a living — and that's what brings it to radio. "We don't go out and promote Red Wing as a fashion brand — we use radio to reach the working man," McClurg says. With products that are suited for various trades, from carpenters to factory workers, Red Wing discovered the large reach of network radio works best. Its ads show up in sports, talk and music programming. "The sweet spot for us is classic rock, but we also show in country and in major metros on hip-hop stations," McClurg says. Red Wing also spends a tiny amount on social media, but since the working man isn't spending a lot of at-work time on Facebook and Twitter it has limited appeal. Clothing and footwear have proven to be difficult product categories for radio, with many marketers believing consumers need to see the product in order to make a sale. But McClurg thinks if a company has good insights into how its customer thinks and what their media consumption patterns are, radio can touch the right hot buttons. "Our advertising is not product-driven, it's brand-driven," he explains. "Our message is less based on how to make a visual product work in a non-visual medium, and more about knowing the motivations of and the feelings of modern workers." The Minnesota-based company's tagline is "work is our work."

Red Wing, which sells through about 4,000 retailers, including 450 of its own stores, also highlights the customer experience inside a store where the focus is on materials and proper fit. The company doesn't release ad budgets but Kantar Media data shows Red Wing spent \$2.5 million in network radio during the first half of 2012. That's up 20% from a year earlier. Media Monitors data shows it aired 6,895 radio spots last week, No. 45 on its weekly ranker. McClurg says the shoemaker concentrates advertising in the spring and fall, when seasonal weather changes give boot sales a kick

WHY AUTO DEALERS LOVE RADIO

10-21-2012

Jack Jackson works for Zimmerman advertising in Fort Lauderdale. Zimmerman has been in business for over 25 years and it has made a lot of money representing automotive clients. The good news is they understand the power of radio and the success it can bring for automotive clients. Zimmerman's Jack Jackson is part of our November 5th special report in Radio Ink.

"For us, it is the call to action. It is the constant to get the people into the dealership within that given month. It's switching up the messages and getting it going. Whereas TV, it's more of a three month deal. You want to get that brand going on TV and probably by about the third month of someone seeing these commercials, they maybe act on it. That's always been our philosophy. Many of the researchers have noted that. As far as radio, the message is always more aggressive. It can engage that listener to act within that weekend. By that Saturday, you'd better come into that dealership, type of thing. Gone are the days with hokey remotes. They don't work. We've definitely gone away from that. I've never done one in Boston, to be honest with you. We do a lot more now with branding messaging. The traffic studios. The 5 o'clock hour. With radio you get those opportunities. Think of something and you can get it to happen. You can own that. If you come up with something, radio will be able to pull it off. Whereas with TV it's always "Oh, I have to get approval." It just isn't doable. There are a lot more rules and regulations on that end. Radio, as a whole has always been able to work with us more than that of another medium."

Jackson also discusses what radio can do to increase its share of the advertising revenue pie overall. And how paid search has become one of radio's biggest competitors.

Cracker Barrel feeds radio another success story. Radio will continue to be part of Cracker Barrel's core media strategy. CEO Sandra Cochran says the restaurant chain will use spot radio to tell customers about menu "updates" and to drive home national cable television messages. "We continue to believe this media approach is working and contributed to our positive traffic performance," she recently told investors. And while Cochran says the chain plans to expand digital media efforts, radio is still bringing people through the door. For instance, Cracker Barrel introduced a new line of salads in recent months, supporting the menu change with new radio creative. Cochran said the resulting sales "exceeded expectations." The company — which operates 620 locations in 42 states — will continue to focus most

of its radio ad spending on the December-January and May-July periods. "So while we do intend to run radio again in the fall, we won't be running TV this quarter," Cochran added

Arbitron Trying To Give Advertisers More Data

10-18-2012

How advertisers determine the return on investment they get from what they spend on radio is vital to every General Manager and Sales Manager tasked with growing revenue. If advertisers do not know whether or not the money they spend with your radio station produces results, they are unlikely to be with you for too long. A new partnership between Arbitron, the German company GfK MRI, and Media Monitors is aimed at providing that important information.

Arbitron says its model-ready PPM radio ratings data will now be available in [GfK MRI's Granularity portal](#). GfK MRI's Granularity portal is already used by modelers and agencies to get print data for models. Additionally, Arbitron has reached an agreement with Media Monitors to link PPM radio ratings with Media Monitors' commercial airplay data to enable advertisers to receive Arbitron's radio audience estimates for the specific times their spots run.

Arbitron's Chief Sales and Marketing Officer Carol Hanley explains, "Arbitron's partnership with GfK MRI and Media Monitors will provide modelers and advertisers with a better understanding of radio's crucial role in the overall advertising mix and increased confidence in the medium. By placing Arbitron's more granular PPM data in GfK MRI's Granularity customer modeling portal, we hope to demonstrate that radio's significant contribution to the overall return on investment of a marketing campaign is much higher than previously thought, thus generating more mindshare for the medium among advertisers."

The model-ready Arbitron PPM Radio Ratings in GfK MRI's Granularity portal are designed to improve the statistical reliability of marketing mix models and provide advertisers with a better understanding of radio's ability to drive marketing ROI. The data is based on PPM radio ratings which is linked to commercial occurrence data from Media Monitors for

the specific date, quarter-hour, and station on which each commercial ran.

GfK MRI's goal is to provide the clearest and most detailed view of American consumers -- who they are, what they buy, how they think, and the best ways to reach them. GfK MRI provides magazine audience ratings, multimedia research data, and insights into consumers' behavior and motivations.

When conducting its national Survey of the American Consumer™, GfK MRI interviews approximately 26,000 U.S. adults in their homes each year. In face-to-face interviews and written surveys, consumers are asked about their use of media, their consumption of more than 6,000 products in 550 categories, their lifestyles and their attitudes. Because the Survey of the American Consumer is structured as an area probability study, the results are projectable to the entire U.S. adult population. The Survey also serves as a foundation for an array of innovative GfK MRI research products that answer the market's need for granular cross-media and consumer-focused information.

GfK MRI says making Arbitron PPM radio ratings available in the same location as print will make it easier, more efficient, less labor intensive, and less error prone for modelers to access the radio data they need to gauge radio's contribution to sales. With model-ready PPM radio ratings available in Granularity, advertising agencies can easily validate a client's advertising activity and submit modeling specifications to modelers, making radio easier to buy.

GfK MRI SVP of Market Solutions Andrew Arthur says, "The expansion of the Granularity system to include Arbitron's radio ratings demonstrates GfK MRI's strategic commitment to establishing much-needed standards to ensure that all media are judged fairly in today's ROI calculations. We hope that our partnership with Arbitron will not only further that cause, but also reduce the time and effort required for our agency clients to produce the necessary inputs for marketing mix models."

By [Carl Marcucci](#) on Oct, 18 2012 with [Comments 0](#)

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It will help advertisers gain better insights in to radio's ROI: Arbitron is partnering with GfK MRI and Media Monitors to boost radio's presence in marketing mix models. Arbitron's PPM radio ratings data is now available in GfK MRI's Granularity portal currently used by modelers.

German-based GfK MRI provides a detailed view of American consumers—who they are, what they buy, how they think, and the best ways to reach them. They provide magazine audience ratings, multimedia research data and penetrating insights into consumers' behavior and motivations.

When conducting its national Survey of the American Consumer, GfK interviews approximately 26,000 U.S. adults in their homes each year.

In this deal, Arbitron has reached an agreement with Media Monitors to link PPM radio ratings with Media Monitors commercial air-play data to enable advertisers to receive Arbitron's radio audience estimates for the specific times their spots run.

The data is based on PPM radio ratings which is linked to commercial occurrence data from Media Monitors for the specific date, quarter-hour, and station on which each commercial ran. Making PPM ratings available in the same location will make it easier, more efficient, less labor intensive and less error prone for modelers to access the radio data they need to gauge radio's contribution to sales. Agencies can easily validate a client's advertising activity and submit modeling specifications to modelers, making radio easier to buy.

"Arbitron's partnership with GfK MRI and Media Monitors will provide modelers and advertisers with a better understanding of radio's crucial role in the overall advertising mix and increased confidence in the medium," said Carol Hanley, EVP, Chief Sales and Marketing Officer, Arbitron. "By placing Arbitron's more granular PPM data in GfK MRI's Granularity customer modeling portal, we hope to demonstrate that radio's significant contribution to the overall return on investment of a marketing campaign is much higher than previously thought, thus generating more mindshare for the medium among advertisers."

"The expansion of the Granularity system to include Arbitron's radio ratings demonstrates GfK MRI's strategic commitment to establishing much-needed standards to ensure that all media are judged fairly in today's ROI calculations," said Andrew Arthur, SVP, Market Solutions, GfK MRI. "We hope that our partnership with Arbitron

will not only further that cause, but also reduce the time and effort required for our agency clients to produce the necessary inputs for marketing mix models.”

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6 Flags Flourishes And Radio is a Big Reason Why.

10-18-2012

James Geiser has worked at Six Flags since he was 16 years old. Today he is the Corporate Vice President of Marketing and Sales. Geiser is on the November 5th cover of Radio Ink Magazine. The reason he's on the cover is because Six Flags is a huge proponent of radio. "Radio has always been a great medium for us," he says. Geiser understands the power of radio, he knows how to use radio to drive traffic and revenue to the 19 Six Flags locations and the Six Flags story is one that radio can use to help spread the word about how important radio is in a client's marketing plan. Here's a preview of what you'll read, if you subscribe to our print issue, when it comes out on November 5th.

Radio Ink: Why do you use radio?

Geiser: "We are able to connect with our audience, to bring our parks to life. For many years, radio was the promotional medium for Six Flags. That continues to be the case, but we are finding out how important it is to really leverage the strength of radio. That is the connection that we have with our local audiences. Our parks are in local markets and people are making specific choices to visit a specific park from their local market. They very much identify in their communities with the radio station. So, it's a great place for us to connect with those people that are connecting with those stations. We're learning to leverage that more and more by really doing a multi-media strategy within radio itself. Certainly a spot-buy, but also working with developing news to communicate through deejay chatter. Promotions that add value both to the station and our parks, and also how to get into their websites; the blogs of the talent; Facebook; and connecting on social media. Our consumers are interacting with media in so many different areas. We have learned that there is so

much strength that radio still has in a number of different areas, other than just over the air."

Minding the {Media} Gap

It's long been assumed that the media habits of those in the advertising business differ from the rest of America. Two recent studies indicate that this might indeed be true.

During Advertising Week, the Media Behavior Institute (MBI) presented the findings of a study they had conducted with 15 media professionals in New York City. These media pros recorded their media use and other aspects of their day using the smartphone app that's utilized to generate the USA TouchPoints data. MBI then compared their media usage to the media usage of the general population.

The results of this comparison were quite interesting but not entirely unexpected. The most surprising finding by far was the magnitude of difference in radio consumption between the two groups. While MBI is quick to point out that the study is not projectable to the entire advertising population they do believe it is at least directionally correct, concluding that "on the basis of this exercise there exists a very real and significant media gap between media professionals and consumers."

The MBI study found that:

- Internet use by the media professionals was considerably higher than that of the general population, +38%.
- Social networks use was close to 2x that of the general population.
- Tablet use was close to 3x that of the general population.
- TV use was slightly lower (-12%), but still substantial with 75% of the media professionals tuning in daily.
- Print usage was considerably higher with 42% of media pros interacting with print vs. 25% of the general population, a +68% difference.
- Daily radio usage by media professionals was literally *half* (42% vs. 80%) of the general population. "Radio" in the study was defined as AM/FM and satellite radio.

Another study recently produced similar findings. One section of the just released nationwide Alan Burns & Associates/Triton Digital study, "Radio Tomorrow," compared the differences in perceptions toward radio between 1,498 ad agency employees and 39,754 respondents who are the households' primary shoppers. While the difference in radio usage in this study was not as large as the MBI study, the ad agency employees' usage and attitudes toward radio were again quite different.

Compared to household shoppers, ad agency employees were:

- 22% less likely to listen to radio on a daily basis.
- 19% less likely to cite radio as the medium that most improves their mood.

- 14% less likely to cite radio as the medium that energizes them.
- 30% more likely to state that radio has annoying ads.
- 33% more likely to listen to customized internet music stream on a daily basis.
- 101% more likely to strongly disagree with the statement, “I would be very disappointed if my favorite radio station went away.”
- 28% less likely to strongly agree with the above statement.

In psychology, there’s a theory called “projection bias,” a phenomenon where an individual subconsciously projects his or her own attributes, thoughts, and emotions to other people. If media usage and perception among media professionals, particularly in New York, is close to the findings of these two studies, it is a phenomenon that could be impacting media choices.

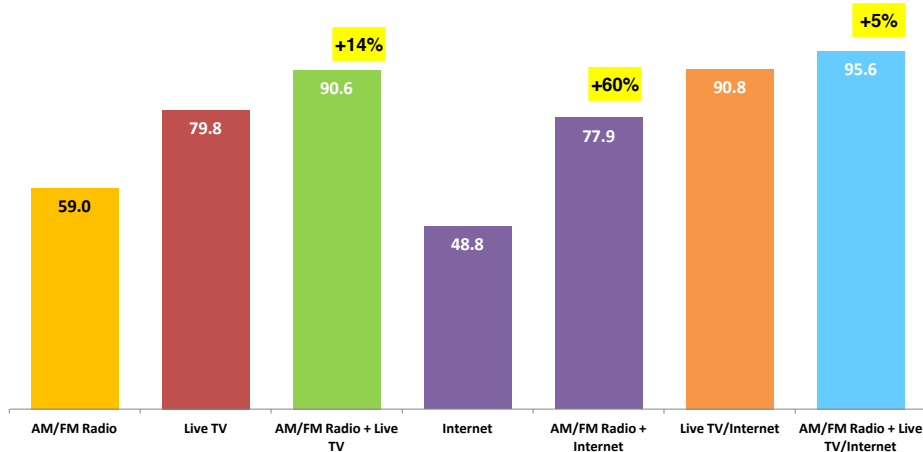
To generate the best results for an advertiser, it’s critical that there be no “me” in media. When advertisers and planners consider which marketing channels to invest in, cold hard data is usually cited as the primary driver but in reality, just like everything else human beings do, biases sometimes seep in.

As we approach the 2013 planning season, we believe that it’s imperative for all of us to look beyond our own media usage patterns and dig into each medium’s merits with an open mind. It might even be a worthwhile exercise to remind ourselves to be conscious of any inherent media biases that might have developed and to try not to let our passion or our own personal media usage influence media choices. Minding the media gap will likely result in more successful campaigns.

This Week in Sirius XM Radio

AM/FM Radio Adds Considerable Reach When Used in Combination with Other Media

Average Day Reach, AM/FM Radio And Other Media Combinations
Persons 25-54



© 2012 Arbitron Inc.
Source: MBI Touchpoints™

Need to make sure this does not negatively impact radio on the media plan:

Study Reveals Media Pros Have Digital Media Bias (And Explains Why You're Probably Reading This Via Email)

by [Joe Mandese](#), 47 minutes ago

Madison Avenue, directly or indirectly, allocates nearly a trillion dollars in advertising budgets to influence consumers via media, but how much does the personal media habits and interests of industry pros influence the media they use to do that? It's an old question that it taking on new impetus in the age of hyper accelerated digital media change, and some new research indicates that the personal media habits of industry pros isn't anything like that of the consumers they are charged with influencing.

The research, which was presented by the Media Behavior Institute Thursday night during MPG's Collaborative Alliance session during Advertising Week, indicates that media pros are much more likely to be heavy users of digital media –particularly mobile and social – and are much less likely to use traditional media such as TV and radio than average consumers.

The study, which utilized a mobile app-based diary that a small, non-projectable sample of industry executives used to self-report their media usage during one day in their working life, compared their behavior with MBI's ongoing USA TouchPoints study, which

captures the same daily usage data among the general consumer population for 10-day periods.

While the data is based on a small sample, the findings are striking, because the media pros reporting were so dramatically different than average consumers, especially when it came to their use of Internet-connected computers and mobile devices.

Amazingly, the media pros spent 53% of their waking day interacting with email, vs. 20% for the general population, and they spent 28% accessing the Internet vs. 15% for average consumers.

Their use of mobile apps and social networks were similarly distorted, which may go a long way toward explaining Madison Avenue's obsession with those media platforms.

Ninety-two percent of the media pros utilized mobile apps, and they used them for 11% of their waking day, on average. Only 25% of consumers utilize mobile apps, and use them for 6% of their waking time on average.

Exactly half of the media pros used a social network and accessed it for 19% of their waking time vs. 19% of consumers who used it for 7% of their waking time.

There obviously are many reasons why the media pros index so much higher in their use of digital media, including the fact that it is part of their job, but the data indicates they clearly are not representative of the overall population they are hired to influence with media.

The only digital medium where media pros appear to be in sync with consumers is in their usage, if not ownership, of tablet computers. While media pros were nearly three times more likely to own a tablet (25% vs. 9%), both pros and consumers who own a tablet use them an average of 7% of their waking time.

When it comes to "traditional media," consumers utilize all forms – especially radio – more than industry pros with the exception of print.

"The difference in radio usage was more marked," notes MBI's Mike Bloxham, explaining that, "42% of media professionals listened to the radio, but almost twice that (80%) of the general population sample tuned in.

"The percentage of waking time that listeners from either group spent with the radio was much closer however at 25% for media professionals and 23% for the general population sample."

While 85% of the general population watched TV, only 75% of the media pros did, and their waking time spent with TV showed similar disparities: 26% for consumers vs. 9% for pros.

“The traditional medium that bucked the trend was print,” said Bloxham, noting that, “42% of our media professionals read some form of print on the day vs. 25% of our general population sample, with both groups spending 5-6% of waking time with the medium.”

Bloxham emphasized that the findings are largely anecdotal and that a larger scale study of media pros would need to be conducted before scientific conclusions could be drawn, but that based on the small subset of industry executives sampled, there does indeed appear to be a disparity between their media usage habits and the consumers they are responsible for influencing.

Bloxham said that while some of those skews represent “professionally appropriate biases” – the fact that media pros need to utilize new media in order to evaluate their potential impact, etc. – he said it’s reasonable to conclude that their behaviors and habits likely influence the way they think about consumer media usage too.

“We all view the world from our own eyes,” he said, “If we find as a community that we are markedly different from the communities that we are trying to communicate with and engage for our brand clients, that is a real challenge.”

Successful scheduling reminds more people who are ready to purchase the product about a brand they already know

Radio drives participation, amplification and consideration and excels at fulfilling planning fundamentals below.

- **Media Planning Fundamentals:**
- **Targeting:**
- Geographically- nearness to purchase (propinquity)
 - CRE study- 62% of people listen to radio 13 minutes prior to shopping
- Receptivity - when they are most open to the message
 - Mindset: proper Frame of Mind (U.K.) study & CIMM

- Targeting-in-time -ARB 2009 In-car Study: 68% of adults sometimes/frequently think about or make purchasing decisions while driving
- Recency
 - Reminding people when they are in the market for your product. Transform frequency into continuing brand presence
 - Radio delivers affordable frequency and product presence
 - Reminding many consumers is better than lecturing a few.

Satiation- first impression is most important

- Point of Diminishing returns
 - Begin building frequency at the expense of reach
 - TV soon begins duplicating with itself more than another medium
- Acceleration
 - The longer the flight the more effective. Increasing returns to continuity
 - Radio affordable continuity
- Synergy
 - Reaching consumers in different media will have a more potent impact than the sum of the effects of the individual exposures
 - Provides additional reasons to believe

In my last article for Ad Age, I wrote about how new-media companies were [successfully employing very traditional media tactics](#) to gain a larger share of ad spending.

I thought I'd flip that on its head this week, as the tech, media and marketing worlds converge at the Consumer Electronics Show in Las Vegas.

One could argue traditional media too have been too "traditional" in how they pitch themselves, making it too easy for advertisers and others to peg them to the past. Perhaps they've been doing themselves a disservice. What if we relooked at a medium such as radio, using the sizzle employed

by the very best of Silicon Valley to promote this 90-year-old advertising medium?

Here's what a sales pitch for radio could look like.

Let me introduce you to a groundbreaking media channel, a medium with the potential to rival Facebook as a new-media darling...

A powerful mobile medium

This medium is available on just about every mobile device, including those running Android and iPhone operating systems. It is accessible in 100% of today's cars. This medium is a powerful channel to engage very desirable, hard-to-reach and mobile millennials. Its distribution also extends to out-of-home venues including retail outlets, fast-food restaurants, car dealerships and sports venues, making it a powerful medium at point of purchase.

Drives word of mouth

We can incorporate personalized brand messages to our audience to create buzz and word of mouth. We use the credibility of our celebrity announcers to drive the conversation around your brand, retail events and promotional offers. We also will generate consumer participation and engagement via brand-based competitions.

Hyper-local targeting

No need for wasteful national campaigns that can't be customized based on your local retail-store distribution. Our medium gives you the flexibility to target at a hyper-local level. We can also deliver specific localized messaging.

Delivers across multiple platforms

We distribute across broadcast, online and mobile devices. Our medium is always on.

Provides scalable campaigns

Our advertiser promotions can deliver programs across literally millions of consumers in a short period of time. Our medium has a reach of nearly 300 million uniques in the U.S. across a month. That makes this medium bigger than Facebook.

A viable revenue model

We operate a free-content, ad-supported model that ensures high uptake and that our research confirms consumers prefer over a paid-subscription model. Advertiser units provide marketers with 100% control of the message. We also offer advertisers a branded content model. We will work with advertisers to deliver customized content that brands can be integrated with or associate with.

Yes, that's right, I'm talking about radio ... a unique mobile, hyper-local, multi-platform channel that delivers scalable brand marketing campaigns for advertisers.

Now doesn't that make radio seem just a little more interesting!

ABOUT THE AUTHOR

Antony Young is the CEO of [Mindshare](#) North America, a WPP media strategy and investment agency. He recently published "Brand Media Strategy," a Palgrave MacMillan and Advertising Age publication about integrated communications planning in the Google and Facebook era.

Radio - Deserving Of More Attention?

by Mike Bloxham

I've written before about my view that no medium innately "deserves" any particular share of ad spend based on the amount of time people spend with it. Nor should the simple matter of audience size be the sole determinant that drives budget allocation.

Other variables such as the **context of consumption** (where and when the medium is accessed, **the social setting**, the user experiences and the **inter-relationship with other media by day part etc.**) all go to informing the allocation of media budgets and yielding a higher return on investment.

Then there's the simple fact of how well a given sector does in building and retaining its share. This, of course, is the ultimate determinant of success. In the arena of media sales, its devil take the hindmost and anyone who can

achieve a share that is apparently disproportionate to their relative position as a medium (or property) is free to do so -- all credit to them. The notion of proportionality has no place in this particular mix.

But even taking into such points into account, I still find it curious radio has -- for the most part -- become an over-looked medium for many brands relative to TV and even to much smaller (but perhaps newer and more shiny) media opportunities, such as social and mobile.

The point of course isn't that radio -- or any of the others -- are "better" than the rest. Any medium can only be fully maximized for an advertiser when approached as part of a joined up media mix. But when you consider the near-ubiquity of radio in many consumers' lives, it is surprising that the medium has to fight so hard for its share of the pie.

For example; with 79% of American adults using a car in any one day and 39% of AM/FM radio listening taking place in the car (where the medium far out-paces CDs, satellite and mp3s), there is clearly a significant opportunity to reach many audiences at key moments of receptivity and decision making.

Add to this the fact that radio outstrips all other media combined in terms of reach in an average weekly morning (6a-12noon) among adults making purchases in a QSR between 12-12.30 p.m., and it's not difficult to justify the medium's inclusion on a campaign plan in that sector.

Similarly (and this is another example, as above, taken from USA TouchPoints data), in the hour before the early afternoon peak shopping time of 1:30 p.m., a full 34% of shoppers are listening to the radio for at least some of that hour -- significantly more than any other medium.

Does that mean that those other media don't have a role to play in targeting shoppers with relevant messages in key moments of receptivity? Of course not. **But there's a communications continuum for any brand targeting a given consumer group, and while TV might be further from the point of purchase and mobile may be at the point of purchase, radio makes a pretty strong case as the medium that bridges the two.**

These are just a few examples, but as I look at the data -- data that has much more to do with **context of use** and likely **moments of receptivity** than with simple measure of time spent or reach alone -- I can't help wonder why more brands aren't making better use of a medium that can get them to the right place at the right time.

Has the industry been seduced by things that are simply newer and more shiny? Or is the absence of video sufficient to justify a brand's absence at key times in the day?

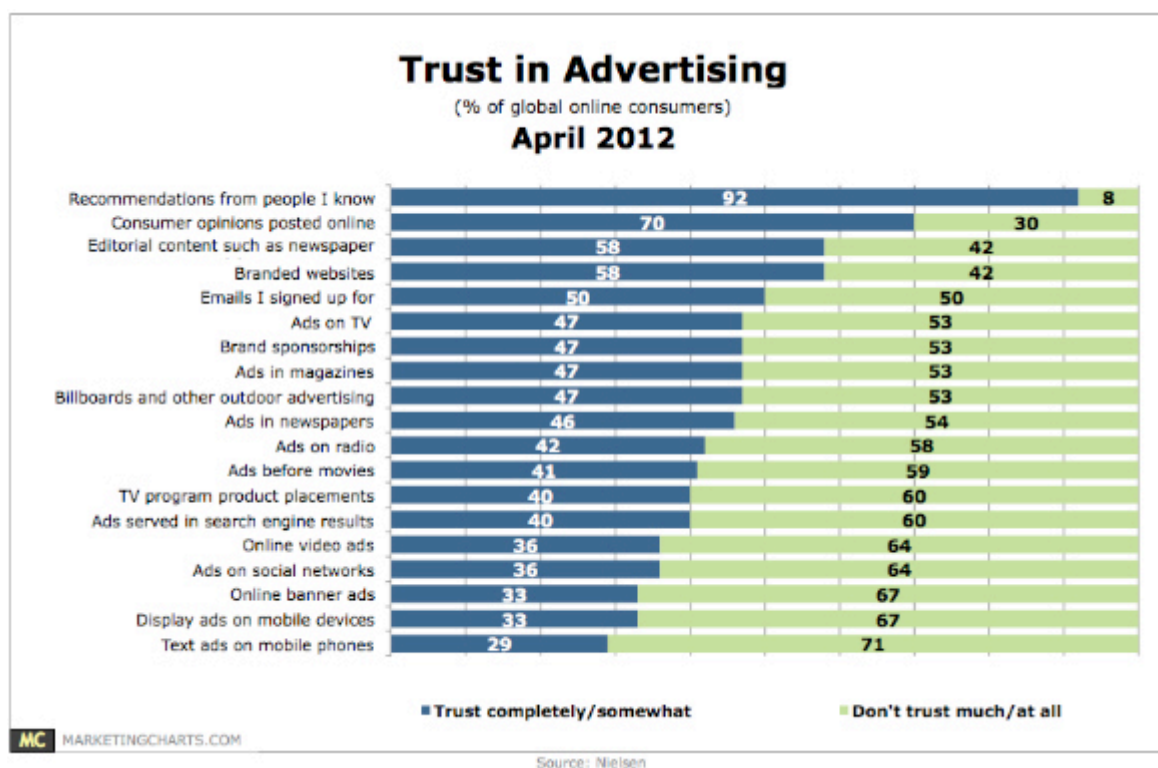
Fact: Traditional media remain powerful: Unquestionably using traditional media is still the most RELIABLE way to get a message out quickly and uniformly. Knowledge Networks recently published a study that showed that the time radio is used with other media is the lowest- by far. This is a key finding as we believe that every medium that is being used simultaneously with another medium diminishes focus and attention to each respective medium and its advertising. The level of attention paid to a medium, radio, when its consumption is occurring simultaneously when preparing of a meal is dramatically different vs reading a magazine or surfing the web while watching TV.

Fact: While technology has changed, human nature has not changed: Advertising has evolved tremendously with all of the new digital technologies but its goal today is much the same as it's always been- to elicit feelings, emotions, perceptions and actions that ultimately increase brand loyalty and increase sales. Some have forgotten with all of the digital excitement that human nature has not changed and what motivates consumers is the same today as 50 years ago. It is important to keep in mind that it was the radio, after all, that was originally called "wireless" and **that the low cost for high reach is still an extremely powerful and attractive value proposition**. Think of many of the great brands today- Coke, Pepsi, etc. all are pre-TV and were built by Radio.

Radio drives participation, amplification & consideration

Media Planning Fundamentals. Fundamentals that all planners consider when choosing media for a campaign:

- Targeting:
 - Geographically- nearness to purchase (propinquity)
 - CRE study- 62% of people listen to radio 13 minutes prior to shopping
 - Receptivity - when consumer is most open to messaging
 - Mindset: proper Frame of Mind (U.K.) study & USA Touchpoints data
 - Targeting-In-Time -ARB 2009 & 2011 In-Car Study: 68% of adults sometimes/frequently think about or make purchasing decisions while driving
 - Recency
 - Reminding people when they are in the market for your product
 - Transform “frequency” into continuing brand presence
 - Radio delivers affordable frequency, brand presence and enhances advertiser’s share of mind
 - Reminding many consumers is better than lecturing a few.
- Satiation- first impression is most important
 - Point of Diminishing returns
 - Begin building frequency at the expense of reach
 - TV soon begins duplicating with itself more than another medium
- Acceleration
 - The longer the flight the more effective. Increasing returns to continuity
 - Radio affordable “continuity”
- Synergy
 - Reaching consumers in different media will have a more potent impact than the sum of the effects of the individual exposures
 - Provides additional reasons to believe



Study: Cross-platform distribution of radio programming increases time spent with it. As radio companies work to make their content available in multiple places, a new study shows consumers who access programming on more than one platform spend more time with it. Arbitron used its PPM panels to study the radio and cable TV audiences for "Mike and Mike in the Morning," syndicated by ESPN, a leader in cross-platform distribution. Across both platforms, the sports talk show garnered a weekly cume audience of 4.7 million fans, aged 6+, from November 2011-April 2012. Radio delivered 2.3 million exclusive weekly listeners, cable TV brought in 1.6 million exclusive viewers while 800,000 fans accessed the show on both radio and TV. But those dual-media users spent nearly twice as much time with the sports duo (153 minutes per week) than the radio-only audience (80 minutes per week) or the ESPN2 cable TV-only contingent (82 minutes). While such super Mike & Mike fans accounted for just 17% of the show's weekly 6+ audience, they delivered 28% of the weekly usage. "This study demonstrates once again that cross media consumption is not a zero-sum proposition," Glenn Enoch, ESPN VP of integrated media research says. "Fans choose the best available media platform based on where they find themselves throughout the day, which leads to increased reach and consumption of ESPN content whether on TV, radio, internet, mobile or print." The study also validates radio's position as the quintessential out-of-home medium. A majority of the 6+ average quarter hour "Mike and Mike in the Morning" radio audience (59%) listened outside the home, while only 5% of the duo's cable TV viewership came from out-of-home locations

Experiential marketing brings advertisers to Univision Radio festival. The smell of sponsorships will waft through the air at Univision Radio's H2O Music Festival later this month in Los Angeles. Bathrooms at the event will

be cleaned and scented with the new Clorox Franganzia line of cleaning products, whose scents were specifically developed to appeal to Hispanics. That's just one of the ways Univision is leveraging its audience at the concert festival, which is designed to appeal to bilingual, bicultural Hispanics with a cross-section of Spanish-language and English-language acts. "This is a special opportunity to reach highly engaged consumers within a unique interactive entertainment experience," Univision Radio EVP of sales Jack Hobbs says. Other sponsors include MetroPCS and Huawei, which will sponsor cell phone charging stations, and MiO liquid water enhancer, which will sponsor the "watering hole" sampling stations. A number of other brands are tying in contesting. Attendees will also be able to participate in Bud Light's carne asada grilling competition while using Kingsford Charcoal. And Chevron has been promoting a contest giving an unsigned musical act a shot at taking the stage. Univision Radio's inaugural H2O concert was held in June in Dallas and senior EVP/CFO Andy Hobson noted on the company's second quarter earnings call that it did lose a "few million dollars." But he said the company remains committed to the series and said it simply needs to do a better job of attracting incremental sponsorship and non-traditional dollars

(COMMENT: RADIO MAGNIFIES THE IMPACT OF OTHER MEDIA- SYNERGY. ANOTHER WORD FOR SYNERGY IS MULTIPLIER EFFECT, IN ADDITION TO PROVIDING SALES IMPACT OF ITS OWN. RADIO EXCELS AT ALL 4 OF THE BELOW)

When Media Planners focus on a medium's ability to target they evaluate them on:

Geography- nearness to purchase (propinquity- when they can act on the messaging) or specific MSA's

Receptivity- when the consumer most open to receive messaging- in a "relaxed" mode not "task oriented" mode- targeting-in-time

Recency- affordable frequency resulting in continued brand presence

Synergy- reaching consumers in different media will have a more potent impact than the sum of the effects of the individual exposures in individual mediums

Grocery:

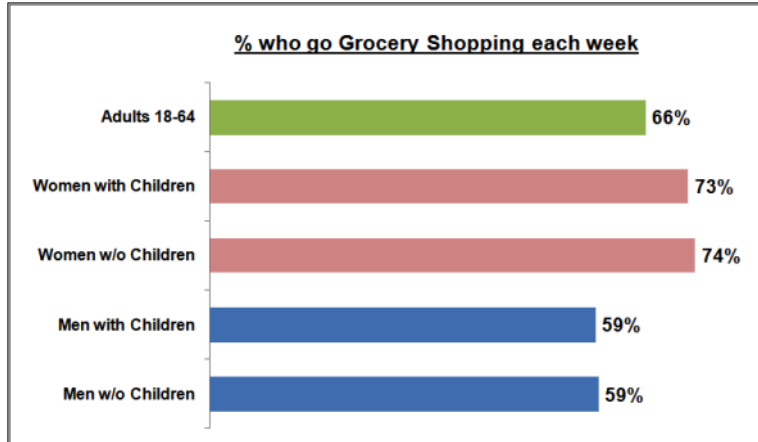
USA TouchPoints

Grocery Shopping Highlights

May 2012

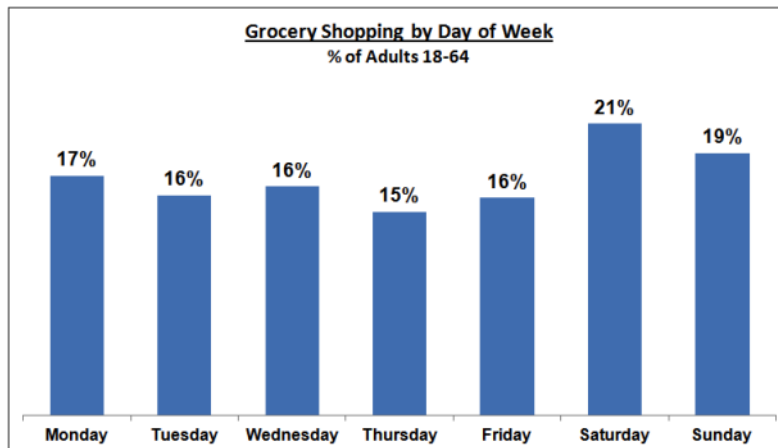
KATZ MARKETING
[SOLUTIONS]

Two-thirds of U.S. adults grocery shop each weekand women are more likely to do so



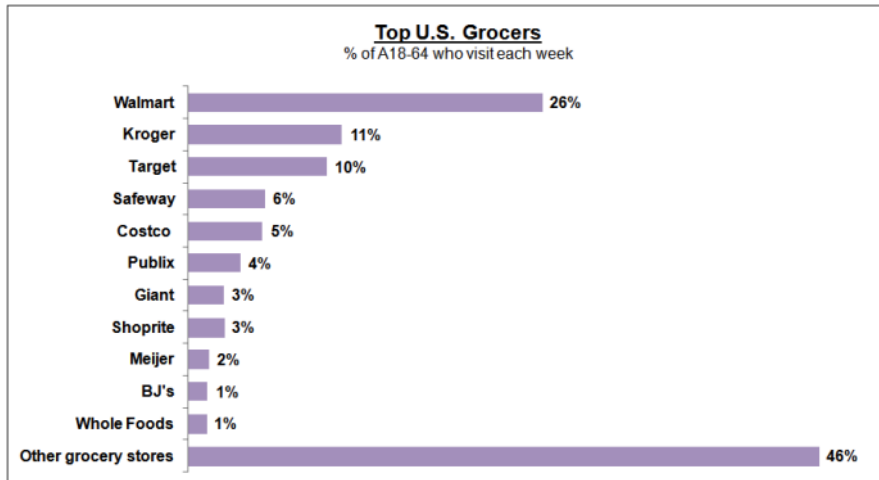
Source: 2012 USA TouchPoints

Grocery shopping spikes on Saturday ...but weekdays have high levels of traffic as well



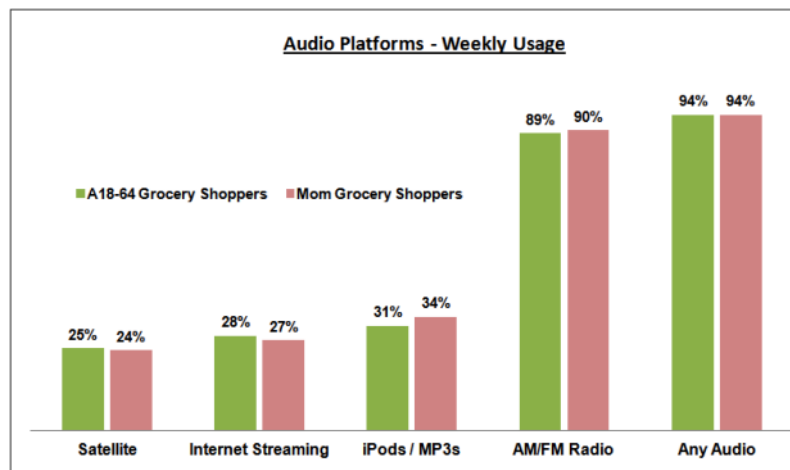
Source: 2012 USA TouchPoints

**Walmart leads in traffic each week
...but there is a “long tail” of grocery stores**



Source: 2012 USA TouchPoints

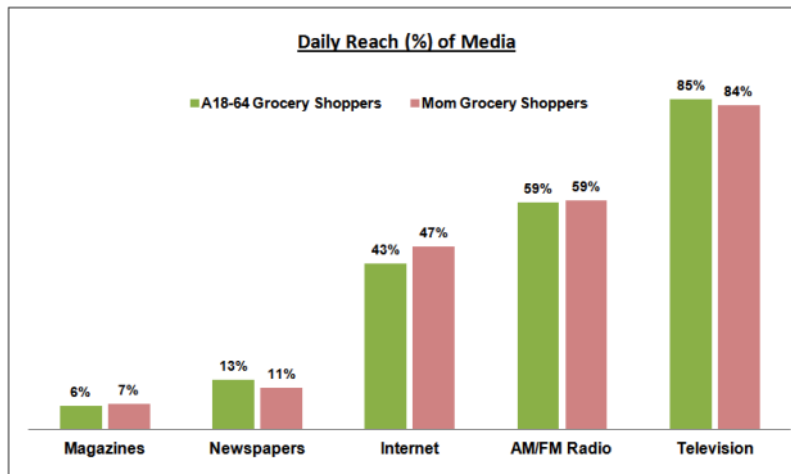
**Among all audio platforms, AM/FM Radio is the
most dominant among grocery shoppers**



Note: Streaming includes listening to music, radio or podcasts over the internet via PC, mobile or tablet.

Source: 2012 USA TouchPoints

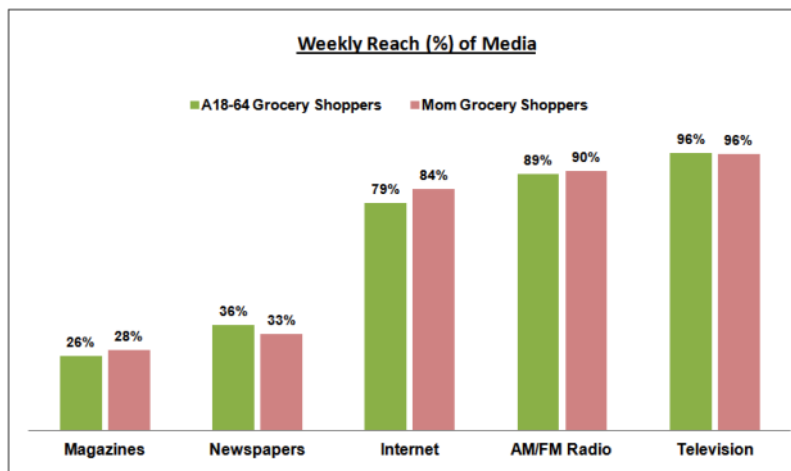
In the typical day, AM/FM Radio is second highest reaching medium among grocery shoppers



Note: TV includes time-shifted viewing; Internet excludes email, but includes internet usage via PC, mobile or tablet; Newspaper and Magazine includes digital readership.

Source: 2012 USA TouchPoints

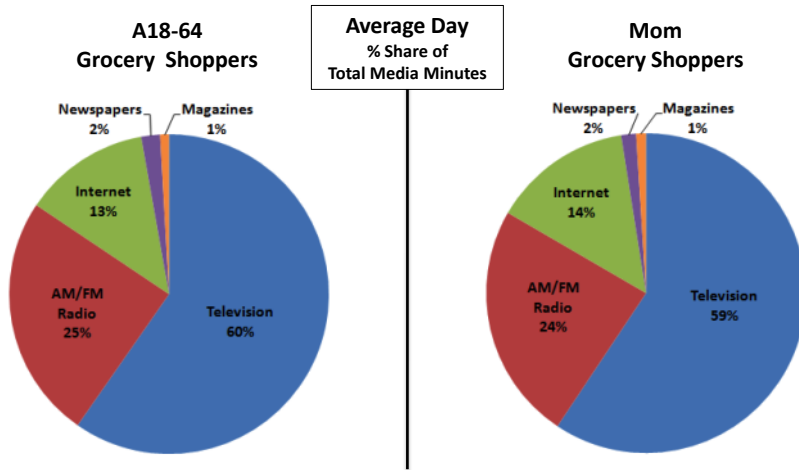
During the week, AM/FM Radio is the second highest reaching medium among grocery shoppers



Note: TV includes time-shifted viewing; Internet excludes email, but includes internet usage via PC, mobile or tablet; Newspaper and Magazine includes digital readership.

Source: 2012 USA TouchPoints

AM/FM Radio comprises ¼ of the time Grocery Shoppers spend with media

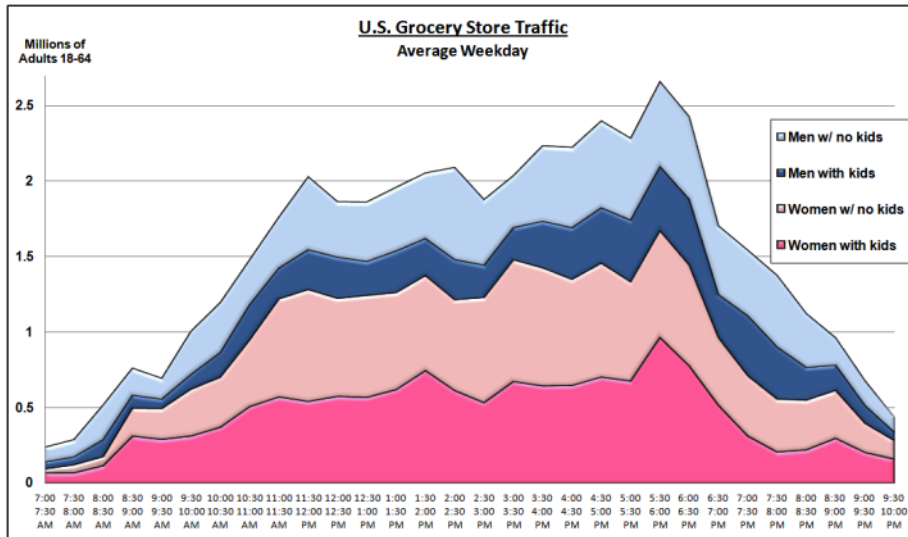


Note: TV includes time-shifted viewing; Internet excludes email, but includes internet usage via PC, mobile or tablet; Newspaper and Magazine includes digital readership.

Source: 2012 USA TouchPoints

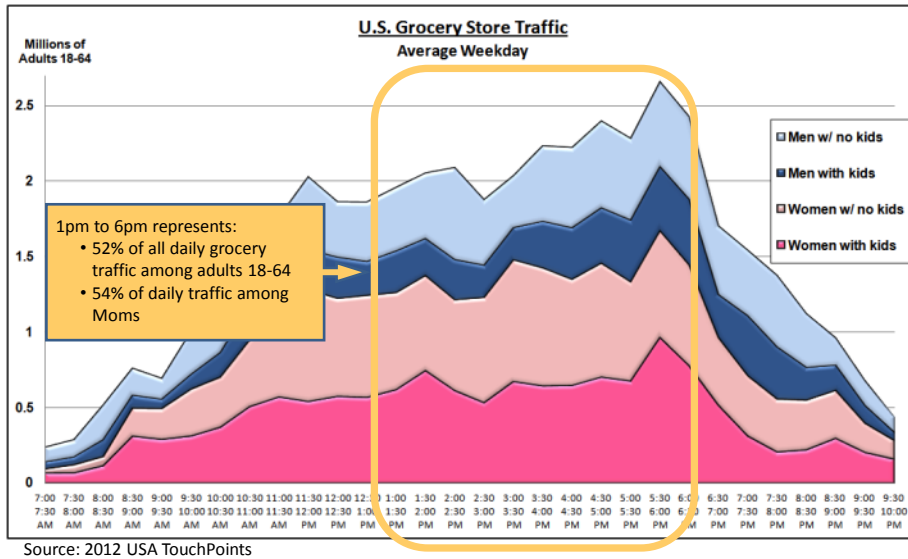
During weekdays, grocery shopping peaks from 5:30 to 6:00pm

Over half of daily traffic occurs from 1pm to 6pm



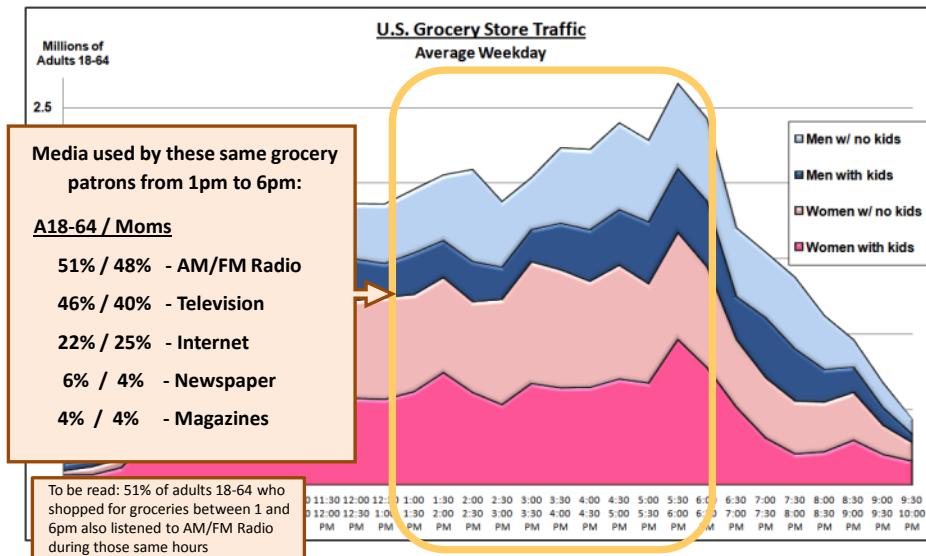
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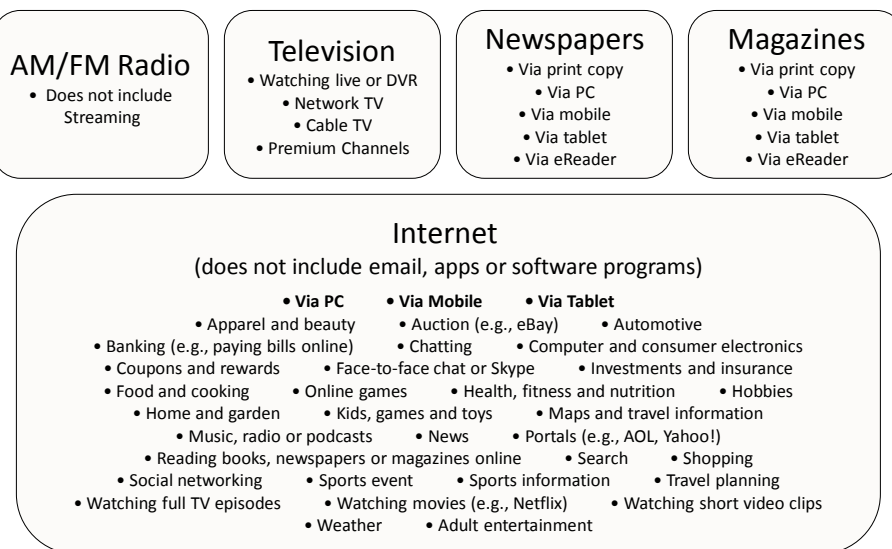


Proximity to Purchase!

Grocery patrons engage with AM/FM Radio more than any other medium in the hours surrounding grocery shopping



Media Definitions



Drug Stores:

USA TouchPoints

Drug Store Highlights

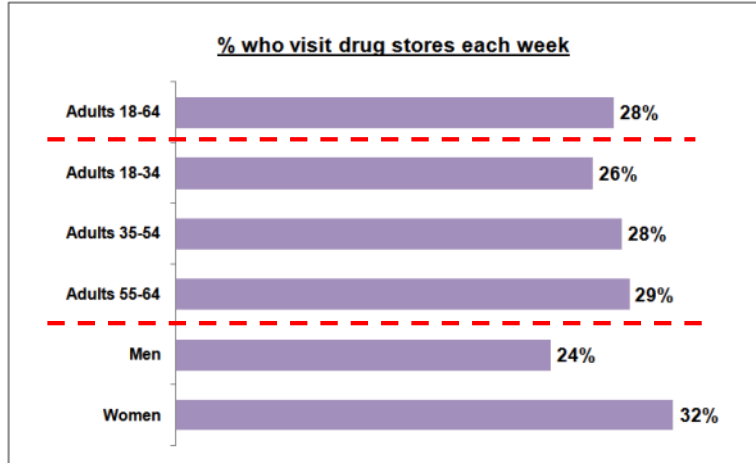
April 2012

KATZ MARKETING
[SOLUTIONS]

1



28% of U.S. adults visit drug stores each week ...and women are slightly more likely to do so

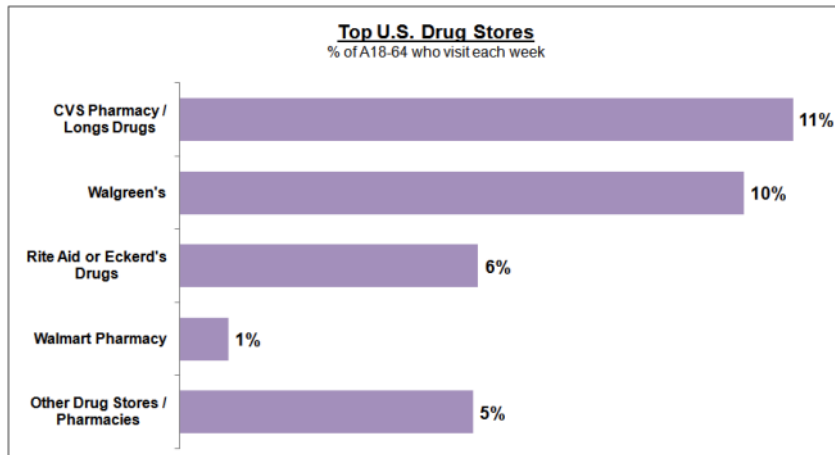


Source: 2012 USA TouchPoints

2



CVS and Walgreens are the most visited drug stores

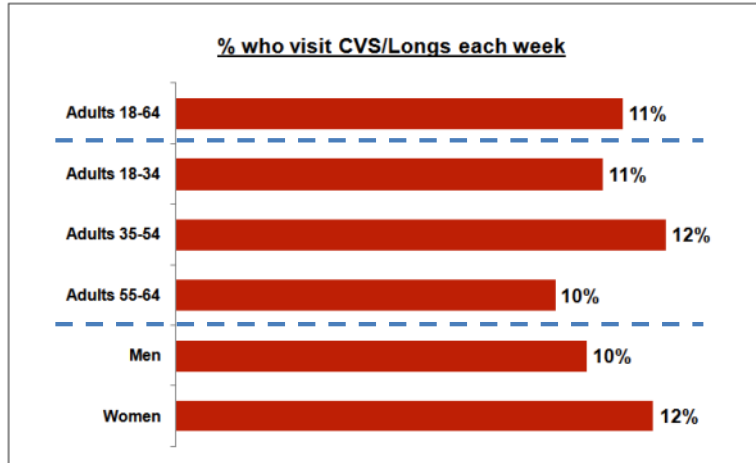


Source: 2012 USA TouchPoints

3



CVS patronage also has a slight female skew ...as well as A35-54

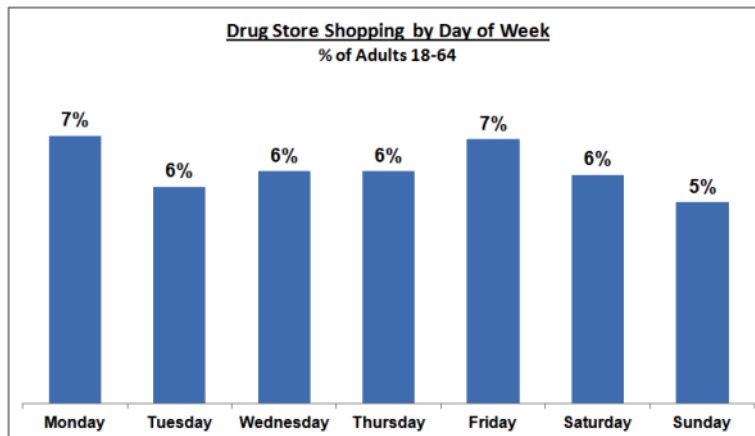


Source: 2012 USA TouchPoints

4



Overall drug store visitation peaks on Mondays and Fridays ...while Sunday is the lowest traffic day

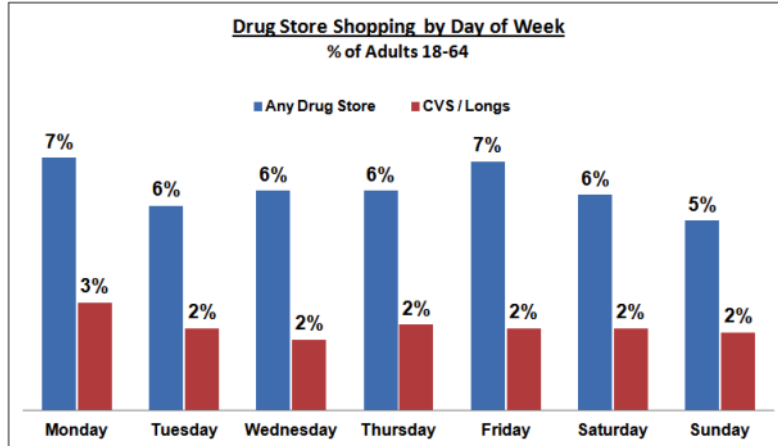


Source: 2012 USA TouchPoints

5



2% of U.S. adults will visit a CVS in the average day ...with a bump in traffic on Mondays



Source: 2012 USA TouchPoints

6

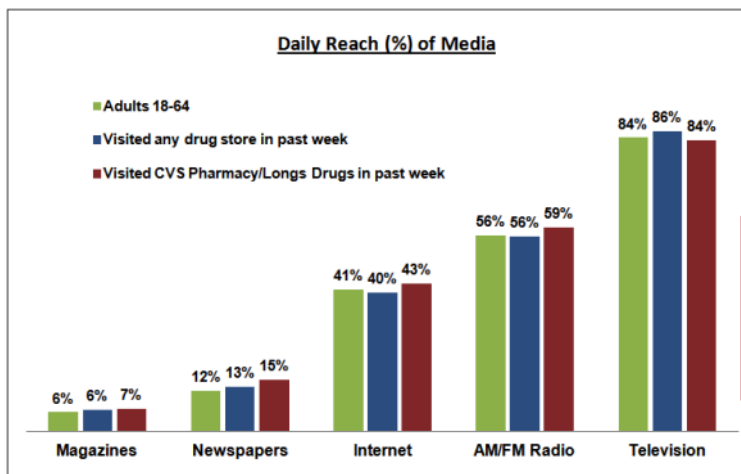


“Day in the Life” of a CVS Shopper (avg weekday)

Who were they with?		Where were they?		How did they feel?	
Partner or spouse	68%	My home or yard	98%	Happy	81%
My children	54%	Automobile	87%	Confident	52%
Co-workers	43%	My workplace	50%	Frustrated	44%
Friends	38%	Someone else's home	30%	Excited	41%
Brothers/Sis/Other Fam	24%	Restaurant or bar	19%	Exhausted	32%
Parent	24%	Grocery store	18%	Loving	32%
Pets	15%	Fast food place	15%	Bored	30%
What activities did they do?		School or college	10%	Overwhelmed	30%
Relaxing	81%	Gym or health club	7%	Angry	14%
Housework or chores	69%	Bank or ATM	5%		
Traveling or commuting	66%	Medical facility	4%		
Preparing food/cooking	64%	What media did they use?			
Working	57%	TV Live or DVR	84%		
Socializing	56%	AM/FM Radio	62%		
Shopping	38%	Internet	45%		
Hobbies	24%	Newspapers	15%		
Parent and child activity	24%	Magazines	7%		
Sports or exercise	19%				

Source: 2012 USA TouchPoints ⁷

In the typical day, AM/FM Radio is second highest reaching medium among drug store patrons



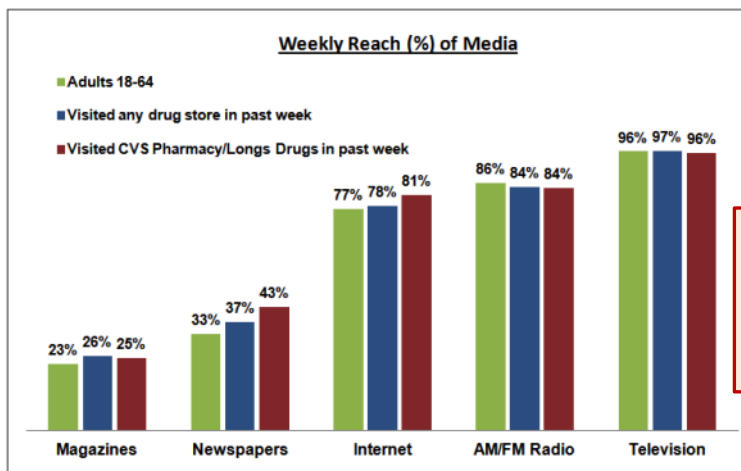
A55-64 who visited a drug store in the past week
 92% - Television
 53% - AM/FM Radio
 33% - Internet
 20% - Newspaper
 7% - Magazines

Note: TV includes time-shifted viewing; Internet excludes email, but includes internet usage via PC, mobile or tablet; Newspaper and Magazine includes digital readership.

Source: 2012 USA TouchPoints

8

During the week, AM/FM Radio is the second highest reaching medium among drug store patrons



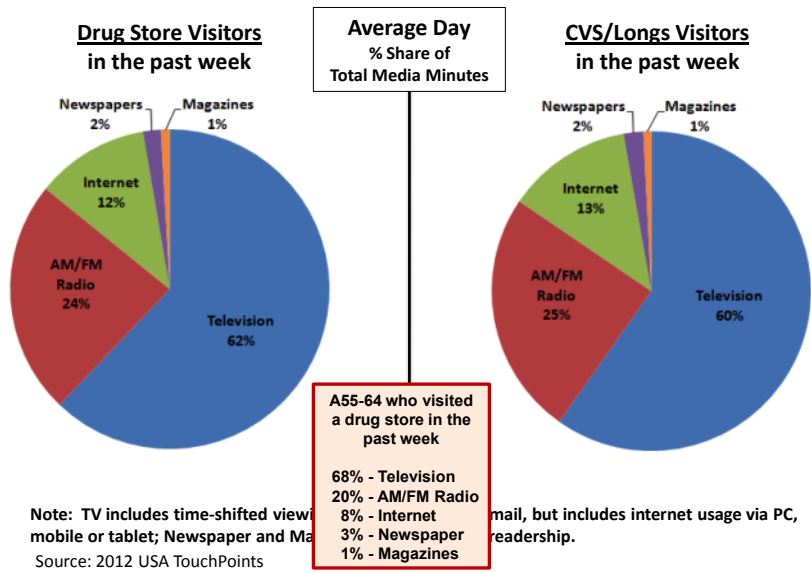
A55-64 who visited a drug store in the past week
 100% - Television
 84% - AM/FM Radio
 71% - Internet
 51% - Newspaper
 34% - Magazines

Note: TV includes time-shifted viewing; Internet excludes email, but includes internet usage via PC, mobile or tablet; Newspaper and Magazine includes digital readership.

Source: 2012 USA TouchPoints

9

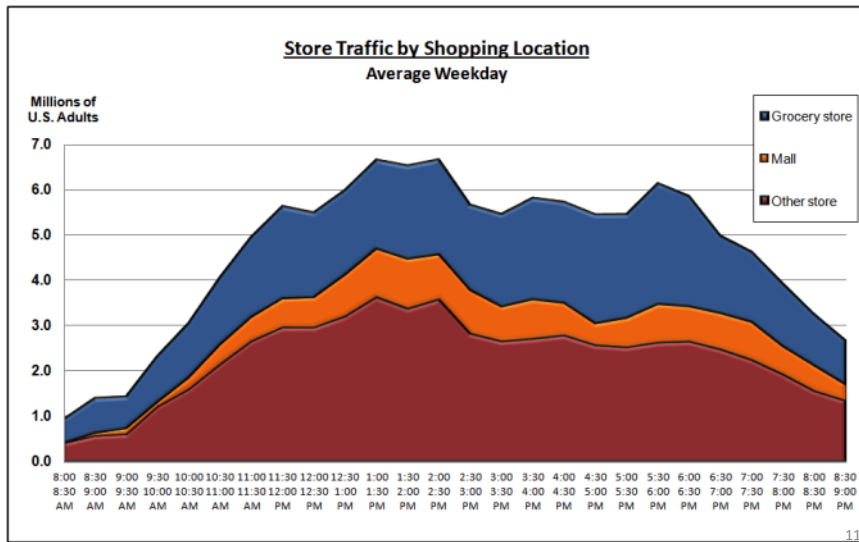
AM/FM Radio comprises ¼ of the time CVS patrons spend with media



During weekdays, shopping peaks around lunchtime hours



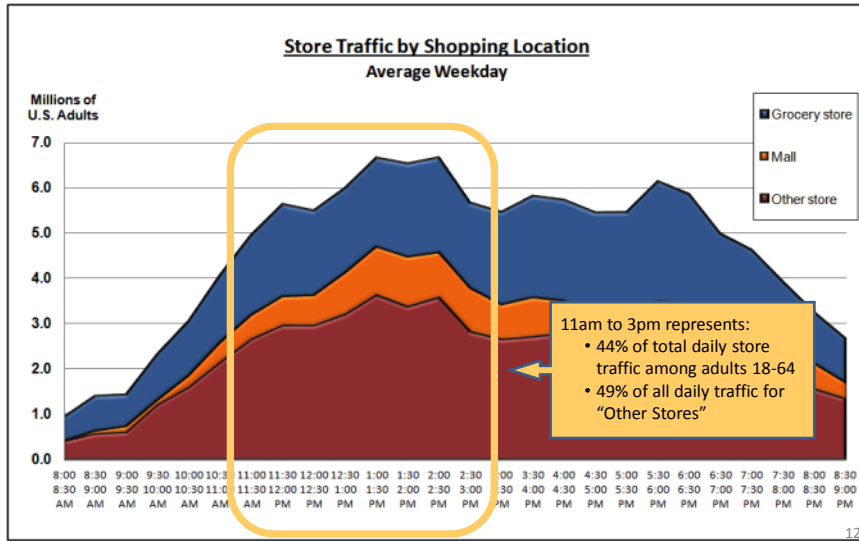
Nearly half of daily traffic occurs between 11am to 3pm



During weekdays, shopping peaks around lunchtime hours



Nearly half of daily traffic occurs between 11am to 3pm

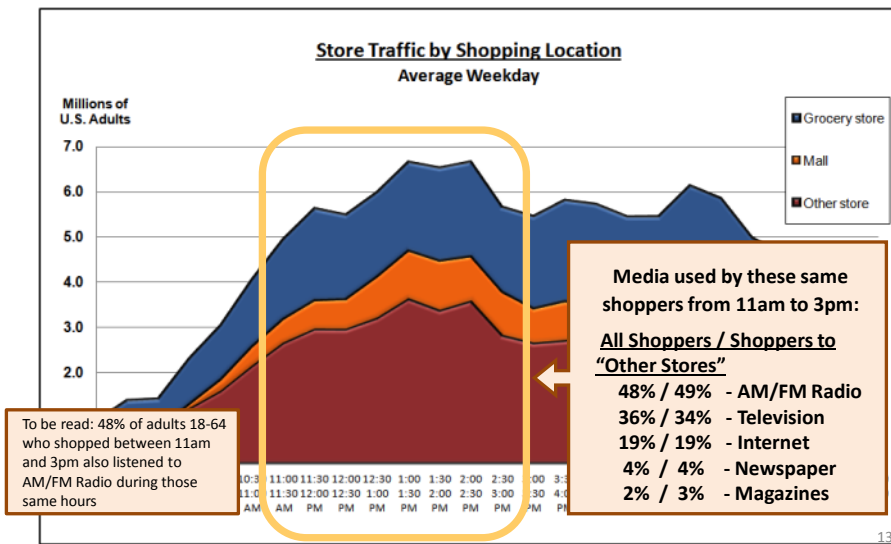


Source: 2012 USA TouchPoints

Proximity to Purchase



Store patrons engage with AM/FM Radio more than any other medium in key hours surrounding shopping



Source: 2012 USA TouchPoints

Media Definitions

AM/FM Radio

- Does not include Streaming

Television

- Watching live or DVR
- Network TV
- Cable TV
- Premium Channels

Newspapers

- Via print copy
- Via PC
- Via mobile
- Via tablet
- Via eReader

Magazines

- Via print copy
- Via PC
- Via mobile
- Via tablet
- Via eReader

Internet

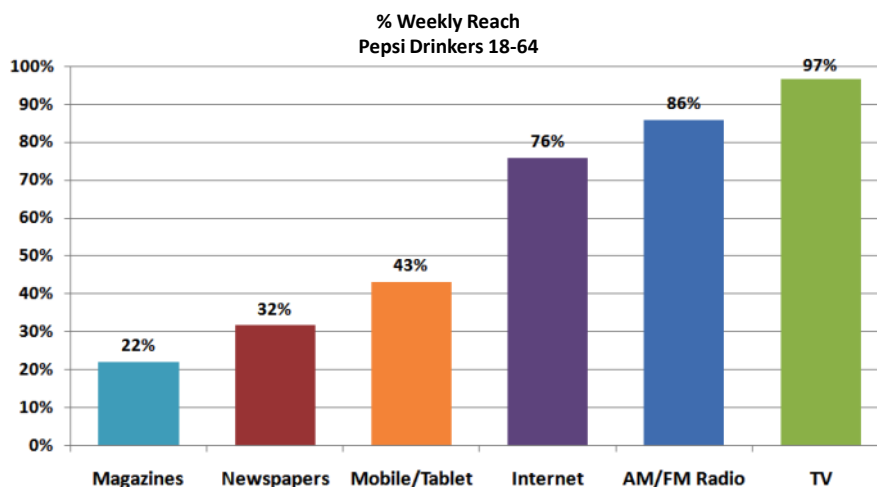
(does not include email, apps or software programs)

- | | | |
|---|-----------------------------------|-------------------------------------|
| • Via PC | • Via Mobile | • Via Tablet |
| • Apparel and beauty | • Auction (e.g., eBay) | • Automotive |
| • Banking (e.g., paying bills online) | • Chatting | • Computer and consumer electronics |
| • Coupons and rewards | • Face-to-face chat or Skype | • Investments and insurance |
| • Food and cooking | • Health, fitness and nutrition | • Hobbies |
| • Home and garden | • Kids, games and toys | • Maps and travel information |
| • Music, radio or podcasts | • News | • Portals (e.g., AOL, Yahoo!) |
| • Reading books, newspapers or magazines online | • Search | • Shopping |
| • Social networking | • Sports event | • Sports information |
| • Watching full TV episodes | • Watching movies (e.g., Netflix) | • Travel planning |
| • Weather | • Adult entertainment | |

24

Soft Drinks- Pepsi

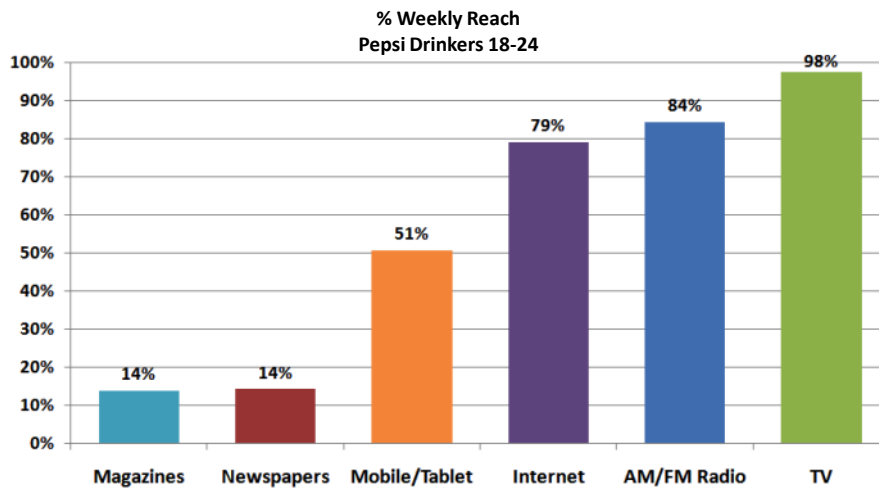
86% of adult Pepsi drinkers listen to Radio each week



Note: TV includes live and time-shifted viewing; Internet excludes email, but includes internet usage via PC, mobile or tablet; Mobile/Tablet includes usage of internet and apps, but excludes talking and texting; Newspapers and Magazines include digital readership.

Source: 2012 USA TouchPoints

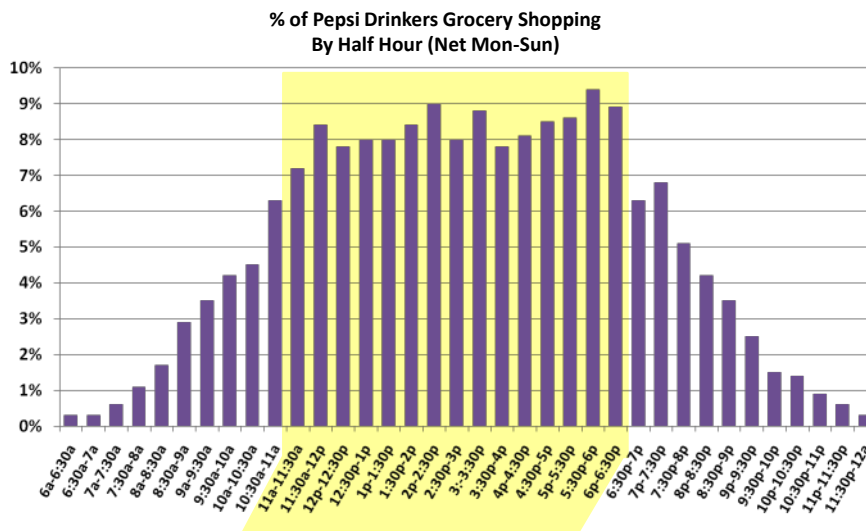
Even among younger Pepsi drinkers, Radio is the 2nd highest reaching medium



Note: TV includes live and time-shifted viewing; Internet excludes email, but includes internet usage via PC, mobile or tablet; Mobile/Tablet includes usage of internet and apps, but excludes talking and texting; Newspapers and Magazines include digital readership.

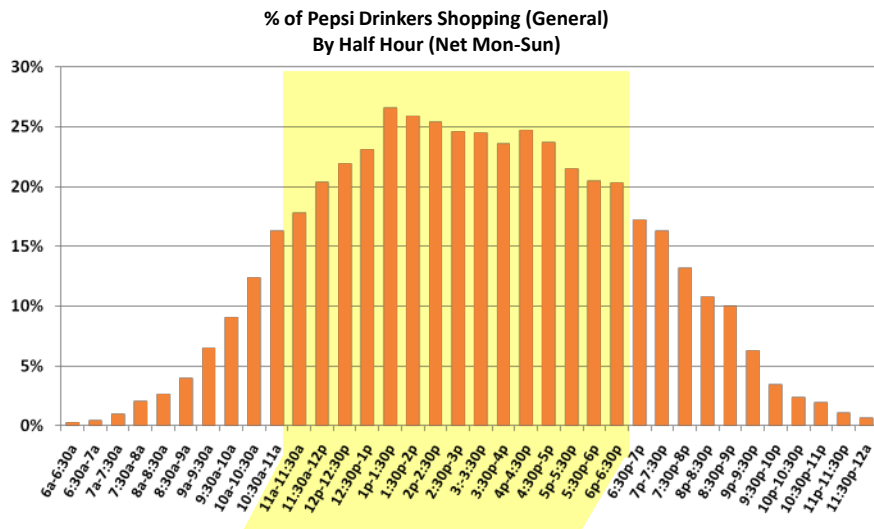
Source: 2012 USA TouchPoints

Key grocery shopping times for Pepsi drinkers



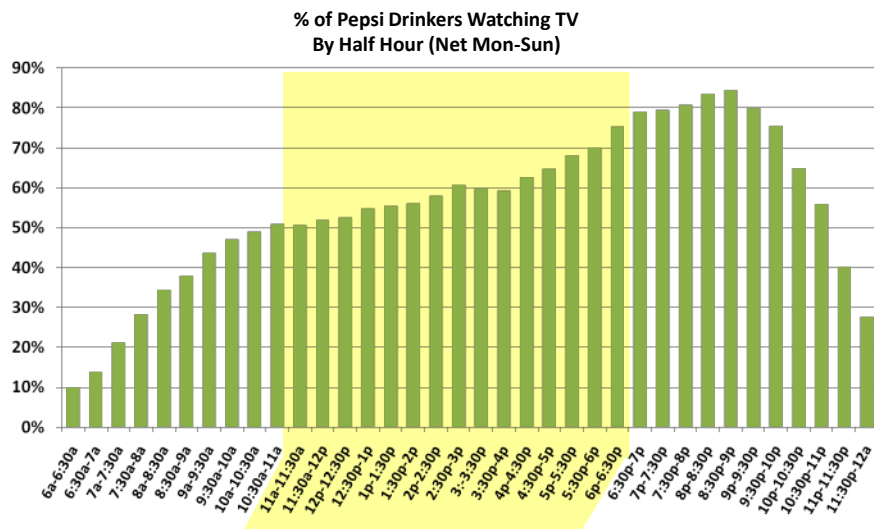
Source: 2012 USA TouchPoints

Pattern of “general” shopping among Pepsi drinkers



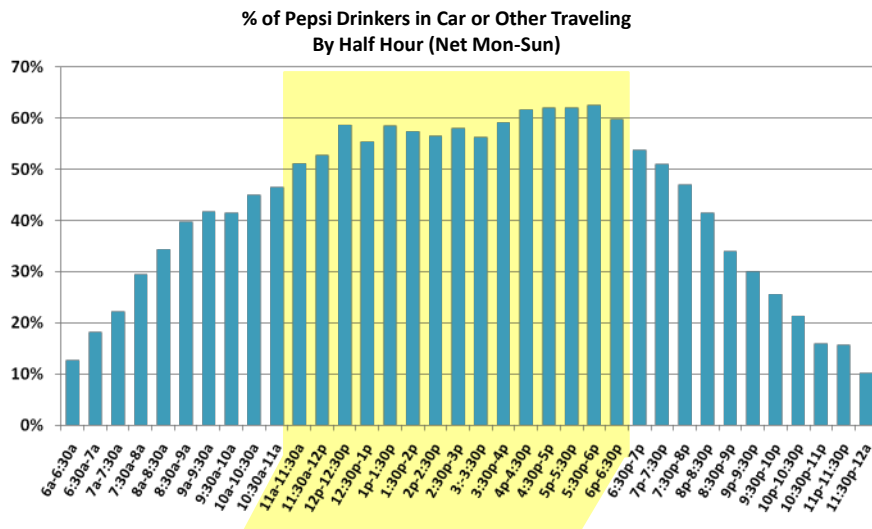
Source: 2012 USA TouchPoints

TV's usage profile is skewed much toward the evening when shopping is less prevalent



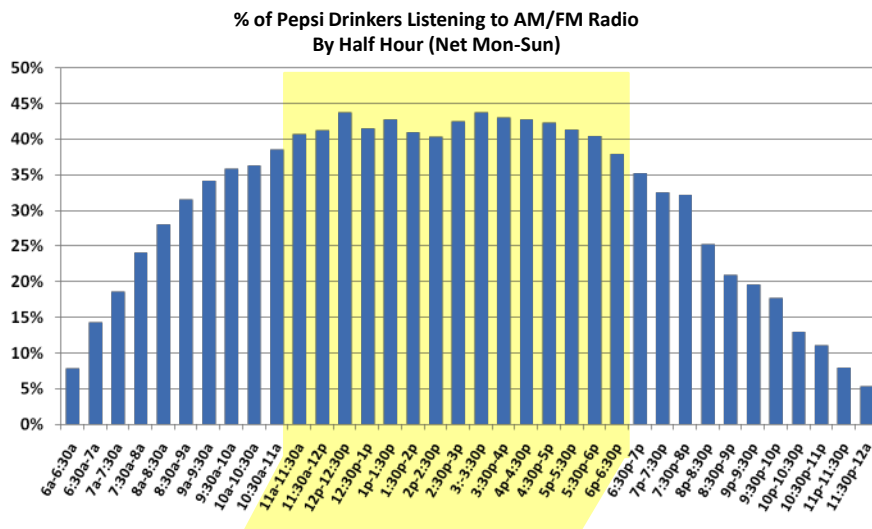
Source: 2012 USA TouchPoints

Automobile usage among Pepsi drinkers peaks during prime shopping hours



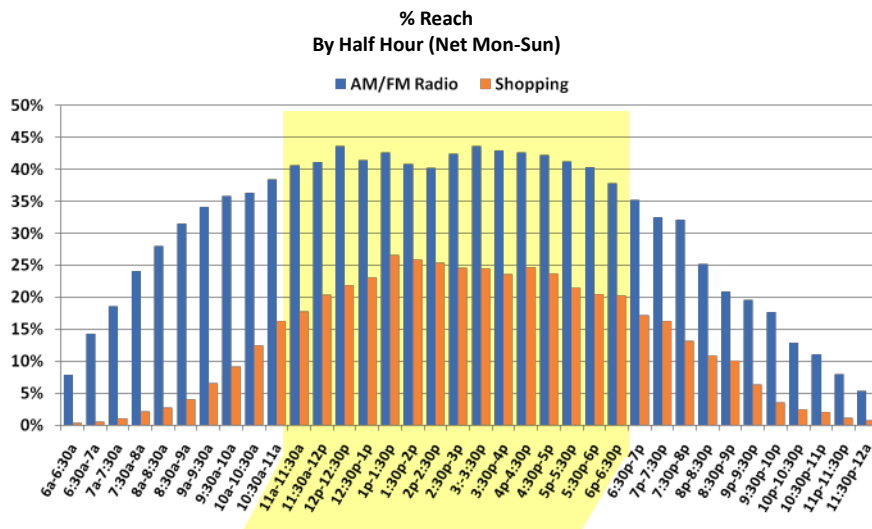
Source: 2012 USA TouchPoints

Radio usage among Pepsi drinkers also peaks during prime shopping hours



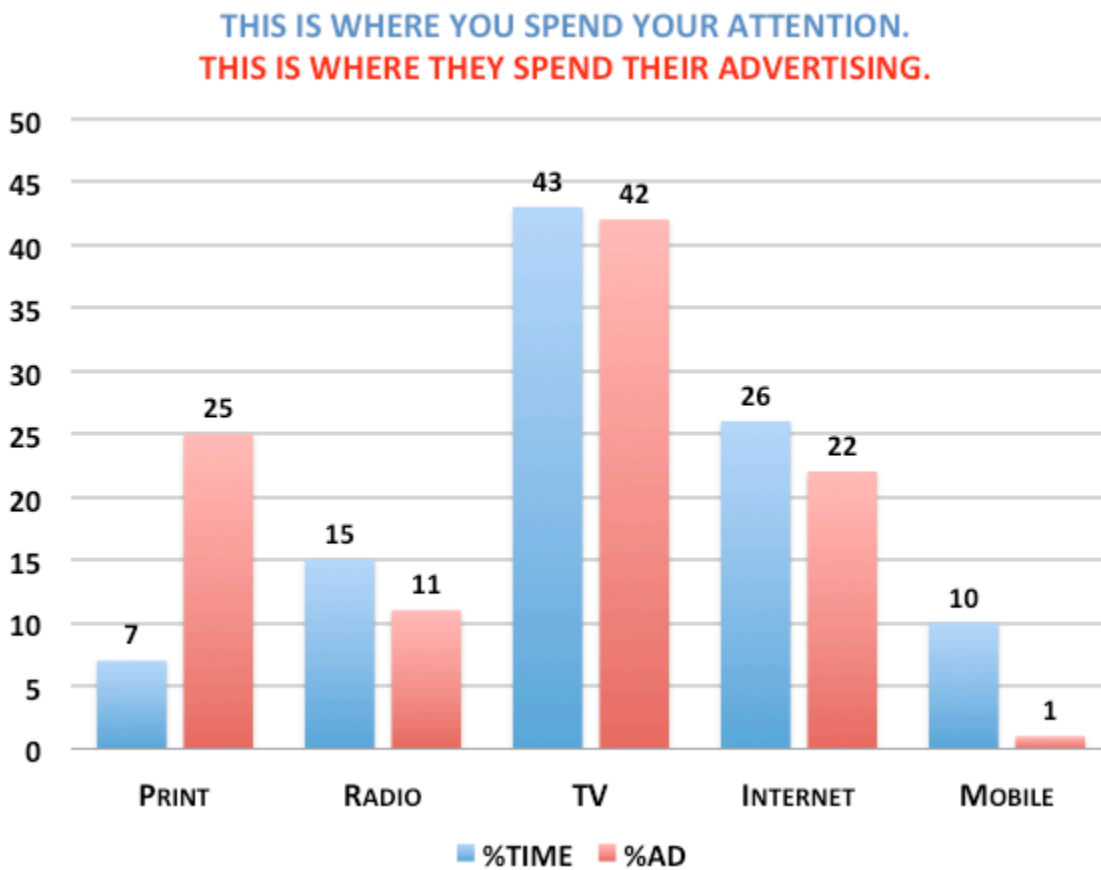
Source: 2012 USA TouchPoints

**Pepsi drinkers' radio usage matches their shopping pattern
...potential to influence shoppers close to point of purchase**



Source: 2012 USA TouchPoints

Radio is deserving of far more \$\$:

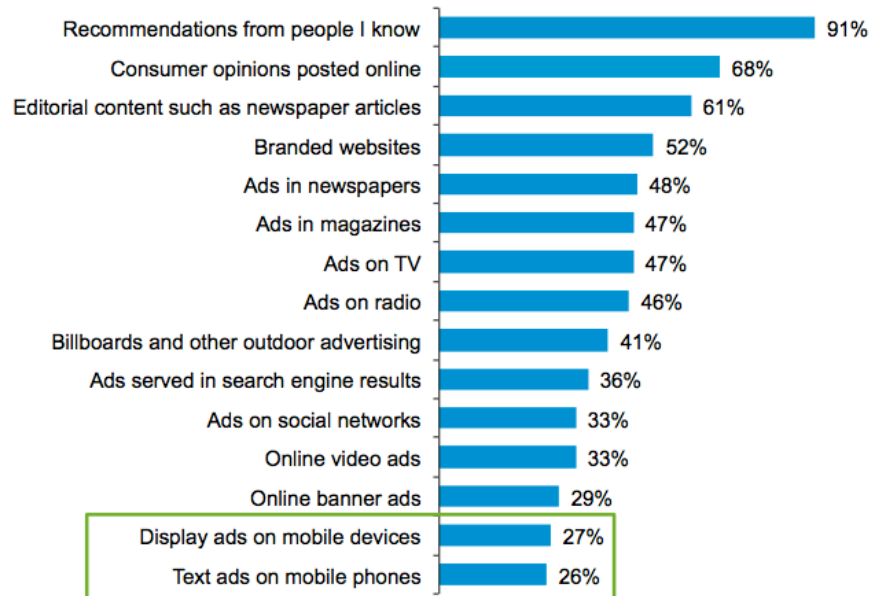


Radio far outperforms other newer shinier mediums

Trust in mobile ads is low

To What Extent do you Trust the Following Forms of Advertising

Global Online Survey (Q3 2011 n=501)



nielsen

6

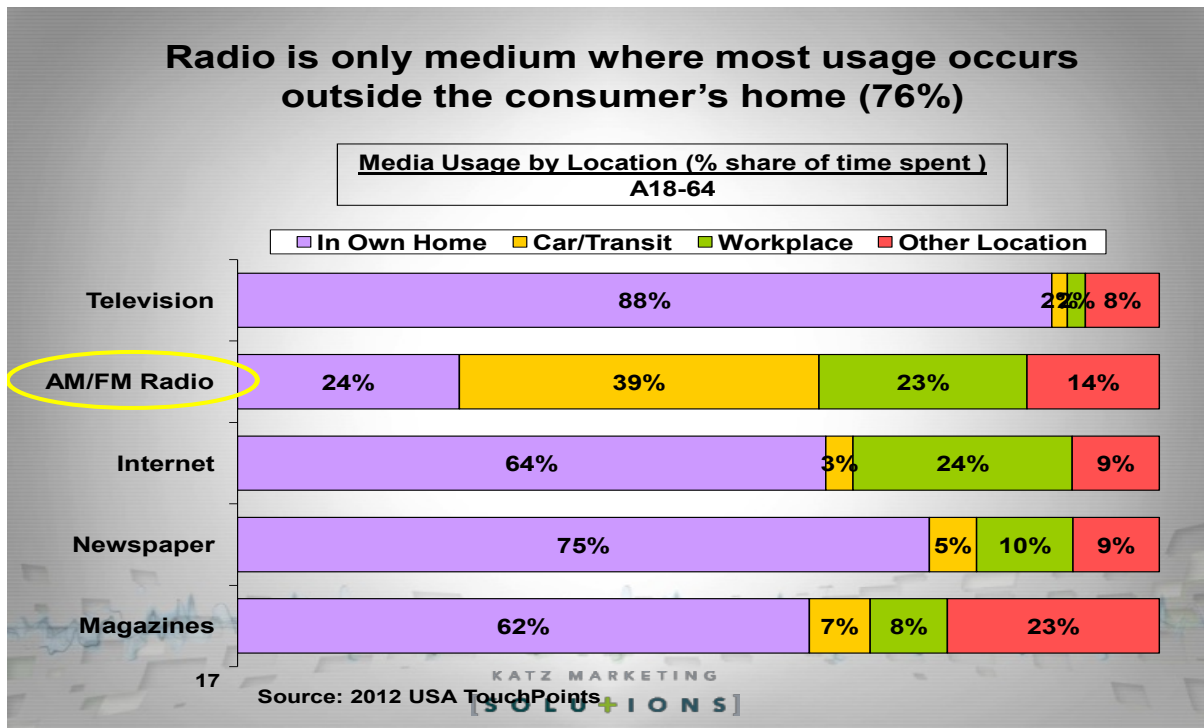
There's a plethora of new and potentially effective media options available. But we may be inadvertently making the planning process more complex than necessary by overlooking the obvious—a proven medium that easily ranks as one of the most effective ever devised. Popular Mechanics recently published a list of the 101 top gadgets that changed the world and this “gadget” ranked #2 behind the smart phone and ahead of television (#3), the personal computer (#5), the telephone (#7) and the light bulb (#10). The radio medium has stood the test of time and help build thousands of businesses across this country. It's helped sell billions of dollars worth of products over the years.

There are no new metrics in the media world. Regardless of the delivery platform it still boils down to “who,” “what,” “where”, “when,” “for how long” and “did my message register?”

Who: 93% of the population (242 million people) across the country, including both genders and all ages, listen to radio across multiple platforms each week. The recently published 2011 Arbitron/Edison study and others concluded that even those that stream audio spend more time with broadcast radio than the average listener, so it’s not an “either or” issue when it comes to broadcast or streaming.

What: What do consumers think about radio? According to the same Arbitron/Edison study, 75% of those 12 and older and 89% of heavy radio users said they would be disappointed if their favorite station were to disappear. Incredibly, 69% said that they “like or love” local AM/FM radio which ranks ahead of such notable online companies such as YouTube, Facebook, Hulu and Twitter. Not bad for a medium that is almost 100 years old.

Where/When: It’s simple—radio is available wherever and whenever consumers want it: throughout the day, in the home, office and car and via mobile. A lot of listening (44% according to Nielsen’s CRE 2009 study, 39% in 2012 USA Touchpoints) is done in the car where according to the 2009 Arbitron National In-Car study 68% of consumers make purchasing decisions while driving. There are millions of people daily who jump in their car during lunch hour to run errands and radio is right there with them and they are usually a captive audience. Radio not only delivers a message in a timely fashion but when the listener can act upon that messaging.



How long: According to PPM, listeners spend close to several hours per day listening to radio- USA Touchpoints has the daily TSL over 2 hours. The 2010 data from GfK MRI shows radio listening to be close to three hours per day.

Message registration: Radio is one of the most complete message delivery vehicles available to advertisers. Unlike print, which requires total attentiveness, radio messages can also be absorbed messaging explicitly (full attention), passively (partial attention) as well as implicitly (no cognitive involvement)—a distinct advantage for radio.

Radio can enhance any media plan because it:

- 1- Reaches lighter users of other media. Radio offers advertisers the opportunity to **reach incremental** consumers who were likely not exposed (or exposed effectively) to campaigns running on other mediums.

- 2- Reaches heavier users of other media. Radio offers the opportunity to reinforce message with consumers who have been reached by other media in campaign- A memory multiplier.

The light consumers of Internet and television are big fans of broadcast radio. According to research firm GfK MRI's 2011 data, the three lowest-consuming quintiles of Internet usage spend on average 2 hours per week online (17 minutes/day), with the lowest two quintiles spending about 6 minutes a day- they listen to radio close to 2 hours/day. The internet is **not** a dominant part of many people's lives. These three Internet quintiles tune in to broadcast radio close to 2 hours per day.

The lowest quintile of television usage tunes in for only 3.2 hours a week, or about 26 minutes a day. The two lowest viewing quintiles tune in 8.4 hours per week, or a bit more than one hour a day. These same light television viewers listen to radio two hours a day. Not everyone is online and not everyone is glued to the tube.

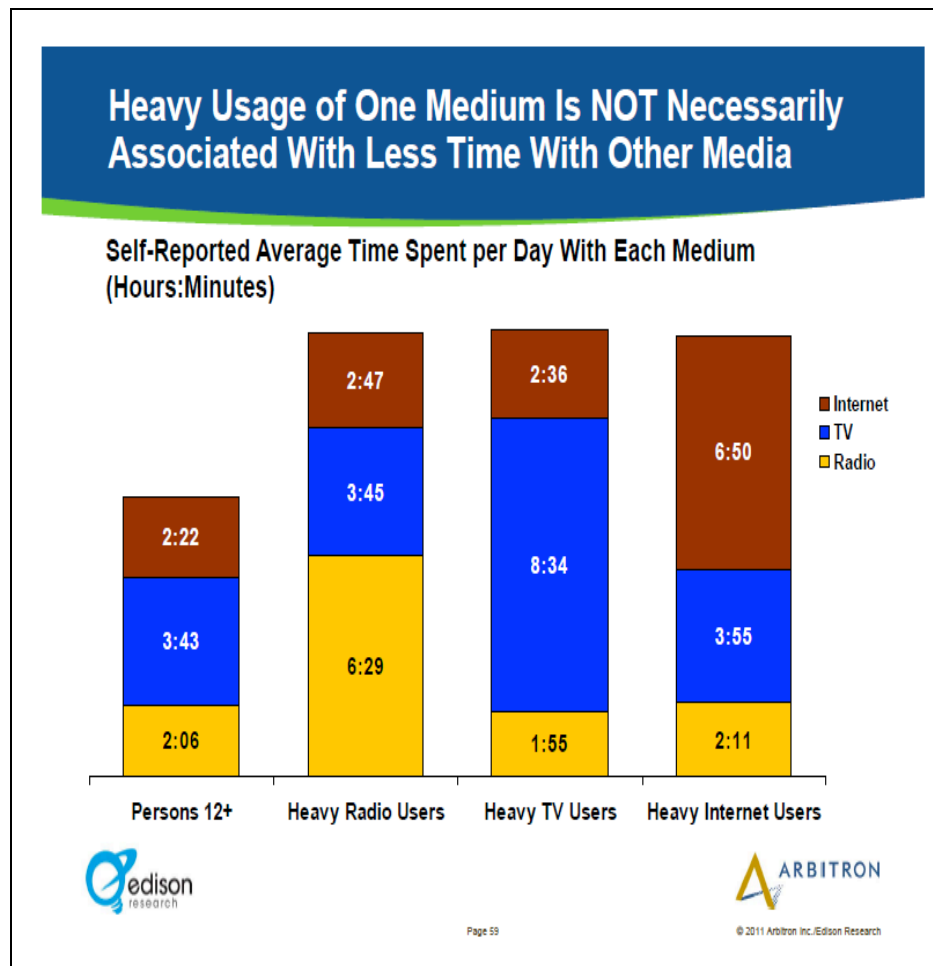
The two lowest magazine quintiles read 1 issue per month while listening to radio 12.5 hours/week. The lowest two quintiles of newspaper readers read on average less than one issue per month while spending almost 14 hours/week with radio.

MEDIA QUINTILE ANALYSIS

			Magazines	Newspapers	Radio	Television	Internet
% of U.S. Adults 18+			avg # of issues read in a month	avg # read in a 28-day period	avg # of hours listened to in a week	avg # of hours viewed in a week	avg # of hours spent with in a week
U.S. Adults 18+	100%	Media usage	8.7	12.2	13.7	29.2	11.5
Magazines I (Heaviest users)	20%	Media usage	25.9	18.1	16.0	30.9	13.9
		Indexed to U.S. adult avg	298	148	117	106	121
Magazines II	20%	Media usage	10.2	14.0	14.5	28.3	12.6
		Indexed to U.S. adult avg	118	115	106	97	109
Magazines III	20%	Media usage	5.2	11.8	12.9	27.8	12.2
		Indexed to U.S. adult avg	60	97	94	95	106
Magazines IV	20%	Media usage	2.0	9.9	13.0	28.3	10.5
		Indexed to U.S. adult avg	23	81	95	97	91
Magazines V (Lightest users)	20%	Media usage	0.1	7.2	11.9	30.6	8.3
		Indexed to U.S. adult avg	2	59	87	105	72
Newspaper I (Heaviest users)	20%	Media usage	12.2	33.4	13.9	31.6	11.3
		Indexed to U.S. adult avg	141	275	102	108	99
Newspaper II	20%	Media usage	11.0	19.9	14.1	30.9	11.1
		Indexed to U.S. adult avg	126	163	103	106	97
Newspaper III	20%	Media usage	9.1	7.0	14.6	27.7	12.0
		Indexed to U.S. adult avg	104	58	107	95	105
Newspaper IV	20%	Media usage	6.2	0.5	13.2	27.7	11.9
		Indexed to U.S. adult avg	71	4	97	95	104
Newspaper V (Lightest users)	20%	Media usage	5.0	0.0	12.4	27.9	11.1
		Indexed to U.S. adult avg	58	0	91	96	96
Radio I (Heaviest users)	20%	Media usage	10.5	13.0	43.5	28.1	11.9
		Indexed to U.S. adult avg	120	107	319	96	104
Radio II	20%	Media usage	10.0	13.1	14.2	27.8	12.5
		Indexed to U.S. adult avg	115	108	104	95	109
Radio III	20%	Media usage	8.8	12.5	7.1	27.3	12.1
		Indexed to U.S. adult avg	101	102	52	94	105
Radio IV	20%	Media usage	7.8	11.5	3.3	28.8	11.2
		Indexed to U.S. adult avg	89	94	25	99	98
Radio V (Lightest users)	20%	Media usage	6.4	10.9	0.1	33.9	9.7
		Indexed to U.S. adult avg	74	89	1	116	84
TV I (Heaviest users)	20%	Media usage	8.9	13.0	12.0	69.2	10.0
		Indexed to U.S. adult avg	102	106	88	237	87
TV II	20%	Media usage	9.4	13.6	14.2	36.2	11.1
		Indexed to U.S. adult avg	109	112	104	124	97
TV III	20%	Media usage	8.8	12.9	13.6	23.6	11.5
		Indexed to U.S. adult avg	101	106	100	81	101
TV IV	20%	Media usage	8.8	11.6	13.9	13.7	12.1
		Indexed to U.S. adult avg	101	95	102	47	105
TV V (Lightest users)	20%	Media usage	7.5	9.8	14.6	3.2	12.6
		Indexed to U.S. adult avg	87	80	107	11	110
Internet I (Heaviest users)	20%	Media usage	10.4	12.2	14.1	27.4	37.3
		Indexed to U.S. adult avg	120	100	103	94	325
Internet II	20%	Media usage	10.0	13.0	14.0	26.7	14.1
		Indexed to U.S. adult avg	115	107	103	92	123
Internet III	20%	Media usage	9.3	12.8	13.6	25.4	5.3
		Indexed to U.S. adult avg	107	105	99	87	46
Internet IV	20%	Media usage	7.4	11.9	13.9	30.1	0.7
		Indexed to U.S. adult avg	85	98	102	103	6
Internet V (Lightest users)	20%	Media usage	6.3	11.0	12.7	36.3	0.0
		Indexed to U.S. adult avg	73	90	93	124	0

Source: 2011 Spring GfK MRI

The 2011 Arbitron/Edison Study demonstrated that consumers who were heavy users of competitive mediums still were highly engaged with radio. (confirmed by the Media Audit in 2012) **Heavy TV and Internet users spend 2 hours a day with the radio medium.** It is not a zero sum game.

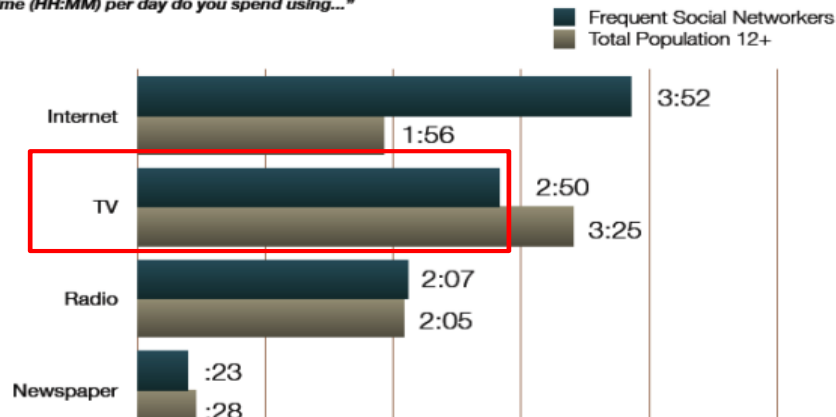


A 2010 Edison report shows that consumers who are social networkers (users of Facebook, etc) are also engaged with the radio medium (confirmed by the Media Audit in 2012). **Frequent users of social media are average radio consumers while they view 35 minutes less television each day**

Frequent social networkers spend the same amount of time with radio as the general population.

Frequent Social Networkers Watch Less TV

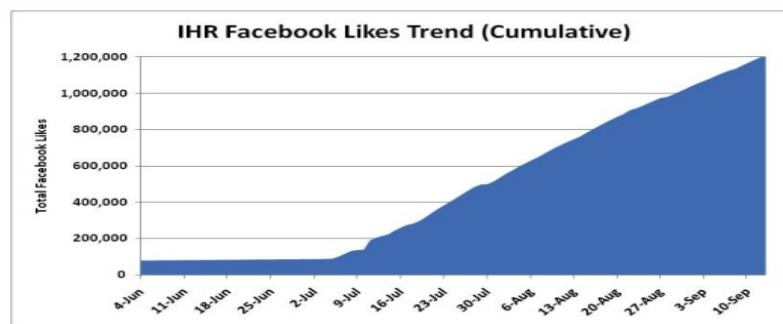
"How much time (HH:MM) per day do you spend using..."



Source: Edison Research, "The Social Habit" (2010)

Radio can also drive effective social engagement via national promotions- iHeart music festival. Clear Channel Radio announced the iHeartRadio Music Festival with teasers and a roadblocked announcement that reached 100MM people. Facebook fans went from 80,000 to 1,200,000 in days.

Radio Can Drive Effective Social Engagement Through National Promotions



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CLEAR CHANNEL 40