18 - Audio Streaming

How would radio and webcasters fare when Google and Apple barrel into streaming?

Posted by: Paul Maloney

Make way for the big boys.

"Companies like Google, Apple and Facebook are eyeing the streaming and on-demand music business now dominated by smaller niche companies such as Pandora and Spotify. When they do -- and most analysts agree it's really just a matter of time -- they could give nearly everyone the ability to listen to whatever they want, whenever they want -- and mostly for free," wrote San Jose Mercury News' Heather Somerville yesterday.

If true, this brings up a whole host of issues, some of which Somerville explores, like the impact on artists, consumers' relationship with music, and others. But where does it leave Internet radio: both pureplays like Pandora, and music broadcasters who'll rely more and more on digital efforts to grow? Smaller companies will have to become even more creative and agile to offer a value proposition the larger companies can't -- a sort of "boutique" existence, catering to niche and local audiences.

"There is no doubt that when companies this large enter into the field, it will be disruptive," Jonathan Handel, a media and entertainment attorney, told the paper.

WSJ: ESPN CONSIDERS PAYING CARRIERS TO KEEP CUSTOMERS MOBILE

5-9-13

The Wall Street Journal is reporting that ESPN is considering a plan to pay wireless carriers for the mobile content used by subscribers. When users reach their data limit, they log off to avoid overage charges. That also means they will no longer see mobile ads being served up by companies like ESPN. The Journal says ESPN is discussing, with at least one carrier, subsidizing connectivity on behalf of users.

The company would pay a carrier to guarantee that people viewing ESPN mobile content wouldn't have that usage counted toward their monthly data caps. According to the Journal report, ESPN has received feedback from at least one big carrier that significant numbers of its mobile users reach their monthly cap before the end of the month, after which their usage drops off.

The ESPN digital brand is huge. According to the Journal, ESPN now has 45 million digital users, including about 16 million that access ESPN content exclusively from mobile devices. The mobile offerings include a website with news and streaming video, and a host of mobile apps, including WatchESPN which streams the live signals from ESPN's TV channels over the Web. ScoreCenter, its top mobile app, has been downloaded more than 40 million times. Over the last three years, ESPN's average users per day on mobile Web and apps has more than tripled, from 3.2 million in 2010 to more than 10.3 million so far this year.

New FM-enabled smartphones expected within 60 days. New smartphones equipped with FM radio receivers could be available as soon as this summer. "We believe that we'll have phones in the market probably in the next 60 days," Emmis CEO Jeff Smulyan said yesterday on a conference call in response to a question about when the Emmis-engineered NextRadio app would launch. Smulyan didn't mention Sprint by name and an Emmis spokesperson said later that the company has a non-disclosure agreement with the wireless provider. The radio industry in January committed \$45 million in advertising inventory to Sprint over three years to get FM on 30 million Android and Windows smartphones. Brokered by Smulyan, the deal revolves around the NextRadio app which will allow listeners to access and interact with FM broadcasts. Smulyan is optimistic that consumers will embrace the new technology. "If the American public responds as we hope they will, and they see radio can perform in a whole new light on a device they carry with them, we think it's a game changer for the industry," he said. Smulyan said it will increase radio listening and could create "a tremendous amount of new revenue" for the industry through enhanced ads enabled by the app's IP-connection. "Radio needs a shot in the arm," he said. suggesting that it will change both the trajectory and perception of the industry. "Most of my peers in the industry feel the same way," he said, adding that the initiative has received "near unanimous support

Online radio crosses mobile threshold. New Triton Digital listening data confirms it's a mobile world for online radio. More than half of internet radio listening (56%) occurred on mobile devices in March, up from 46% one year earlier. Mobile consumption was the fastest growing online audio segment in March. But pureplays are growing mobile audiences faster than broadcasters. Mobile listening to pureplays during the Monday-Sunday, 6am-midnight daypart leapt 23% from February to March while broadcast streams had a 5% increase. In January, Triton showed broadcast radio streams with an 80/20 split in favor of listening on desktops, while pureplay publishers tracked in the opposite direction with a 70/30 split in favor of mobile listening.

Video streaming consumes at least 7x the bandwidth as audio streaming

Hispanics listen to online radio more By cmarcucci on Apr, 22 2013 with Comments 0

Findings from a top ten market study reveal that 32.7% of all Hispanics have logged on in the past month to an Internet radio website such as Pandora, iHeartRadio, Radio.com or Slacker.com. The figure represents 4.2 million Hispanic Internet radio listeners in The Media Audit's top ten markets. Top ten markets for the Media Audit study include New York City, Los Angeles, Chicago, San Francisco, Dallas, Houston, Boston, Philadelphia, Washington, D.C. and Atlanta.

Among all adults in the same top ten markets, 22.8% reported having listened to Internet radio within the past week, making Hispanics 35% more likely to be listening to Internet radio when compared to the general population.

Among Hispanics in the top ten markets, 28.7% reported having logged on in the past month to Pandora Radio, while 8.4% logged on to iHeartRadio.com, and 1.9% logged on to Radio.com.

Additionally, 29.8% of Hispanics listened to Internet radio in the past week, suggesting nearly the same amount are logging on weekly as they are in a typical 30 day period.

While some terrestrial radio stations do better than others in terms of converting weekly listeners to loyal frequent listeners, it would appear that Internet radio is headed in a positive direction, says the report. With 91% of Hispanic monthly Internet radio visitors listening on a weekly basis, the preliminary data suggests that many Hispanics are becoming loyal to Internet radio listening.

The findings reflect the growing importance of this segment, as Hispanics now total 50.5 million or 16% of the total U.S. population who are of Hispanic or Latino descent, according to the most recent 2010 Census data. The data is also significant because Hispanic Internet radio listeners in those markets represent slightly more than half of the estimated 8.2 million total Hispanic Internet radio listeners across the 69 markets in which Internet radio data has been measured and reported.

The numbers show dramatic change in Hispanic Internet radio listening behavior from a year ago, when only 13.5% of Hispanics listened to Pandora Radio. As a result, the year over year growth rate is 142% for Hispanics accessing Pandora Radio. Furthermore, only 3.9% of Hispanics accessed iHeartRadio in 2011, resulting in a 182% increase in monthly visits year-over-year, while access to Radio.com increased 52% during the same period.

The study also found that among top Hispanic radio markets, Pandora and iHeartRadio remain competitive when compared to Hispanic-programmed local radio stations that heavily focus on the Hispanic market. In LA, 25.9% of the metro area's 3.9 million Hispanics reported having listened to Pandora Radio within the past week, a figure that

represents more than 1 million weekly listeners and topping weekly listening of all Hispanic-programmed stations or radio clusters. In the NYC metro area, Pandora reaches 34% of the metro area's 3.2 million Hispanics weekly, followed by 17.1% who listened to iHeartRadio within the past week. The weekly figures represent more than 1.1 million weekly listeners for Pandora, and 560,000 weekly listeners for iHeartRadio.

Among Miami's 1.7 million Hispanics, nearly one in four listened to Pandora Radio within the past week, again ranking the service number one among all Hispanic-programmed stations or radio clusters. Combined with the fact that more than half of Hispanic consumers are now accessing web content via a smart phone or a connected device such as an IPad, the findings suggest a narrowing digital divide between Hispanics and Caucasian consumers, thus making them more attractive to mobile and digital marketers. According to Pandora Radio, more than 75% of Pandora's listening occurs on a mobile or other connected device. It is estimated that by 2050, the number of Hispanics in the U.S. will grow to 132.8 million, strengthening the group's collective purchasing power which is estimated to reach \$1.4 trillion in 2013.

According to The Media Audit, areas in which Hispanics will have a strong economic impact include groceries, automotive, furniture, and clothing. Findings:

- -One in four U.S. consumers planning to buy a home in the next two years are Hispanic
- −19.2% of all U.S. consumers planning to buy a new or used vehicle in the next 12 months are Hispanic
- -Nearly half of all Hispanics spend \$150 or more per week on groceries, a figure that is 18% higher when compared to the general population As a result of typically having larger families, Hispanics in the U.S. are 34% more –likely than the general population to frequently purchase children's clothing
- 21% of Hispanics plan to buy furniture within the next 12 months, while 19.4% plan to remodel their home.

A Fourth of Americans Age 6 to 34 Are Hispanic

According to a new report from Experian Marketing Services, the largest racial/ethnic minority group in the United States, the Hispanic population, is only growing larger. In 2012, 16% of Americans age six and older identified as Hispanic or Latino, up from 14% in 2006. While the Hispanic population is increasing in share across all age cohorts, the fact that Hispanics already represent a much larger share of younger cohorts foretells even greater growth and influence in the years to come. Nearly a quarter of Americans age 6 to 34 today are Hispanic compared with less than 10% among those age 50 and older.

Hispanic households account for 10% of all discretionary spending in the United States, with annual expenditures of \$164.2 billion on non-essentials in 2012, up from \$143.9 billion in 2011. In fact, discretionary spending of Hispanic households grew 14% in the past year while spending among non-Hispanic households remained relatively flat.

Regionally, Hispanic households in the South and West control a much larger share of the region's total expenditures on non-essentials than in the Northeast and Midwest.

Hispanic Internet Radio Listening Survey

As the percent of Hispanics who use mobile devices continues to climb, even more impressive is Internet radio's reach with the growing Hispanic market. Findings from a top-10 market study reveal that 32.7% of all Hispanics have logged on in the past month to an Internet radio website such as PANDORA RADIO, iHEARTRADIO, RADIO.COM or **SLACKER.COM.** The figure represents 4.2 million Hispanic Internet radio listeners in THE MEDIA AUDIT's top-10 markets. Additionally, THE MEDIA AUDIT found 29.8% of Hispanics listened to Internet radio in the past week, suggesting nearly the same amount are logging on weekly as they are in a typical 30-day period. While some terrestrial radio stations do better than others in terms of converting weekly listeners to loyal frequent listeners, it would appear that Internet radio is headed in a positive direction. With 91% of Hispanic monthly Internet radio visitors listening on a weekly basis, the preliminary data

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Top Internet Radio Stations

Among Hispanics in the top-10 markets, 28.7% reported having logged on in the past month to PANDORA, while 8.4% logged on to iHEARTRADIO and 1.9% logged on to **RADIO.COM**. The preliminary findings reflect the growing importance of this segment, as Hispanics now total 50.5 million or 16% of the total U.S. population who are of Hispanic or Latino descent, according to the most recent 2010 Census data. The data from THE MEDIA AUDIT's top-10 markets is significant because Hispanic Internet radio listeners in those markets represent slightly more than half of the estimated 8.2 million total Hispanic Internet radio listeners across the 69 markets in which Internet radio data has been measured and reported.

Year-Over-Year Growth in Internet Radio

The figures represent a dramatic change in Hispanic Internet radio listening behavior from a year ago, when only 13.5% of Hispanics listened to PANDORA. As a result, the year-over-year growth rate is 142% for Hispanics accessing PANDORA. Furthermore, only 3.9% of Hispanics accessed iHEARTRADIO in 2011, resulting in a 182% increase in monthly visits year-over-year, while access to RADIO.COM increased 52% during the same period.

Commenting on the findings, NANCY HAYNES, principal at CHARLOTTE-based COLLINS, HAYNES AND LULLY advertising agency said "I am pleased to learn that Internet radio is increasing so rapidly for Hispanic listeners, though it's not surprising considering the enormous amount of advertising done by Smartphone providers. My agency has been testing PANDORA in this first quarter of 2013, with very high response according to GOOGLE. This new TMA data encourages me to consider a Spanish-language version of our client's message, going forward."

Internet Radio Competitive In Top Hispanic Markets

The study further found that among top Hispanic radio markets, PANDORA and iHEARTRADIO remain competitive when compared to Hispanic-programmed local radio stations that heavily focus on the Hispanic market. In LOS ANGELES, 25.9% of the metro area's 3.9 million Hispanics reported having listened to PANDORA within the past week, a figure that represents more than 1 million weekly listeners and topping weekly listening of all Hispanic-programmed stations or radio clusters.

In the NEW YORK CITY metro area, PANDORA reaches 34% of the metro area's 3.2 million Hispanics weekly, followed by 17.1% who listened to iHEARTRADIO within the past week. The weekly figures represent more than 1.1 million weekly listeners for PANDORA, and 560,000 weekly listeners for iHEARTRADIO.

Among MIAMI's 1.7 million Hispanics, nearly one in four listened to PANDORA within the past week, again ranking the webcaster #1 among all Hispanic-programmed stations or radio clusters.

Combined with the fact that more than half of Hispanic consumers are now accessing web content via a smart phone or a connected device such as an iPAD, the findings suggest a narrowing digital divide between Hispanics and Caucasian consumers, thus making them more attractive to mobile and digital marketers. According to PANDORA RADIO, more than 75% of PANDORA's listening occurs on a mobile or other connected device.

It is estimated that by 2050, the number of Hispanics in the U.S. will grow to 132.8 million, thus strengthening the group's collective purchasing power, which is estimated to reach \$1.4 trillion in 2013.

Katz pegs Pandora audience as much smaller than what webcaster claims. Pandora says it had 8.05% of total U.S. radio listening in March from 69.5 million active users. That's an increase from 5.73% a year ago. But Katz Radio Group has run its own analysis of the ratings data, and says those numbers appear to be inflated. By Katz analysis, digital listening represents only 7.6% of audio consumption — and Pandora's share is closer to 4.4%. Pandora has repeatedly declined to reveal the formula for how it comes up with its monthly statistics. Katz says it used a combination of Arbitron and Triton Digital data. While that's not ideal, EVP Mary

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Beth Garber says it's meant to be a "reality check" against some of what the webcast pureplay has been feeding to investors and advertisers. "What they've been putting out is smoke and mirrors at best,"shesays. Pandora hasn't beensubtle in its positioning. As the company announced its yearend earnings last month, former CEO Joe Kennedy said it was the "number one radio station in virtually all local markets." He didn't say how he calculated such a figure. Katz says the numbers show 92.4% of all listening is done to FM/AM broadcasts. "Digital is great, it's growing and we intend to keep it growing," Garber says. "But there's not much out there that measures digital, and what there is shows this is what is true."

TargetSpot Delivers Audio Ads For Xbox Music

by Erik Sass, Yesterday, 5:26 PM

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Tags

advertising, internet, radio, xbox

TargetSpot has added Xbox Music to the list of affiliates for its digital audio advertising network, the company just announced. The partnership gives TargetSpot advertisers access to streaming audio inventory delivered via Microsoft Xbox consoles as well as Windows 8 and Windows RT tablet computers and PCs, and Windows Phone 8 mobile devices.

According to the Digital Audio Benchmark and Trend Study conducted by Parks Associates, over one-third of people who listen to Internet radio also tune in via a connected TV device, including Xbox console setups. Some 42% of U.S. households

with broadband access listen to Internet radio, and 22% of these have a household income over \$100,000.

Overall, the size of the U.S. Internet radio audience is expected to increase from 147.3 million in 2013 to 176.5 million in 2016, according to separate data from eMarketer, representing an increase from 46.1% to 53.7% of the total U.S. population.

On the advertising front, 58% of online radio listeners can recall having seen or heard an online radio ad in the last 30 days. The TargetSpot network allows advertisers to target listeners using a variety of factors, including geography (to the ZIP code level), time of day and listening preferences.

In addition to the Xbox Music service, the TargetSpot digital audio network currently counts over 85 online partners, including broadcast radio groups and pure-play digital audio platforms like CBS Radio, ABC News Radio, Univision, Entercom, Live 365, and Slacker. In February, TargetSpot announced that it had added six new pure-play partners: Songza, Radionomy, just hear !t, Thefuture.fm, Soundtracker and HulkShare.

Back in November, Xbox announced that Triton will serve audio advertising for Xbox Music, as well as provide measurement, campaign management and ad insertion technology to allow delivery of contextually appropriate ads.

In June 2012 Microsoft announced a deal to offer the Slacker Radio app for free via the Xbox Live Marketplace for Gold subscribers. Back in 2011, Clear Channel struck a deal with Microsoft that brought its iHeartRadio application to the Xbox Network.

By cmarcucci on Apr, 8 2013 with Comments 0

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Aha by HARMAN and CBS Radio News announced a partnership that streams audio versions of the network's most popular news programming and top podcasts to people in cars. Drivers can safely listen to the CBS Evening News, 60 Minutes, Face the Nation, World News Roundup and more from CBS News, never missing out on their program because they are stuck in traffic or on the go. In addition, users can now also get the latest news whenever they need it, just by navigating to the CBS Radio News 24/7 stream, which incorporates all the latest news with a variety of fascinating feature content.

Here's how it works: After downloading the free Aha app for iPhone or Android, users can search, select and organize their top stations from more than 30,000 choices. When Aha is connected to a compatible in-vehicle entertainment system, the users' favorite Aha stations become radio preset buttons, so drivers can put down the phone and browse stations just like traditional radio. When they exit the car, users can seamlessly continue enjoying their content with their smartphone.

"Millions of CBS fans spend significant time every day in the car or commuting to work; Aha allows CBS News to be wherever they are, delivering high quality programming on any device, even in the car," said Harvey Nagler, Vice President of CBS Radio News. "Smartphones have shattered content boundaries and forever shifted consumer expectations toward an "always on" lifestyle. With Aha, CBS is on the cutting edge to deliver some of the world's most loved programming wherever our viewers go."

Top CBS Radio News podcasts such as What's In the News, CBS News Weekend Roundup and Reporters Notebook are also available as streaming audio stations with Aha. These programs are instantly available on demand to anyone with Aha's free app for iOS and Android.

Acura, Chrysler, Dodge, Ford, Honda, Jeep, Scion, Subaru and Porsche are the first brands to launch vehicles with Aha-compatible stereo systems this year. Alpine, Kenwood and Pioneer sell Aha-enabled aftermarket car stereos, as well as the Griffin iTrip Auto.

Younger Listeners Ditching AM/FM For Internet Radio (Study)

News

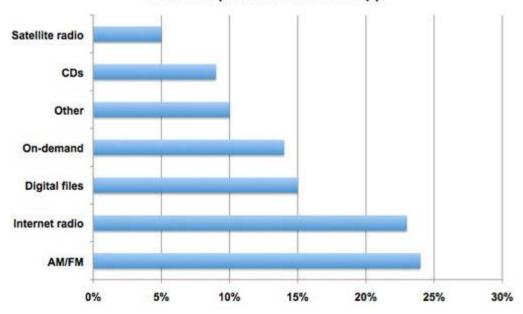
By Glenn Peoples, Nashville | April 02, 2013 8:55 PM EDT

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Internet radio and streaming services accounted for nearly four out of 10 minutes heard by young listeners in the fourth quarter, according to <u>new figures</u> released by the NPD Group.

Internet radio services like Pandora and iHeartRadio accounted for 23% of listening time for consumers between the ages of 13 and 35, up six percentage points from 17% a year earlier. Digital files took up 15% of listening time, while on-demand services such as Spotify accounted for 14% of listening time.

Share of Music Listening, Ages 13 to 35 Q4 2012 (source: NPD Group)



Mobile is a key part of Internet radio engagement. NPD found that more than half of Pandora and iHeartRadio listeners used their mobile phones to access those services. Time spent on mobile is another issue, however. In its "Infinite Dial 2013" study, Arbitron found that 18% of smartphone owners use the devices for Internet radio on a daily basis compared to 32% who use them daily to listen to downloaded music.

Listeners over 35 had different habits than the younger demographic, according to NPD. AM/FM radio accounted for 41% of listening. Internet radio accounted for just 13% of the older group's listening. AM/FM radio is indeed a format for the middle-aged. According to Arbitron, the heavy radio user has a median age of 42 and spends a self-reported six hours and 23 minutes per day listening to AM/FM radio.

NPD found that Pandora is used by 39% of listeners from ages 13 to 35 and has a big lead over other streaming services. iHeartRadio is second with 11%. The free version of Spotify is third with 9%. All others are in the low single-digits: Grooveshark at 3% and Slacker, Pandora One (the paid subscription service), TuneIn, Last.fm and Xbox Music each at 2%. Arbitron also found that Pandora has a wide lead over its competitors. The "Infinite Dian 2013" study found that 47% of smartphone owners had downloaded the Pandora app, while 15% had downloaded iHeartRadio and 6% had downloaded Spotify

Are You Still Getting Your Music From AM/FM Radio?

by Kecia Lynn



What's the Latest Development?

A survey of 7,600 Americans aged 13 and over by the market research group NPD revealed that, during the fourth quarter of 2012, 23 percent of the average weekly music listening time among teens and young adults (ages 13-35) was spent listening to Internet radio, up 17 percent from the previous year. Meanwhile, among the same group and during the same period, traditional AM/FM radio fell two points, to 24 percent of listening time. Among older adults, AM/FM is still strong, accounting for 41 percent of listening time compared to 13 percent spent listening to Internet radio.

What's the Big Idea?

Advertising

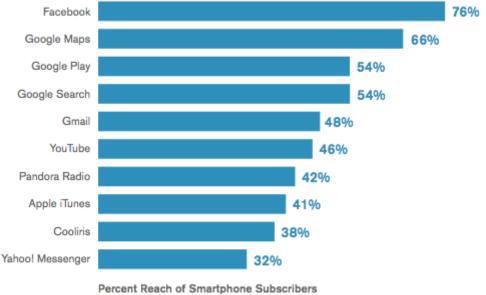
It may be too soon to sound the death knell for traditional radio, at least when it comes to audience numbers, but the impact of the Internet and mobile technology is undeniable, says NPD vice president Russ Crupnick. One service in particular, Pandora, enjoys 39 percent of total Internet radio listenership among teens and young adults. Other forms of music delivery, such as CDs and digital files, are decreasing in popularity. The survey also reports that 51 percent of teens and young adults most often listen to music in their cars, which Crupnick says points to the role of music -- regardless of its source -- "in the American driving and commuting experience."

The weekly internet radio audience now numbers 86 million. Fueled by the rise of smartphones, the online radio audience has been growing steadily since 2010. One in three Americans aged 12 and older now listen to some form of online radio on a weekly basis, an estimated 86 million people. But the vast majority of online radio listeners (8 in 10) also listen weekly to AM/FM radio while 2 in 10 (or 15.5 million) do not. Like Triton Digital's server-side listening data, the new Arbitron-Edison Research Infinite Dial survey shows Pandora continuing on an upward trajectory; one in five Americans said they listened to the web pureplay last week, up from 16% one year earlier. But the survey also shows iHeartRadio catching up — at least in terms of awareness. Clear Channel's all-in-one web radio service showed a significant year-overyear increase in awareness, growing from one-third of Americans last year to 45% this year, putting it closer to Pandora's awareness level (69%). There's a larger gap between the two in app downloads: nearly half of smartphone owners have downloaded the Pandora app versus 15% for iHeart, 9% for an AM/FM station app and 6% for Spotify. "Online radio is on a roll, and it's attracting new competitors in addition to new listeners," Arbitron SVP of marketing Bill Rose says. "It's crucial to have a strategy to cut through the clutter and make it easy for the audience to find you online." In addition to promoting their digital platforms on-air, Rose says broadcasters may want to consider cross-promoting their digital content on commonly-owned stations, such as sister stations in a market cluster.

NPD Group: Internet radio neck-and-neck with AM/FM among younger listeners. Arbitron and Edison Research didn't break out web radio listening by age groups in their new survey but a new study by NPD Group shines a light on the demographics of streaming audio listening. Free and subscription-based internet radio services accounted for 23% of the average weekly music listening time for consumers aged 13-35 in the fourth quarter, the market research firm reports. That's up from a market share of 17% the previous year. AM/FM radio maintained a razor-thin lead in the demo, grabbing 24% of music-listening time, down by 2 percentage points. Broadcast radio occupies a more dominant position in the 36+ demo with a 41% share versus 13% for internet radio. "Driven by mobility and connectivity, music-streaming services are rapidly growing their share of the music listening experience for teens and young adults, at the expense of traditional music listening methods," NPD SVP of industry analysis Russ Crupnick says. So who's winning the web radio war so far? Four in ten respondents aged 13-35 report using Pandora, compared to one in ten for iHeartRadio and one in ten for the free version of Spotify.

Smartphone users like to use the devices to listen to music, and that's a trend that is on the upswing, according to new information from **NPD Group**. 56% of smartphone users listen to music on their devices, with 39% of them doing that daily. Of those, they mostly listen to Internet radio (65%), but also stream on demand services like **Spotify** or **Rhapsody** (30%) and listen to their own music (it's not clear whether it's on the device or streamed from a cloud service) as well.

Music listening on mobile devices extends to tablets as well, with 40% of tablet users listening to music on those devices.



LAUNCHPAD AND EDISON TO MEASURE PODCASTS

2-13-2013

Norm Pattiz's company, Launchpad Digital Media, has hired Edison Research to create standard metrics to measure podcasts. Edison will collect and audit data from all Launchpad podcasts and generate monthly figures. Pattiz, who is a keynote at Convergence next month, said, "We formed Launchpad to apply proven, successful monetization methods to the expanding world of on-demand digital media. To do that you need to speak the advertisers' language. These new metrics will put the sizable podcast audience in terms advertisers can understand and utilize effectively."

Edison Research President Larry Rosin said, "We are excited to begin this new relationship with Launchpad Digital Media. The metrics Edison will be providing will further help legitimize podcasting for advertisers and help emphasize its growing prominence as a platform for listeners to consume and control their content."

Launchpad is a division of Norm Pattiz's Courtside Entertainment Group and currently represents ondemand and streaming podcast programming, which delivers over 90 million downloads every month.

Internet radio trumps on-demand services among smartphone users. Mobile devices are increasingly being used as portable music players but it's free internet radio services like Pandora and iHeartRadio that are seeing the most action. Six-in-ten smartphone users say they use the device for music listening. Within that group, two-thirds report using free internet radio — more than double those using their smartphone for on-demand services like Spotify. More than half say they're using the device more for music compared to a year ago. Tablets, too, are being used as portable music players more often. NPD director of industry analysis Ben Arnold credits "the app ecosystem" for making it easy for portable device users to connect to internet radio. Smartphones and tablets have freed web radio listening from a fixed position like a desktop to anywhere there's

a 3G or 4G connection. That's turning web radio into a portable soundtrack for everyday activities. Services like iHeartRadio have jumped on the trend by offering web-only stations designed to accompany a specific activity. Consumers are also matching the device to their listening activity or environment, such as using a small MP3 player at the gym, a smartphone while walking around the mall, or a tablet while computing at Starbucks. "We have more opportunities to listen to music and different devices fit those opportunities better than they used to," Arnold says.

Radio faces a new TSL reality. Though radio's cume remains remarkably steady at 92% of the U.S. population, time spent listening among persons 12+ dropped by 3.2% from April 2010-March 2012, according to Arbitron RADAR data, The decline may be slightly inflated since 15 of the 240 markets measured by RADAR were transitioning to PPM in 2010. The data shows TSL declines appear to be larger among younger demos. That may sound alarming, but CBS Radio SVP of programming Greg Strassell doesn't believe it's a universal problem. "The big brands that do it well are holding TSL," he says pointing to young adult L.A. powerhouses like KROQ, KIIS and KPWR, where year-over-year TSL is holding steady or growing. To remain relevant to younger listeners, Strassell says radio must not just reflect the buzz but help create it. Radio is hardly alone in confronting digital disruption. In the past year, three of the big four broadcast TV networks experienced audience drops ranging from 2% to 8%, according to Nielsen. And the percent of U.S. adults who say they read a newspaper yesterday (print or online) has declined steadily to 43%, according to Scarborough. More fragmentation is a virtual certainty. "You will see satellite. Pandora and Spotify decline as more entertainment becomes available." Entercom SVP of programming Pat Paxton says. Emmis CEO Jeff Smulyan believes some listening has shifted over to radio's digital platforms. "We live in a fragmented world and people have more choices," he savs.

More digital choices are expanding the radio landscape. Radio's first inclination may be to wave the finger of blame for TSL declines at internet radio, and there's evidence it is a factor. Web radio has exploded during the past four years, experiencing a 243% increase in domestic Average Active Sessions from 2009 - 2012, according to Triton Digital data. With smartphone penetration gaining critical mass, internet radio hit a dramatic inflection point in late-2011 as listening sessions skyrocketed 60% from third quarter 2011 to fourth quarter 2012 (see chart). The issue may not be whether listening to streaming is cannibalizing broadcast radio but rather how much it is increasing listening to broadcast radio brands. "Overall audio listening is increasing as more options are available to the listener." DTE Research CEO Dr. Tom Evans says. "It does not mean that a listener decides to switch to one device over another as much as new options make for easier listening." For example, a sports fan may listen to his local ESPN Radio affiliate when he's in town but tune to ESPN Radio on satellite radio when he can no longer pick up the local station on his car radio. A KIIS-FM, Los Angeles listener may tune to the station in the car but listen to the station stream on her smartphone or desktop computer at work. In both cases the brand is increasing its listening but may not receive full credit for it in Arbitron ratings.

Radio's inherent strengths hold key to winning against new competitors. Digital platforms have made it easier for listeners to spend more time with radio while swinging the door wide open to new competitors. In December web pureplays accounted for 78% of all U.S. web radio listening measured by Triton Digital, compared to 22% for broadcast streams. That's practically an inverse from three years ago

Although it launched in 2006, today is the first time Slacker has focused on a concentrated effort to market the company, rather than its offering. Jim Cady, its CEO, says that over the years, it has been quietly building a scalable business that now has more than 500,000 paying subscribers and over 4 million monthly average users. He believes that 2013 will be a "blockbuster" year as it seeks to finally ramp up its marketing initiatives and expand its audience

Cloud Based Ad Insertion Enhances Targeting for Streaming Broadcasters

Posted: 21 Feb 2013 05:24 AM PST

Abacast has announced a new cloud based <u>ad insertion</u> technology that offers significant enhancements to streaming broadcasters. Generally, broadcasters deliver their online audio product in a single stream where all listeners are hearing the same thing at the same time. This is different than the technology that more interactive services like <u>Pandora</u> use, where each listener is hearing a personalized stream. The single stream approach, while cost efficient, has offered limited targetability of ads. With Abacast's patent pending cloud-based ad insertion, each listener can receive individualized in-stream audio ads.

ESPN's Digital Audio division will use the system to enhance the targetability of audio ads across its platform, "targeting listeners by device, location, age and gender in real time across live national broadcasts." Abacast's targeting capabilities make it possible to choose options that, for example, include "all smartphone listeners," "all listeners in the top 20 DMAs that are on iPhones," "all male listeners in the 25-34 age range in a group of zip codes," "all listeners listening on the TuneIn player," and more, according to Rob Green, Abacast CEO. Abacast's cloud-based ad insertion is specifically designed for all broadcaster sizes and is deployed on the Abacast streaming network as well as on Akamai and Amazon.

"This was a huge hole in the radio industry," **ESPN Digital Audio senior manager Blair Cullen** told <u>Adweek</u>. "Before, it was one stream to thousands of people, and it didn't make sense that we were targeting women with a lot of the ads that were running. Now, hundreds of thousands of people are going to get different ad breaks. You could be in the same car as your friend wearing different headsets, and you'll still be served a different ad than that person," he said.

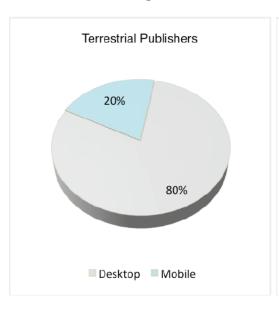
This is impressive news from Abacast that has game changing potential for single stream broadcasters with large, geographically or demographically diverse audiences. More targeted ad delivery nets higher cpms, and positions those services to better compete for digital dollars.

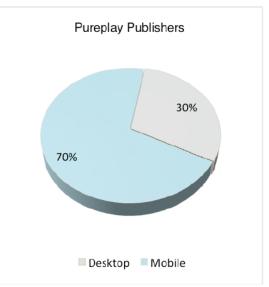
Arbitron pegs radio's digital web cume at more than 5 million. While it continues to have a long, drawn-out dialogue with its customers about measuring listening across platforms, Arbitron for the first time has broken out digital listening data from its national network radio ratings service. Data from the new RADAR 116 report shows HD Radio multicasts reach 3.6 million persons aged 12+ and that the online streams of AM, FM and HD stations pull in 5.4 million 12+ listeners during an average week. Adults aged 18-49 make up the majority of the streaming audience, numbering 3.5 million people in an average week.

The streaming estimate is dramatically lower than the 76 million weekly online radio listeners that Arbitron and Edison reported one year ago in their annual Infinite Dial study but that larger number reflected both pureplays and broadcast streamers. Methodological differences could also be at play. The Infinite Dial study is specifically intended to probe listening on emerging digital platforms and involved a telephone survey of 2,020 people. The new RADAR data is culled from Arbitron's syndicated measurement service and involves a roughly 50-50 mix of PPM and diary survey data from 395,844 persons aged 12+ over a one-year period.

Insight & Trends

The January 2013 Ranker followed the listening trends of 2012 in terms of device consumption. Terrestrial publishers showed an 80/20 split in favor of listening on desktops, while pureplay publishers tracked in the opposite direction with a 70/30 split in favor of mobile listening.





However, terrestrial publishers did see an 18% increase in mobile listening in January. which was the fastest growing sector of the month. Pureplay desktop and mobile listening remained relatively consistent at a 2% and 3% gain respectively.

Live-stream Song Skipping Explained

radioinfo | March 5, 2013

By Jim Kott Senior VP, Products and Marketing Abacast, Inc.

(When Abacast announced its upcoming song-skipping feature for live radio streams several weeks ago, RadioInfo publisher Michael Harrison had originally criticized the concept in a short article as detouring from radio's traditional role as a programmed, one-to-many service. We reached out to him to clear up some misunderstandings and explained how we view this feature as benefiting not just the listener but the broadcaster. He then invited us to write this article to explain the feature and our thinking on it in more detail.)

VANCOUVER, WA — In mid-February we were excited to announce the upcoming beta release of our new song-skipping feature for live radio streams. This feature will enable listeners to skip songs that they don't want to hear when listening to live radio online. The announcement generated a fair amount of publicity as well as some questions as to how it works and what the ramifications are for the radio industry, the program director, the audience, and more. In this article I'll explain why we think this feature will be beneficial to the radio industry, how it works under the covers, the controls we are providing PDs around this feature, and how we view it being used.

What's Great About Radio

As we all know, competition to broadcast radio has proliferated recently with playlist services like Pandora and Slacker. Today, consumers have more options for listening to the music they love and discovering new music than they ever had in the past. The ability to have some control over the music—emphasizing music that they like and avoiding music that they don't—has proven to be a very appealing feature to audiences, and as a result Pandora and its peers have built up sizable audiences.

However, when we talk to consumers about what they like about traditional radio, there are key differentiators that radio has over the playlist services. Listeners like the live aspect and immediacy of radio. They like local content relevant to them and their community. Finally they like the on-air personalities and the narrative they create and information they relay about the music and the happenings in the community and world. These three things – live, local content woven together by on-air personalities—are the core differentiators that traditional radio has over today's playlist services.

Digital Provides New Capabilitie

The great thing about digital delivery of radio is that it enables radio to maintain its differentiators over playlist services, yet it provides additional capabilities that radio can take advantage of. With an eye towards enabling traditional radio to do what it does best yet capitalize on new capabilities in digital (and give consumers what they're asking for), we developed our live stream song-skipping technology.

Hammer Time

In short, our live-stream song skipping technology (admittedly a mouthful and thus code-named Hammer) gives listeners the ability to skip songs that they don't want to listen to. Hammer works on top of Abacast's patent pending Cloud Insertion and Personalized Live Radio technologies. When a listener chooses to skip a song that is currently being played, another song from the station's playlist will be played immediately and in its entirety for that listener. Hammer's individualized buffering and insertion functionality ensures that the rest of the stream, including songs, DJs, and commercials, is played seamlessly and in its entirety as well.



Benefits to Broadcasters and Advertisers

When listeners have the ability to skip songs that they don't want to hear, we believe that broadcasters will benefit from increased listening times as well as audience growth. One could argue that there has always been song skipping technology – just change the channel! However, that is one less listener for that broadcaster. With Hammer they'll instead be able to skip the song but remain on the station. Consumers have indicated that they love the ability to skip certain songs, and we think they'll favor services that offer this capability. We plan on releasing detailed listening time and audience size metrics at or shortly after we release this feature in Q2 2012.

As part of this feature we'll offer some new advertising opportunities that should appeal to advertisers. For example, if someone chooses to skip a song, you know that they are engaged with the player and that they may be a candidate for a visual ad or a visual branding experience.

Benefits to Listeners

Consumers for the most part don't want to constantly fiddle with their content—they want to just lean back and enjoy it. In today's digital world however, they also expect some level of control. We see live-stream song-skipping technology as giving consumers a level of control. Not to constantly fiddle with the content, but to just skip a song every once in a while that they're tired of hearing, is by an artist they don't care for or just don't want to listen to for whatever reason.

What About the "Radio Experience"

When we announced our song skipping technology, we heard from some in the industry that this feature just wasn't what radio traditionally is—a one-to-many model programmed for mass audiences. Giving people the ability to selectively skip songs from a well thought-out playlist is a departure from the way things have been done in the past.

We heard from other people that this feature de-emphasizes and marginalizes the job of the program director . Since the PD takes a lot of time programming the songs why are we enabling listeners to just skip them?

We realize that this feature is a departure from traditional one-to-many broadcast radio. We are thus building controls into the system to allow broadcasters to experiment with it to see how it works best for them. Songskipping can be day-parted so that it is only available during certain days or hours. This allows broadcasters to get comfortable with it and get audience feedback at their own pace.

Also, certain songs can be designated by the PD as non-skip able. We call these "sticky" songs, and they can be power songs that the PD wants everyone to hear or artists that promotions are being built around.

A key benefit for PDs will also be the data that we'll capture for them from the service. This will be real data, not surveys, that shows what songs are being skipped by audiences and at what frequency. This can only make their programming better.

We believe that stations will start out with tight controls as they get used to this capability. They'll probably start out with tight day-parts to see how it's used and designate many songs as sticky (non-skip able) until they get comfortable with it. Ultimately however, we feel that as they see consumers using this feature (as they do on other digital audio services) and listening times increase, they'll open up the feature to broad use.

What About Royalties?

Because performance royalties must be paid any time any portion of a song is heard, the question we've gotten is "won't royalties be higher as a result of this feature?" Yes, royalties must be paid if any part of a song is heard. Because of this we will limit the number of skips in a session or in an hour. We are thinking the number will be somewhere between three and six skips an hour but will be doing extensive testing on this during our Q2 beta. We can also choose to play an ad on a skip event after the first few skips to organically reduce the number of skips. We believe that a policy of allowing a reasonable number of skips per hour will ultimately be the thing to do to increase listening times, attract and grow audiences, and ultimately lead to more digital profits.

Contributing to Radio's Success in a Digital World

Abacast is focused on helping radio stations to compete and thrive in a digital world. In short, we think that live-stream song skipping is a revolutionary enhancement in the history and progression of radio. It enables radio stations to preserve their differentiators over playlist services – namely live, local content with engaging personalities – yet give the audience a measure of control that they are expecting nowadays. We look forward to our release in Q2 2012 and welcome any feedback or input on this service

CBS Radio turns to digital ad exchange to monetize streaming ad inventory. With some radio companies choosing a simulcast model to monetize their streams, CBS Radio is heading in the opposite direction. The company has become the first broadcaster to join Triton Digital's a2x ad exchange, which allows advertisers to buy inventory through real-time bidding and uses behavioral targeting. CBS has 127 broadcast radio stations and another roughly 200 online-only streams. The a2x ad exchange sells audio ads similar to how most web display and video advertising is transacted. When CBS or another audio publisher puts inventory up for bid, the purchase price for an ad impression is determined via a real-time auction rather than a predetermined fixed rate. The technology establishes a minimum price at which the impression can be sold for. It also relies on behavioral targeting — enabled by tracking cookies used by webcasters to collect information on the web activities, systems and devices used by their listeners — to deliver the most relevant ad to listeners, regardless of the content they're listening to. The goal is higher CPMs (cost per thousand impressions) for sellers and a more targeted buy with less waste for buyers. CBS Local Digital Media president Ezra Kucharz says the company will continue to sell digital audio ads through traditional sales means. Joining the exchange will "create additional demand" and allow it to "participate in a new revenue stream targeting mobile

Why Sprint's Adding Radio On Smartphones Matters

A message from Radio Ink Publisher Eric Rhoads

Yesterday while I was sitting at my desk, my cell phone made an alert noise (even though the volume was turned down) and an Amber Alert flashed on the screen. That reminded me of the need to put radio on mobile phones, not only so radio can entertain, but so alerts can go out to phones even when cell towers are down or not functioning, as during Hurricane Sandy.

Coincidentally, Ed Ryan yesterday <u>broke the story</u> that Sprint had announced that several models of Android and Windows smartphones will be enabled over the next few years with FM radio chips and the NextRadio platform, developed by Emmis Communications.

Though Sprint has already had offered some phones with FM chips in the past (I had it on my HTC Evo two years ago), this is the first time FM will be offered on a wide variety of devices.

Why is this a big deal? As I have <u>written in the past</u>, radio transmitters work when the power is down and when cell phone towers are not working. An FM chip can send emergency messages to all enabled phones during a storm, a power outage, or a national emergency. The cell companies can't do that without placing expensive generator plants at all cell tower locations, a virtual impossibility.

Additionally, some claim the carriers cannot possibly keep up with evergrowing bandwidth consumption, and this will allow radio listening on a phone without the need for streaming. Phones may soon be able to

transparently switch between streaming and a local radio signal, saving both bandwidth and battery life.

Radio's big win here is that now we have expanded our potential reach. We're in 100 percent of cars and now on more smartphones. Though it's only Sprint so far among the major carriers and won't include Apple devices, this sends a giant pro-radio signal to the marketplace, offering Sprint a competitive advantage until others catch up. After all, radio listening remains strong, and we will see increases in listening with the convenience of a radio in the pocket.

Will others follow? Hard to tell, but this is great news and a giant leap for radio, thanks to the leadership of Emmis CEO Jeff Smulyan, who has made this his top mission for the industry.

Last year *Radio Ink* and Dick Orkin's Radio Ranch made radio spots available to put pressure on wireless providers and consumer electronics manufacturers to offer radio in cell phones. Many stations are still running these spots, and they continue to be available here.

Though the battle to be on all mobile phones continues to be a lofty goal, congratulations are in order to Jeff Smulyan and his team.

Eric Rhoads

SMULYAN CONVINCES SPRINT THE FM CHIP IS COOL

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1-8-2013

The press release came from Sprint but the heavy lifting was done by Emmis CEO Jeff Smulyan. With a target date of May, Sprint customers will be able to listen to local radio stations without having to download an individual station app or use up valuable and expensive data.

Emmis and the NAB have been developing a tuner called <u>NextRadio</u>, which is expected to be available later this year. The tuner will be the "app" on the face of select Android and Windows smartphones that will allow consumers to listen to their favorite local radio stations. It will also enable the radio industry and Sprint to generate additional ad revenue.

Behavioral ad targeting comes to audio streaming. In a deal that could give broadcasters a better path to monetizing their station streams, Triton Digital has partnered with data management provider eXelate to integrate behavioral data into its ad-targeting platform. Triton says it will announce several broadcast and pureplay clients for the service in the coming weeks, along with participating agencies and advertisers. Efforts to monetize station streams have been

hampered by a lack of data on the streaming audience — beyond just simple listener counts due to reluctance among most broadcasters to require listeners to provide basic information about themselves through a registration process. Triton says its alliance with eXelate gets around that. Participating broadcasters and pureplays would use a tracking cookie to collect data about listeners. That info would be matched (in a privacy-compliant way) with data collected by eXelate and its data partners, then segmented across behaviors, demographics and online purchase intent. The result would allow the type of ad-targeting used in most online display and video advertising. Exelate data partners include Nielsen, Nielsen Catalina, MasterCard Advisors, Autobytel and Bizo, among others. Triton CEO Mike Agovino says the deal will be a game changer for how streaming audio ads are sold — and at what price. Moving away from the current broadcast radio sales model used by Triton and other ad networks to a targetable digital model will allow streamers to tap into digital agency ad budgets. That, he says, will cause current streaming Cost Per Thousand (CPM) rates to at least double from their current \$2-\$4 CPM range. "We've already prescreened the partners that we will be announcing in the coming weeks and have put deals in place that will validate the value of this inventory," Agovino says. "The technology will not enable purchase through this channel at less than a certain minimum bar."

Satisfying 80 Years of Consumer Desire

For Consumers - Live Radio Song Skipping

Listeners have wanted to skip songs ever since the dawn of radio. Let's face it, sometimes you're not in the mood to hear the current "it" pop song for the sixth time today. With Abacast's live stream song skipping, listeners can skip past songs they don't want to hear, finally giving them control of their live radio experience.

For Broadcasters - Longer Listening Times

Instead of listeners changing the channel when they don't want to hear a song, they'll now be able to simply skip past it. The key is that they'll remain on your station, lengthening average listening times.

Built on Abacast Patent Pending Cloud Insertion Technology

When a listener chooses to skip a song that is currently being played, another song from the station's playlist will be played immediately and in its entirety for that listener. Abacast's patent pending Cloud Insertion Technology provides individualized stream buffering and insertion functionality, ensuring that the rest of the stream, including songs, DJ's, and commercials, is played seamlessly and in its entirety as well.

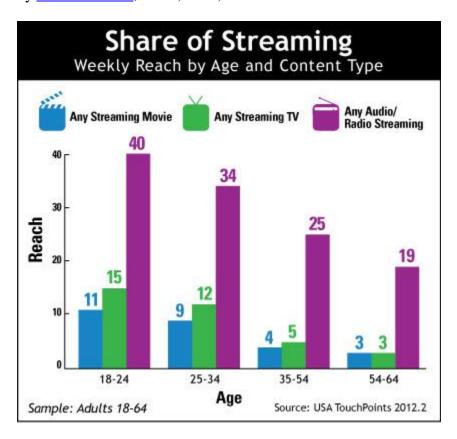
"We are excited to participate in the beta release of live stream song skipping. With consumers having more choices than ever today, we feel that song skipping will differentiate us from our competitors and more importantly provide our customers and clients a better listening experience. "

James Derby, Chief Strategy Officer at Federated Media

Song-skipping comes to broadcast radio streams. The ability to skip songs is one feature listeners like most about internet radio yet it remains MIA on most broadcast streams. Federated Media intends to change that by beta-testing a song-skipping technology on some of its station streams. The backbone comes from streaming services provider Abacast. When a listener hits the skip button on a broadcast radio stream, the system will immediately substitute another song from the station's playlist. Abacast says buffering and insertion functionality will ensure that the rest of the stream — including songs, DJ's, and commercials — plays in its entirety. Skips will initially be limited to about six per hour. With rampant consumer choice for streaming audio, Federated Media chief strategy officer James Derby says the feature will "differentiate us from our competitors and more importantly provide our customers and clients a better listening experience." A poll of over 41,000 Americans conducted by Alan Burns & Associates and Triton Digital found nearly two-thirds of listeners aged 34 and younger said they'd listen to radio more if they could skip songs. Abacast SVP Jim Kott expects the technology to "lengthen listening times and grow audiences." He says the company will release average listening time and audience growth metrics after the skip feature is formally released in the second quarter.

The Whole Story: Behind The Buzz On Streaming Media

by Mike Bloxham, Feb 7, 2013, 7:30 AM



Streaming video has gained significant attention in recent times as the market continues to grow. This USA TouchPoints analysis looks at the extent to which TV, Movie and Radio/Audio content is streamed in the average week by different age cohorts.

Interestingly, the results clearly show that while the majority of industry buzz is around

streaming video, in all age groups analyzed, TV and Movies (individually and combined) were outstripped by the total reach of streaming Radio / Audio.

While this may seem counterintuitive to some, a possible explanation may be a plus of audio content -- it does not require fixed attention or even for the individual to remain in place. Also, Radio and any other kind of streaming can be done on the computer while working on the same device -- whether for the purpose of providing background music, sports commentary or other forms of talk-based content.

Services such as Pandora will also account for some of this sector.

The difference between streaming TV Movies was never more than 4% (in the 18-24 cohort) and that difference diminished steadily until both TV and Movies attained the same reach (3%) among the 54-64 year-olds.

Across all three types of content, we see the expectation that younger cohorts will engage more in these sorts of behaviors. The result is that reach among the 18-24 year-olds is highest -- 11%, 15% and 40% weekly reach for Movies, TV and Radio/Audio, respectively. Then, the decline in reach is steady and consistent as we look at increasingly older age groups, with hierarchy of reach remaining constant throughout.

Recall and response to streaming audio advertising up sharply study shows. As broadcasters strive to convert digital dimes into dollars, they can tout new research demonstrating a dramatic improvement in a pair of metrics important to advertisers: ad recall and response. Nearly six in ten internet radio listeners (58%) recall having seen or heard a web radio ad in the last 30 days, up 12% from last year. Of those who remembered an ad, 44% responded to it in some way, up 10% from a year ago. The findings are from newly released results of a TargetSpot-commissioned study by Parks Associates of 1,000 adult U.S. internet radio listeners in broadband households in January. While the most common ad response was visiting the advertiser's website (20%), responses went beyond the click to include searching online for more information about the advertised product or service (17%) or becoming a fan or clicking "like" (12%). "Traditionally, terrestrial radio has always been a high-engagement medium," Internet Advertising Bureau (IAB) VP Michael Theodore says. "Digital audio cranks up the volume of engagement, so to speak, and as a result the audience becomes even more involved and engaged. And when content is customized and advertising is targeted, consumer attitudes and behaviors can change dramatically." When it comes to getting listeners to respond to web radio advertising, relevance is the name of the game, the study finds. More than half of listeners who don't normally click on ads (52%) say a relevant ad might lead them to visit an advertiser's website later. And more than one-third (35%) of consumers who responded to a digital audio ad believe they were personally targeted. A majority of internet radio listeners don't mind ads if they think they'll get back something in return, the study finds. Six in ten (59%) like to get coupons, special offers or discounts

(59%) while more than half (55%) don't mind ads as long as they have free access to favorite stations. Nearly four in ten (37%) are willing to "like" an ad in order to receive discounts or special promotions for the product/service. Synchronized display advertising is another big response driver: three in ten (30%) are more likely to respond to an audio ad if there is an accompanying display ad on the web page.

Streaming equivalent of "button punchers" more likely to respond to ads. One of the raps against internet radio is that listeners minimize the player after tuning in, making all those synched banner ads and rich media content akin to that proverbial falling tree in the forest that nobody hears. But a Parks Associates-TargetSpot study debunks that myth: six in ten web radio listeners (61%) don't keep the player minimized and 67% indicate they often check the player to see the name of a song or artist. The act of changing stations frequently results in listeners seeing a new ad message and that appears to be helping improve both ad recall and ad response for webcasters. Listeners who use more than one internet radio site are 14% more likely to recall seeing an ad and 18% more likely to respond to an ad in some way than single-site listeners. They're also far more likely to feel ads are specifically speaking to them: Nearly 39% of respondents to internet radio ads who listen to multiple stations daily believe they are being targeted by ads, versus 21% of those who listen to only one internet radio station. With streaming consumption out-pacing monetization, the study could help webcasters turn their upside down business model around. It makes the case that the online audio audience is in the purchasing funnel: 57% say they buy products online while listening and 56% research products for future purchase. And that they create a ripple effect by sharing with their friends: six in ten visits social networking sites while listening. While privacy concerns have made digital advertising tricky for some companies, the survey finds consumers are less worried when it comes to internet radio. Two-thirds of web radio users say they're comfortable receiving ads based on their personal profiles. Seven-in-ten say they're okay with getting ads based on what they've listened to. The study offers a first peek into how listeners feel about sponsor-branded stations, such as iHeartRadio channels for Verizon, NBC and Supercuts. Not only do listeners say they're happy to receive branded stations and playlists from advertisers because they value the content, one-third (34%) said they're more likely to remember an advertiser if the media player has the advertiser's logo or design, 30% said that branded stations improved their perception of the sponsoring advertiser and 27% said they were more inclined to buy products from the sponsoring brand. Read the full survey report HERE.

By <u>Carl Marcucci</u> on Oct, 22 2012 with <u>Comments 0</u>

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TargetSpot, the largest digital audio advertising network, announced the results of its new study, conducted by Parks Associates. It unveils key, new insights about what drives response and engagement in digital audio advertising, and further illustrates the increasing effectiveness of the platform for reaching and interacting with consumers.

Key findings include the importance of perceived value for the listener, proper targeting and customized messaging in order to maximize advertising recall and response.

RBR-TVBR asked TargetSpot CEO Eyal Goldwerger: As companies like Google and Facebook are having issues monetizing mobile, how do the results of this study contrast with the problems they're having and show that what you're offering on mobile will be more appealing to agencies and advertisers?

"For many forms of advertising, we're moving from a large-screen, desktop environment to a small real estate on a small screen. It does not take a rocket scientist to realize that a large banner or video on a full screen will be more impactful. At the same time, audio is

absolutely uniquely primed for huge success in audio. In audio advertising, the user experience is identical—whether listening on a large computer or a smartphone—in-car, walking—you're still listening with the same pair of ears. Add to that captive user attention, geo-targeting, etc., and that is a very exciting proposition to our market."

He adds, "While people are listening on mobile phones, putting an ad in front of them is not very effective, because the listener also is mobile and usually not looking at the screen."

So it's true—small screens are not as effective with visual ads as the laptop or PC. With audio, it makes no difference what the size of the device is.

Back to the study:

Digital Audio listeners already derive additional value from their listening experience through the interactive elements that the medium provides. The same expectation applies to Digital Audio advertising: the majority of listeners don't mind ads if they think they will receive something in return. 59% of Digital Audio listeners like to get coupons, special offers or discounts; 55% don't mind ads as long as they have free access to favorite stations, and 37% are willing to "like" an ad in order to receive discounts or special promotions for the product/service.



Digital Audio's Advertising Trifecta - Consumer behaviors while listening:

Listeners are also happy to receive branded stations and playlists from advertisers because they value the content. In fact, 34% said they are more likely to remember an advertiser if the media player has the advertiser's logo or design, 30% said that branded stations improved their perception of the sponsoring advertiser and 27% said they were more inclined to buy products from the sponsoring brand.

Mobile devices provide another platform for advertisers to reach a receptive and everincreasing Digital Audio audience. 27% of Digital Audio listeners do not mind getting ads on their mobile device for products/services they are interested in and the same percentage does not mind being targeted based on their physical location.

Advertising to the interested

Digital Audio listeners are highly accepting of targeted advertising: 65% are comfortable receiving ads based on their personal profiles and 70% are comfortable receiving ads based on their Internet Radio usage and/or content preference. Additionally, listeners to multiple Internet Radio stations are 65% more comfortable being targeted based on their profile and 52% more comfortable being targeted based on their usage and content preferences than are single-site listeners.

Among listeners who responded to an Internet Radio ad, key demographic groups are more likely to believe ads were specifically targeted to them:



Targeted advertising content resonates with Digital Audio listeners because it speaks directly to specific audiences and appeals to their individual interests. Correctly targeting the listener is critical, as is the creative messaging, since 35% of consumers who responded to a Digital Audio ad believe they were personally targeted. Additionally, Internet Radio listeners who listen across multiple Internet Radio sites are even more likely to feel ads are specifically speaking to them compared to single-site listeners. Nearly 39% of respondents to Internet Radio ads who listen to multiple stations daily believe they are being targeted by ads, versus 21% of those who listen to only one Internet Radio station.

Digital Audio advertising effectiveness metrics indicate that recall and response are high and increasing year over year. 58% of Internet Radio listeners recall having seen or heard an Internet Radio ad in the last 30 days, up 12% from last year. Of those who recalled an Internet Radio ad, 44% responded to it in some way, up 10% from last year.

And, since one way Digital Audio users maintain a connection to their listening experience is by changing stations, it correlates that multi-site listeners are even more responsive to advertising: 66% recall seeing or hearing an Internet Radio ad, and of these, 52% responded to it in some way — 18% more than single-site listeners.

Relevance and proximity are key drivers of response. 52% of listeners who do not normally click on ads say that a relevant ad might lead them to visit an advertiser's web site later. 30% are more likely to respond to an audio ad if there is an accompanying display ad on the web page.

Responses span well beyond the click:



Personally relevant ads appeal to digital audio listeners and drive high response rates. However, even when digital audio listeners do not perceive ads to be particularly pertinent to them, they are more accepting of them and less likely to stop listening than are listeners to traditional Broadcast AM/FM Radio. 26% of Broadcast AM/FM listeners stopped listening because they did not find an ad personally relevant, compared to only 20% of Internet Radio listeners.

(COMMENT: THERE ARE SEVERAL FACTORS THAT MAKE THIS RESEARCH SUSPECT BEYOND THE COMPANY THAT FUNDED IT. FIRST ONLY BROADBAND HOMES COULD PARTICIPATE. SECOND, IT WAS AN ONLINE SURVEY, THOSE WHO WERE NOT ONLINE COULDNOT PARTICIPATE. THRID WAS THE IN-TAB-ONLY 250)

Internet Radio Ads Drive 14% of Hispanic Listeners to Purchase

August 17, 2012

inShare3

Tweet

Hispanic internet radio listeners show significant response rates to digital audio ads, according to [pdf] an August 2012 study from TargetSpot, conducted by Parks

Associates. 14% of Hispanic listeners responded to an ad by making a purchase, while 26% visited a company's website and 22% searched online for more information about a product or service. Other actions taken include: clicking on an ad (18%), becoming a fan or friend (17%), and visiting a retail location (12%).

Overall, Hispanics demonstrate higher response rates to digital audio ads when compared with the general population listening sample. 61% of Hispanic listeners recalled seeing or hearing an internet radio ad in the previous 30 days, and 61% responded to the ad in some way as well, compared to 58% recall and 44% response from the general population.

A July 2012 study from Terra, conducted by comScore, also revealed that <u>Hispanics are more responsive to digital advertising</u> than the general population. According to that report, they are 80% more likely to say that they usually remember the brands they see advertised online, across all devices (20% vs. 16%), and 73% more likely to report having been motivated by an online ad to visit a retail store for the product or service advertised.

Hispanic Listeners Put Their Mobiles to Use

Data from "TargetSpot Digital Audio Benchmark and Trend Study, 2012: Hispanic Insights" indicates that Hispanic internet radio listeners are slightly more likely than the general population sample to listen on tablets (75% vs. 73%), and about 10% more likely to do so on on in-car devices (95% vs. 86%). They are particularly more open than the general population sample to listening over mobile phones, at 70% and 55%, respectively.

Hispanics also are more likely than <u>African American internet radio listeners</u> to tune in via tablets, mobile phones, and in-car devices.

78% of Hispanic internet radio listeners report spending between 1 and 3 hours a day listening to internet radio, and, their time spent listening by device has increased significantly over the prior 12 months. 40% report spending more time listening on a computer than over the previous year, 37% spend more time listening on a smartphone, and 50% spend more time listening on a tablet.

Hispanics have more time to spend on internet radio, as the Terra and comScore report revealed they spend less time on a weekly basis than non-Hispanics watching TV (8.3 hours vs. 10.9 hours), but more time on mobiles (4.1 hours vs. 3.6 hours). They also spend more time on the internet across all screens than watching TV (8.7 hours vs. 8.3 hours).

Hispanic Listeners Research, Shop While Tuned In

The TargetSpot study also finds that Hispanic radio listeners provide a fertile environment for advertisers: 62% research a product for future purchase while they listen

to internet radio, and 58% also shop. Other popular activities include emailing (73%), searching (68%), reading (60%), and playing games (59%).

Radio advertisers can also leverage Hispanics' use of social media while listening to internet radio. 7 in 10 listeners reported visiting a social network while listening, and these listeners are more likely than the general sample to engage in a variety of social network activities including sharing stations, bands, or artists (47% vs. 37%) and looking at what others are listening to (44% vs. 36%).

Other Findings:

- 55% of Hispanic internet radio listeners are male, 44% are married, and 46% own a home.
- 93% own a computer, 66% own a smartphone and 33% own a tablet generally in line with the general population but more than twice as many own an in-car device as do radio listeners overall (37% vs. 14%).

About The Data: The TargetSpot research is based on an online survey of US internet radio listeners, and was fielded January 7, 2012 through January 17, 2012. The sample population included 1,000 listeners aged 18+ in broadband households that listen to the medium once a month to daily, and included an oversample of Hispanic listeners (n=250).

(COMMENT: THE FIGURES IN THE TARGETSPOT RESEARCH ARE WAY TOO HIGH IN RELATIONSHIP TO OTHER RESEARCH THAT HAS FOCUSED ON ONLINE LISTENING. NEED TO CONSIDER THE SOURCE- TARGETSPOT FUNDED THE RESEARCH AND HAS A VESTED INTEREST IN HOW IT TURNS OUT. MOST AGENCIES TAKE THIS TYPE OF RESEARCH WITH A HUGE GRAIN OF SALT.)

By Carl Marcucci on Aug, 15 2012 with Comments 0

•

TargetSpot, the largest digital audio advertising network, released results of the industry's first multicultural Digital Audio studies. Conducted by Parks Associates, the reports unveil key insights about the Hispanic and African American audiences and their interaction with Internet Radio. Highlights include the growing role of connected devices in facilitating listening, the increase in social interactions while listening, and extremely high advertising recall and response rates, well beyond the click.

With Digital Audio listenership spanning to 42% of the US population, audience makeup is now quite established — the majority of listeners are married and own their own homes, many have children, and this audience also has significant purchasing power. The Hispanic and African American Digital Audio listeners are highly desirable. The African American audience is 56% male and 44% female; 43% own their own home; 31% are married and 43% are households with kids. The Hispanic audience is 55% male and 45% female; 46% own their own home; 44% are married and 54% are households with kids.

The study showed that African American and Hispanic Digital Audio listeners are more mobile and connected than the general population. Specifically, African Americans and Hispanics listen more on tablets than the general population – among owners of these devices, 85% of African Americans and 75% of Hispanics listen on tablets as compared to 73% of the general population. The same is true when it comes to mobile phone and in-car listening. 70% of Hispanic and 60% of African American listeners tune in via mobile phones compared to 55% of the general population. And, 95% of African Americans and 91% of Hispanics tune in digitally in their vehicles, versus 86% of the general population.

Hispanic and African American Digital Audio consumption is significant and consistent with that of the general population. Nearly 80% of Hispanics listen to Internet Radio 1-3 hours per day, and this audience's listening day is in keeping with that of the general population, spanning between 10 a.m. -10 p.m. The vast majority of African Americans also listen for 1-3 hours a day, but this audience's peak listening occurs between 10 a.m. -7 p.m.

Compared to 2011, Hispanics report spending 50% more time listening to Internet Radio on a tablet, 40% more time listening on a computer, and 37% more time listening on a mobile phone; while 41% of African American listeners report spending more time listening to Internet Radio on a computer, 34% more time listening on a mobile phone, and 27% more time listening on a Tablet.

Increased connectivity has been a catalyst to drive digital listening across all audiences. This is evidenced by the fact that Digital Audio use among both African Americans and Hispanics has surpassed Broadcast Radio listening both at home and at work. 80% of African Americans listen to Digital Audio at home and 58% listen at work, while 46% listen to Broadcast Radio at home and 16% at work. The comparison is similar for Hispanics with 75% listening to Digital Audio at home and 62% at work, as compared to Broadcast Radio listening rates of 45% at home and 18% at work.

The study reveals that both audiences often look at the player to see the name of a song or artist, are highly engaged with their content experience, changing stations on the same Internet Radio website and changing Internet Radio websites at least once per day, and do not keep their players minimized throughout their listening session, another telling indicator of engagement.

Social media is extremely intertwined with both the Hispanic and African American Internet Radio experience. Both of these audiences are even more engaged in social

media while listening than the general population, with 63% of African Americans and 70% of Hispanics visiting social networking sites while listening, compared to 60% of the general population. Additionally, while a strong 35% of the general population links an Internet Radio profile to a social network, 44% of Hispanics and 53% of African Americans are sharing this information with their friends.

Hispanic and African American advertising recall and response rates exceed the already extraordinary rates of the general population. 61% of Hispanics and 59% of African Americans recall having seen or heard an Internet Radio ad within the last 30 days. Of those listeners, 61% of Hispanics and 56% of African Americans responded to an Internet Radio ad in one way or another. This is compared to 58% recall and 44% response rates among the general population.

Similar to the general population, while more African American and Hispanic consumers listen to Digital Audio than ever before, they are not paying for this content. In fact, 81% of African American Internet Radio listeners and 78% of Hispanic Internet Radio listeners do not pay a fee for access to premium Digital Audio services. This means the vast majority of listeners prefer free ad-supported services, and are choosing to receive ads.

RAIN 7/5: App usage surpasses mobile web browsing; mobile music listening growth outpaces both

Research from comScore finds 27% of mobile subscribers have listened to music on their devices

Posted by: Michael Schmitt

Total U.S. Mobile Subscribers (Smartphone & Non- Smartphone) Ages 13+ Source: comScore MobiLens			
	Share (%) Feb-12	May-12	Point Change
Total Mobile Subscribers	100.0%	100.0%	N/A
Sent text message to another phone	74.8%	74.8%	0.0
Used downloaded apps	49.5%	51.1%	1.6
Used browser	49.2%	49.8%	0.6
Accessed social networking site or blog	36.1%	36.7%	0.6
Played Games	32.2%	33.5%	1.3
Listened to music on mobile phone	24.8%	27.0%	2.2

Smartphone-wielding folks now use apps more than

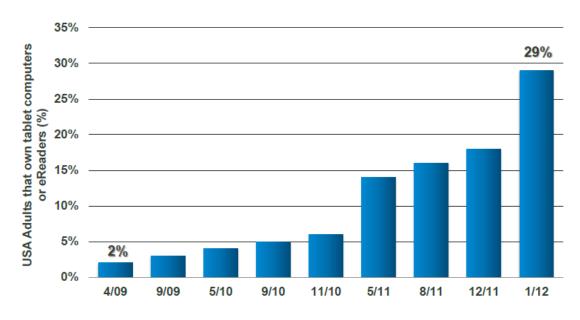
mobile web browsers. So found comScore in a new study, which also discovered that growth in mobile music listening outpaced other activities like playing games or using apps in general.

More than half of mobile subscribers (51.1%) said they used apps, compared to 49.8% who said they used the web browser, according to comScore. App usage grew 1.6% from the three month period ending February 2012 to the three month period ending May 2012.

That growth was surpassed by the usage of music services on mobile devices, which increased 2.2% over the same time period. Now 27% of mobile subscribers say they've listened to music on their device.

The continued penetration of the tablet will continue to encourage audio streaming. The penetration of the tablet far exceeds the iphone and ipod:

% of USA Adults Who Own Tablet Computers or eReaders, 4/09 - 1/12

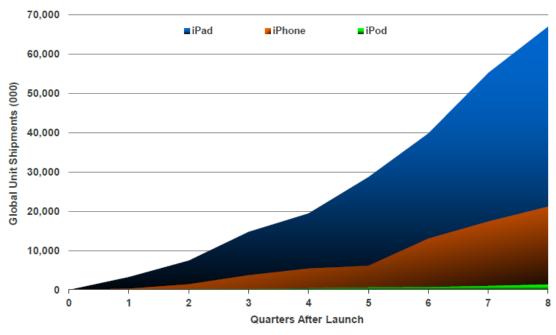


KPCB

Source: Pew Research Center, 1/12.

12

First 8 Quarters Cumulative Unit Shipments, iPod vs. iPhone vs. iPad



KPCB

Source: Apple, as of CQ1:12 (8 quarters post iPad launch).

9

A new forecast from eMarketer predicts the number of U.S. tablet users will more than double this year from 33.7 million to nearly 70 million, or about 29% of the country's Internet users. Responsible for most of that growth is the iPad, which remains the dominant tablet model, with more than three-quarters of the market in 2012.

The latest tablet findings were released Monday, as Apple launched the latest version of its iOS operating system for iPhones, iPads and iPod Touches.

The eMarketer report projects the number of iPad users will grow 90% this year to 53.2 million, down from 144% last year. That growth rate is expected to continue declining to 12% in 2015, when the number of iPad users will have reached 90.8 million. Likewise, the Apple tablet's market share will gradually decline from a peak of 88% in 2010 to 68% in 2015 as competing devices gain some ground.

In terms of the total U.S. population, 16.8% are expected to use an iPad at least once per month this year, up from 8.9% in 2011. Among Internet users, that translates to 22.2% penetration, up from 12.1% last year. By 2015, more than a third (35.3%) of Internet users will have an iPad.

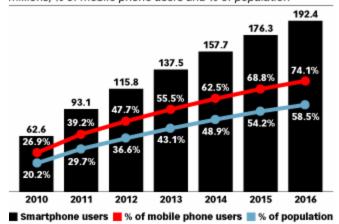
More than half (51.9%) of Internet users -- or 133.5 million Americans -- will have a tablet of some kind by then, eMarketer predicts. The 29% penetration the research firm projects this year would more than double last year's 14.5% reach.

eMarketer estimates more than half of tablet users this year to be men (54%), but the gender split is expected to be roughly even in three years. With 26.2% penetration in 2012, Asians are the most likely racial or ethnic group to use a tablet, followed by Hispanics (24%), whites (21.4%) and blacks (21.5%).

Audio Streaming on Smart phones will continue to increase:

US Smartphone Users and Penetration, 2010-2016

millions, % of mobile phone users and % of population



Note: individuals of any age who own at least one smartphone and use the smartphone(s) at least once per month Source: eMarketer, April 2012

138189 www.eMarketer.com

6/12 More than a quarter of mobile subscribers listened to music on their phones in April, according to new data from <u>comScore</u>. 25.8% of US mobile subscribers used their mobile device to listen to music, a number that is up 1.3% from the first quarter stat. Texting is the most popular activity at 74.1%.

Mobile Content Usage 3 Month Avg. Ending Apr. 2012 vs. 3 Month Avg. Ending Jan. 2012 Total U.S. Mobile Subscribers (Smartphone & Non-Smartphone) Ages 13+ Source: comScore Mobil.ens						
	Share (%) o	f Mobile Subscri	bers			
	Jan-12	Apr-12	Point Change			
Total Mobile Subscribers	100.0%	100.0%	N/A			
Sent text message to another phone	74.6%	74.1%	-0.5			
Used downloaded apps	48.6%	50.2%	1.6			
Used browser	48.5%	49.0%	0.5			
Accessed social networking site or blog	35.7%	36.0%	0.3			
Played Games	31.8%	33.1%	1.3			
Listened to music on mobile phone	24.5%	25.8%	1.3			

5/12 Web radio guidelines for the car expected in spring 2013.

Nearly one-in-five (17%) people say they've plugged their smartphone into the dashboard to hear web radio, up by 55% compared to a year ago according to Arbitron-Edison Research data. With that as a backdrop, the Internet Media Device Alliance (IMDA) recently released its draft report dealing with topics such as a universal dial, station metadata, car-specific device profiles and encoding guidelines. IMDA chairman Harry Johnson says the group will gather feedback over the next year from all the players with a goal of issuing a final set of guidelines next spring. IMDA is currently dominated by European broadcasters, although NPR and the National Association of Broadcasters have been involved. There's

little time to waste since automakers begin selling cars equipped with web radio effective with 2014 and 2015 models. When that happens, drivers will no longer be required to plug in their smartphone for connectivity and dashboards will be similar to the Ford Sync with the apps on the receiver — not on the phone. Audi is already selling some cars with such capabilities in Europe. Johnson believes the timing is critical since once carmakers commit to a specific technology, it's extremely difficult to get them to make changes. It's also a lot easier to ask for features like iTunes tagging or iBiquity's Artist Experience visual capabilities to be integrated from the onset rather than lobbying for changes in future updates.

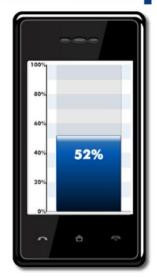
5/12 Device proliferation is triggering an increase in internet radio listening survey finds. Growing adoption of connected devices, such as tablets and smartphones, is leading to increased internet radio listening, according to a new study conducted by Parks Associates for web radio network TargetSpot. The online survey shows an 87% year-over-year increase in tablet ownership and a 22% jump in ownership of smartphones among web radio listeners. Conversely, computer ownership remained flat and basic mobile phone ownership declined among web radio listeners. The study portrays listeners to broadcast streams and web pureplays as device agnostic, wanting access via the most convenient delivery option. That's driven usage up by 8% from last year with more than four in ten (42%) of Americans 18+ now listening. Dialing in via connected TVs and in-car internet radio players is also on the rise with more than one-third of streaming audio listeners regularly tuning in on a connected TV device and 14% listening on an in-car internet radio player(Edison has the figure at 17%). Among those who have incar web radio access, more than half (54%) use an internet radio player built into the car's audio system and one-third use a portable internet radio player with apps built into the device. Another 15% manually plug a smartphone or tablet into the car's device outlet. "The proliferation of devices and subsequent access to digital audio content will only further accelerate adoption," TargetSpot CEO Eyal Goldwerger says. The survey, fielded from January 7-January 17, shows internet radio listeners are more socially engaged with the medium than they were a year ago. Six in ten say they visit a social networking site while listening, 39% chat with friends while listening,

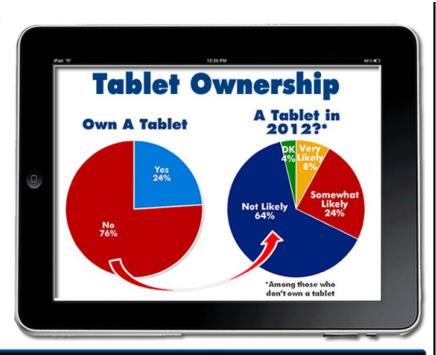
37% recommend or share streaming stations or websites and 32% like to see songs and websites others are listening to on social network sites. The study included 1,000 adult U.S. internet radio listeners in broadband households who listen to the medium once a month to daily

5/12 Study shows internet radio listeners are interacting more with media players. As consuming radio online becomes a more habitual activity, listeners are more frequently interacting with their web radio players and connecting with content, according to a forthcoming Parks Associates study commissioned by TargetSpot. Six-in-ten web radio listeners say they don't keep the player minimized through the listening session and two-thirds (67%) say they often look at the player to see the name of a song or artist. That's up from 46% one year ago. Three quarters (76%) change internet radio stations at least once a day while 64% change from one internet radio service to another at least once a day. The study portrays the online radio audience as the crème de la crème of listeners: 22% have a household income of \$100,000 or greater, up 29% from last year, while 64% own their own home . "As more and more people flock into this and it becomes more mainstream, the purchasing power is really growing very rapidly," TargetSpot CEO Eyal Goldwerger says. The study also shows listening to broadcast radio streams is more about habit and comfort while listening to pureplays is more about **content and experience**. The top reasons listeners cited for choosing broadcast radio streams were: convenience (38%), it's part of their daily habit (32%), they're longtime listeners (30%) or to hear air personalities (26%). The top reasons listeners cited for choosing pureplay streams were: "music I want" (42%), fewer commercials (34%), better music selection (33%) and more control (27%).

Jacobs Tech Poll #8 study results confirms growth of tablets and smartphones which are both becoming the equivalent of this generation transistor radio.

Smartphone Ownership





N = 57,358

170 stations across the U.S and Canada

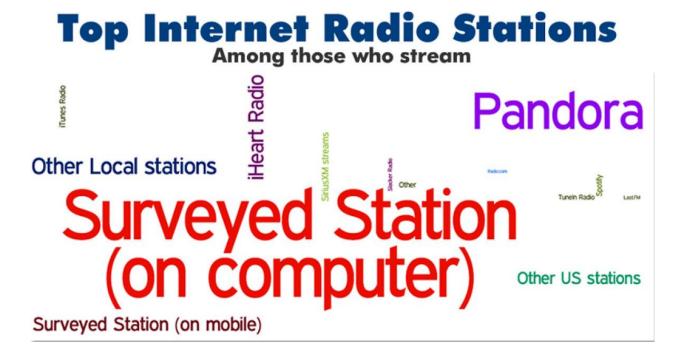
Survey dates: January-February, 2012

All responses were collected online and solicited via email or social media channels



Copyright @ 2012 Jacobs Media

Per Jacobs Tech Poll 8 study many of those surveyed stream their favorite radio station. Size of lettering connotes popularity—similar findings in previous Tech studies:

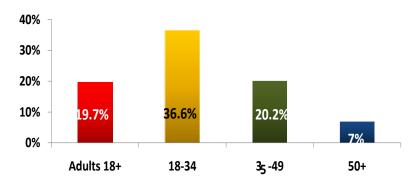


4/12 The Media Audit also confirms the growth in streaming:

RAIN Summit West

The Media Audit Fast Facts on Internet Radio

of adults 50 listen to internet radio over the past 7 days.

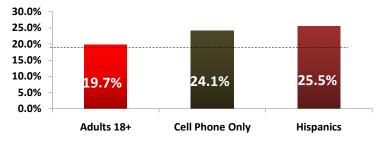


% of Adults Listening to internet radio over the past 7 days



Fast Growing Demographics

One in 4 of the two fastest growing demos listened to internet radio sometime over the past 7 days.



% of Adults Listening to internet radio over the past 7 days





Internet Radio's ...Strongest Local Markets

Tend to be mid to large markets

% of Adults Listening to Internet Radio					
Charleston SC	29.3%				
Atlanta	27.2%				
Salt Lake City	27.0%				
Boston	26.0%				
Southern New Hampshire	25.1%				
San Diego	24.6%				
Raleigh	24.1%				
Riverside-San Bernadino	24.1%				
Allentown	23.9%				
Phoenix	23.1%				
Orlando	22.6%				
Los Angeles	22.2%				
Miami	21.8%				
Houston	21.7%				
Syracuse	21.5%				



Internet Radio in The Top 10 Markets

The majority of the Top 10 markets have a higher penetration of internet radio than the 61 market average.

% of Adults Listening to Internet Radio					
1	Atlanta	27.2%			
2	Boston	26.0%			
3	Los Angeles	22.2%			
4	Houston	21.7%			
5	New York	21.3%			
6	Philadelphia	20.6%			
7	San Francisco	20.1%			
	61 Market Average	19.7%			
8	Dallas	18.3%			
9	Chicago	16.4%			
10	Washington	15.4%			



If internet radio were a radio cluster in New York it

New York

would be the third largest cluster reaching 1 in 5 adults. Radio websites would rank 6th.

		% of Market
Rank	Media	Total
1	CBS RADIO	31.3%
2	CLEAR CHANNEL RADIO	29.3%
3	Internet Radio	21.3%
4	EMMIS RADIO	14.1%
5	CUMULUS MEDIA RADIO	12.5%
6	Visited a radio website	10.3%
7	INNER CITY RADIO	6.2%
8	SPANISH BRCSTG.RADIO	5.6%
9	UNIVISION/BMP RADIO	3.9%



Of internet users in New York, internet radio is the third



largest radio cluster reaching 1 in 4 adults. Radio websites reach 1 in 5 of adult internet users.

		% of N	larket
Ran	k Media	Total	Internet
1	CBS RADIO	31.3%	33.9%
2	CLEAR CHANNEL RADIO	29.3%	33.5%
3	Internet Radio	21.3%	26.1%
4	EMMIS RADIO	14.1%	15.4%
5	CUMULUS MEDIA RADIO	12.5%	13.9%
6	Visited a radio website	10.3%	20.9%
7	INNER CITY RADIO	6.2%	6.2%
8	SPANISH BRCSTG.RADIO	5.6%	5.6%
9	UNIVISION/BMP RADIO	3.9%	4.0%



If internet radio was a radio cluster in the largest



radio market, LA, it would be the third largest cluster reaching better

than 1 in 5 adults.		% of Market
Ranl	k Media	Total
1	CBS RADIO	39.0%
2	CLEAR CHANNEL RADIO	35.8%
3	Listen to Internet Radio	22.2%
4	Visit Radio websites	17.8%
5	CUMULUS MEDIA RADIO	9.8%
6	EMMIS RADIO	9.0%
7	UNIVISION/BMP RADIO	7.9%
8	SALEM RADIO	5.8%
9	SPANISH BRCSTG.RADIO	4.7%
10	MOUNT WILSON FM	4.0%
11	LIBERMAN RADIO	3.6%
12	ENTRAVISION RADIO	2.4%
13	LOTUS RADIO	1.3%



Of LA internet users, internet radio is the third ranked cluster reaching nearly 1 in 3 adults.

Radio websites rank 4th reaching

Angel	es nearly 1 in 4 adults.			
	icarry 1 m + dadits	% of Market		
Rank	Media	Total	Internet	
1	CBS RADIO	39.0%	46.2%	
2	CLEAR CHANNEL RADIO	35.8%	40.8%	
3	Listen to Internet Radio	22.2%	28.9%	
4	Visit Radio websites	17.8%	23.2%	
5	CUMULUS MEDIA RADIO	9.8%	11.2%	
6	EMMIS RADIO	9.0%	9.3%	
7	UNIVISION/BMP RADIO	7.9%	5.8%	
8	SALEM RADIO	5.8%	6.5%	
9	SPANISH BRCSTG.RADIO	4.7%	3.2%	
10	MOUNT WILSON FM	4.0%	4.9%	
11	LIBERMAN RADIO	3.6%	3.3%	
12	ENTRAVISION RADIO	2.4%	2.4%	
13	LOTUS RADIO	1.3%	1.4%	



If internet radio were a cluster in Chicago it would rank



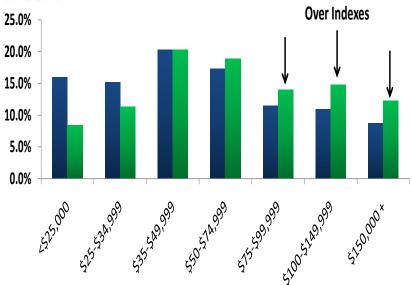
5th reaching 1 in 6 adults. Radio websites would tie for third reaching nearly 1 in 5

% of Market

Rank	Media	Total
1	CBS RADIO	39.7%
2	CLEAR CHANNEL RADIO	26.6%
3	HUBBARD BRCSTG. RAD.	18.4%
4	Visit Radio Website	18.2%
5	Listen to Internet Radio	16.4%
6	CUMULUS MEDIA RADIO	11.1%
7	MERLIN MEDIA RADIO	9.8%
8	NEXTMEDIA RADIO	8.3%
9	UNIVISION/BMP RADIO	5.5%

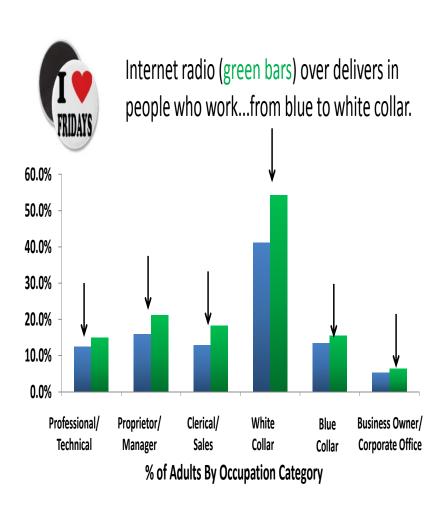


Internet radio (green bars) tends to over deliver in the upper income demographics



% of Adults By Household Income



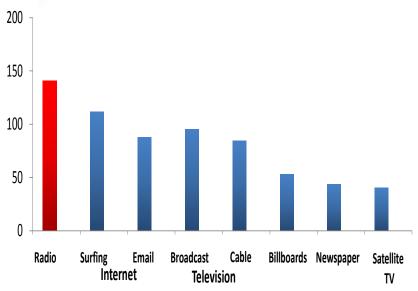






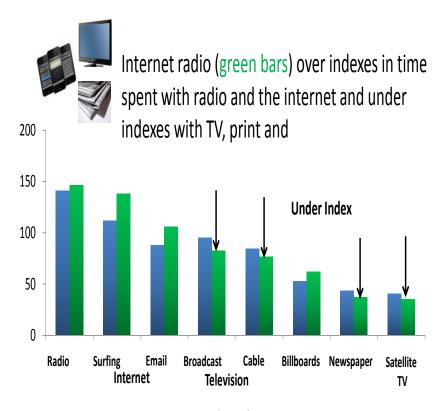
The Media Day

Adults spend more time with radio than any other medium.



Minutes Spent With Media In Average Day





Minutes Spent With Media In Average Day



Internet radio can add reach to TV and newspaper campaigns as it over indexes in those who do not watch TV or read newspapers

Index of Media Exposure

	Build Frequency		Build Reach
Medium	Heavy	Medium	Light None
Radio	116	111	109 77
TV	76	94	115 111
Newspaper	61	84	96 112



Internet radio can add frequency to outdoor, direct mail and internet campaigns as it over indexes in medium to heavy exposure to these media

Index of Media Exposure

	Build Frequency		Build F	Reach
Medium	Heavy	Medium	Light	None
Radio	116	111	109	77
TV	76	94	115	111
Newspaper	61	84	96	112
Outdoor	122	100	87	46
Direct Mail	97	113	100	91
Internet	156	114	67	5



The Media Audit Fast Facts on Internet Radio

Internet radio can add reach and frequency to a radio campaign as internet radio over indexes in 3 of the 5 categories.

	Build Frequency		Build F	Reach
Medium	Heavy	Medium	Light	None
Radio	116	111	109	77
TV	76	94	115	111
Newspaper	61	84	96	112
Outdoor	122	100	87	46
Direct Mail	97	113	100	91
Internet	156	114	67	5





The top 8 Chicago radio stations in planning to purchase a vehicle in the next 12 months delivers 65% of planned purchasers before

there is a significant diminishing return

Report: AD CAMPAIGN PLANNER Market: CHICAGO, IL for SEP-OCT 2011

ADULTS AGE 18+ Bases:

PLAN BUY--CAR/VAN/TRUCK/SUV

Base Population: 7,076,446

Media	Cume Rating	Net Cume Reach	0	33	67
WBBM-FM	26.6	26.6			
WKSC-FM	24.8	34.4			
WBBM-AM/WCFS-FM	23.8	52.5			
WGCI-FM	13.9	53.1			
WGN-AM	12.4	57.6			
WPWX-FM	11.9	59.8			
WSCR-AM	11.2	64.1			
WWWN-FM	10.7	64.8			





Add internet radio to these top 8 radio stations, and the reach potential of planned

vehicle purchasers increases to 71%.

Cume Rating	Net Cume Reach	0	33	67
26.6	26.6			
24.8	34.4			
23.8	52.5			
13.9	53.1			
12.4	57.6			
11.9	59.8			
11.2	64.1			
10.7	64.8			
64.8	64.8			
42.1	42.1			
	26.6 24.8 23.8 13.9 12.4 11.9 11.2 10.7	Rating Cume Reach 26.6 26.6 24.8 34.4 23.8 52.5 13.9 53.1 12.4 57.6 11.9 59.8 11.2 64.1 10.7 64.8 64.8 64.8	Rating Cume Reach 0 26.6 26.6 24.8 34.4 23.8 52.5 13.9 53.1 12.4 57.6 11.9 59.8 11.2 64.1 10.7 64.8 64.8 64.8	Rating Cume Reach 0 33 26.6 26.6 24.8 34.4 23.8 52.5 52.5 13.9 53.1 57.6 11.9 59.8 11.2 11.2 64.1 10.7 64.8 64.8

NET UNDUPLICATED ...





In Summary

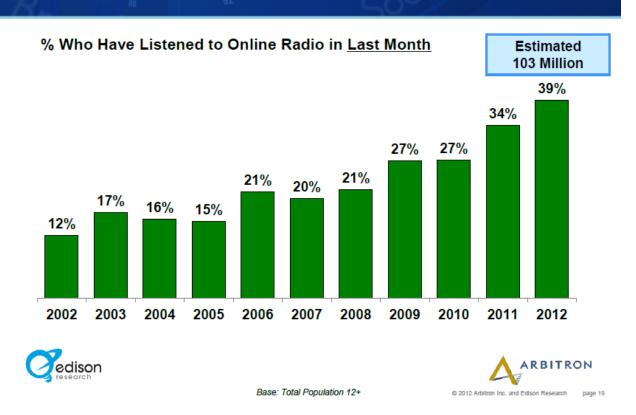
Today internet radio...

- Reaches 1 in 5 adults with particular strength (nearly 40%) in the 18-34 demo
- Reaches 1 in 4 of the fast growing demographics of
 - Cell phone only adults
 - Hispanics
- Strongly over indexes with well educated, upper income, single adults who have money to spend
- Reaches 10% of people who don't listen to over-the-air radio and thus can add reach to a radio campaign
- Over indexes in heavy listeners to radio thus it can add frequency to a radio buy
- Adds reach to newspaper and TV buys by reaching light viewers to these traditional media.

4/12 eMarketer estimates the population of mobile music listeners will nearly triple in the US between 2011 and 2016, rising from 30.9 million to 81.3 million.

Audio streaming continues to grow:

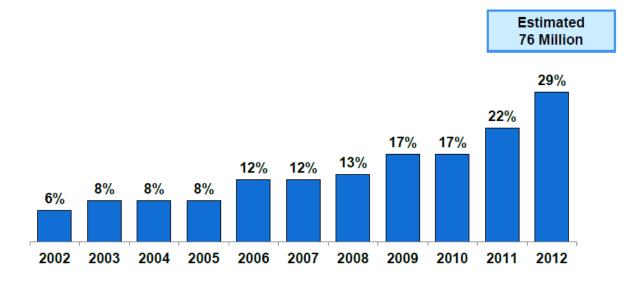
Monthly Online Radio Audience Reaches Four in Ten Americans



The Media Audit projected that 19% listened to Internet radio each week. The 2012 ARB Edison study projects it at 29% (below)

Weekly Online Radio Audience Jumps Dramatically Year Over Year

% Who Have Listened to Online Radio in Last Week





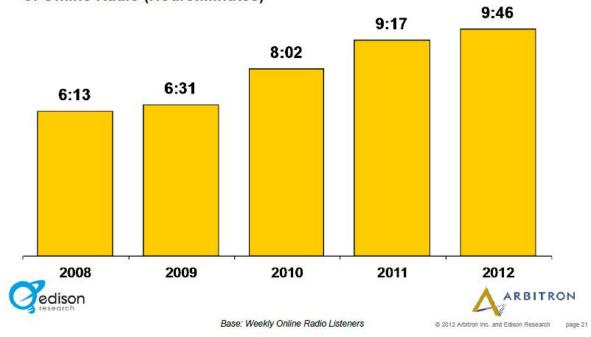


Base: Total Population 12+

page 20

Weekly Online Radio Listeners Report Listening for Nearly Ten Hours Per Week

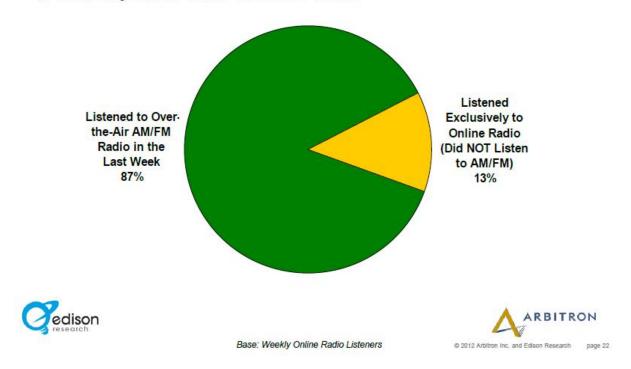
Self-Reported Average Time Spent per Week With All Sources of Online Radio (Hours:Minutes)



Is not an "either/or" situation for those who stream. They still listen to AM/FM each week!

Vast Majority of Online Radio Listeners Also Listen to Over-the-Air Radio

% of Weekly Online Radio Listeners Who...

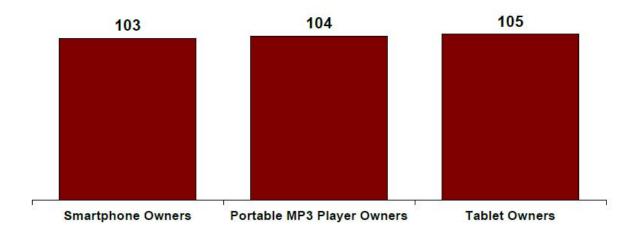


This equates to less than 4% of population being *exclusive* to internet radio to the exclusion of AM/FM: (29% (% who stream weekly) x .13 (those who stream but don't listen to AM/FM)) = 3.8% exclusive to internet radio

Those that use other digital audio alternatives tend to consume more AM/FM programming:

Digital Device Users Slightly More Likely to Listen to AM/FM Radio in the Last Week

Index of Weekly Listening to AM/FM Radio

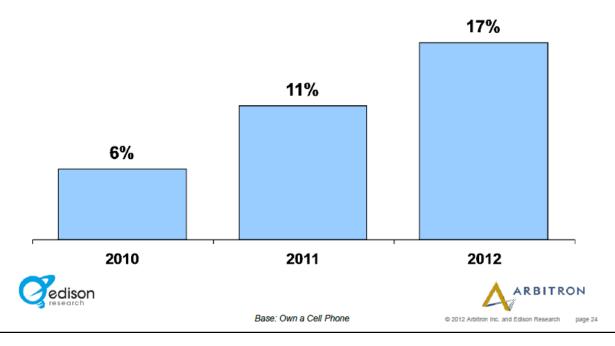






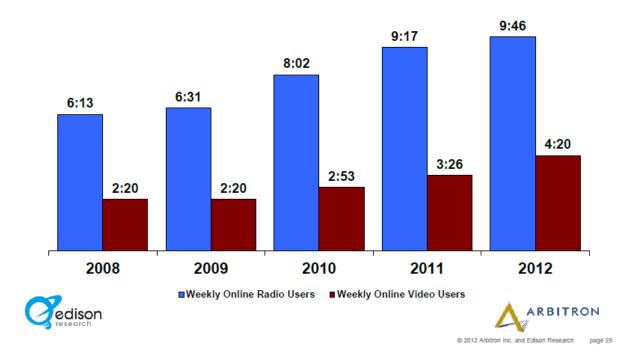
Continued Rise in Those Who Use Their Cell Phone to Listen to Online Radio in Their Cars

% of Cell Phone Owners Who Have Ever Listened to Online Radio in a Car by Listening to the Stream From a Cell Phone Connected to a Car Stereo



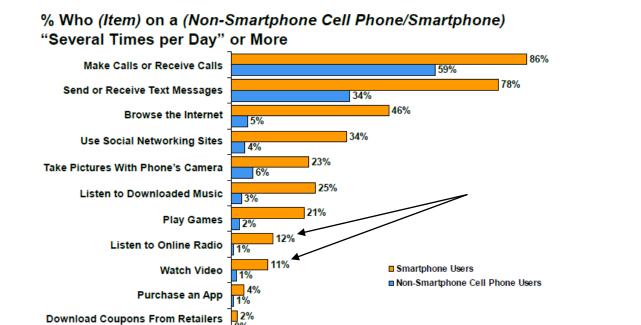
Time Spent per User With Online Radio More than Double Time Spent With Online Video

Self-Reported Average Time Spent per Week per User (Hours:Minutes)



Only a small % of smart phone users use the phone for music multiple times/day

Smartphone Owners Use Mobile Phone Functions Much More Frequently

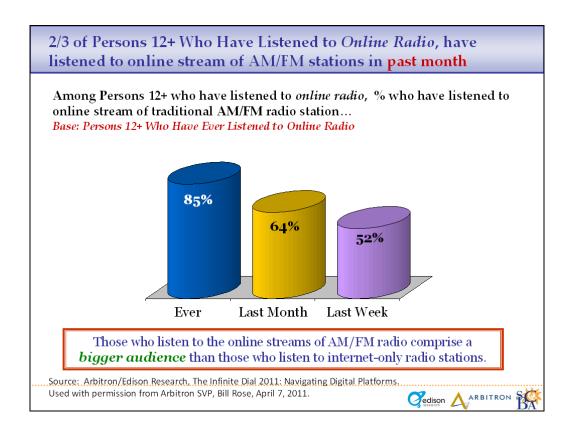


Listening to "downloaded music" in slide above several times/day is 2x that of those that listen to online radio several times/day

Base: Own a Cell Phone/Smartphone

Among the 34% of P12+ who use online radio every month, over 2/3 listen to streams of traditional AM/FM radio stations.

RBITRON



As penetration of smartphones increases, the amount of listening being done on smartphones will continue to increase. Smartphones in fact account for more than 70% of Pandora's monthly AAS.