

8 – Personalities

SOUND INVESTMENT

How Brands Leverage Radio's Unique Listener Loyalty By Stuart Feil

- October 15 2012
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Allstate bought the naming rights to WGN's radio studio.

In a time when advertisers are looking to engage with consumers more deeply via social channels, radio is leveraging its legions of fans to remain a vital part of the media mix. National networks and local stations are using this bond to provide brands with ways to reach their listeners that go beyond the 30- or 60-second spot. Instead, they are using the kinship listeners feel for their stations and radio personalities to create content-rich programs that can be shared online and via social and mobile.

Taking advantage of the strong followings stations have with their local audiences is nothing new. It's long been the central point of differentiation for radio. What's different today is how they are broadening that value into a multiplatform environment that puts AM/FM broadcast at the center of programs that can also include a station's website, its Facebook and Twitter feeds, live events and even naming rights.

“Our research shows how insanely pervasive radio is,” says media analyst Alice K. Sylvester, COO of Media Behavior Institute. “People identify with the station and its local identity and they stick with it. It becomes a bit of a badge for them. They become part of a community that shares the enjoyment.”

To expand its presence in its hometown Chicago market, Allstate has gone far beyond simply running its “Mayhem” spots. Instead, it has set itself up to own different parts of local broadcasts, aligning its brand with relevant content. Traffic reports are branded with the “Good Hands” name on local CBS outlets. And the renovated street-level studio for WGN, the flagship Tribune Company station, in September was renamed the Allstate Showcase Studio, a deal that includes on-air naming recognition as well as an interior studio wrap featuring Allstate graphics.

“There’s an emotional tie that comes in when you can make a connection with a DJ. Now we’re able to take that connection and extend it as far as possible,” says Cecilia Bizon, VP, media director at Starcom in Chicago, which handled the Allstate media program.

Radio is using this position to maintain its revenue in the face of greater media competition. Radio’s revenue in 2011 was \$17.4 billion, up 1 percent from the previous year, according to the Radio Advertising Bureau (RAB). But during that time, RAB notes, the biggest segments of growth were off-air promotions (7 percent higher) and digital revenue (up 15 percent).

“Cross-channel platform capabilities extend radio beyond the traditional AM/FM band,” says Erica Farber, president and CEO of RAB. “Historically, radio would go in with a campaign of 30s and 60s. Now, when you’re sitting with a client, radio has multiple ways to reach. Yes, the audio is strong. But we can let those walls go down and create any program we want.”

“The starting point is you have this fabulous footprint and loyal consumer base,” concurs Sean Creamer, EVP and COO of measurement company Arbitron. “That affinity and loyalty now extends to visiting the website.”

Even in today’s noisy media market, radio has kept its listenership. The latest Arbitron figures show that 93 percent of Americans adults—or 242 million people—listen to radio each week, a number that has remained constant over the past year.

“We have fans, not consumers,” says Tim Murphy, VP of digital strategy and enterprise platforms for Entercom Communications. “They’re not points on a research slide. We swim in an engagement pool no one else has.”

According to Radio Tomorrow, a study based on a poll of 40,000 consumers released last month by Alan Burns & Associates and Triton Digital, consumers have a more personal relationship with radio than with other media. Half (50 percent) said that radio feels like one of their friends, well ahead of the number who said that of TV (31 percent) or a website (26 percent). The study also found that consumers trust radio more than any other medium for information about a product or service. Nearly a quarter (23 percent) indicated that radio ads are “honest and believable”—putting it first in that category.

“The big takeaway is that radio still wins as a medium people find energizes them, relaxes them, puts them in a better mood and helps them have a good time,” says Jen Sullivan, VP of marketing at Triton.

The trust factor allows station personalities to tacitly endorse products through voiced reads. But now stations are able to follow these endorsements through the purchase funnel, says Entercom’s Murphy. He notes, for example, that Boston talk radio host Howie Carr is “proven to move goods and services.” But now, instead of ending at the broadcast message, the station follows up with direct email to its listeners. “We can use

the database building we've done to extend endorsements," says Murphy. "We can collect and qualify leads. It makes us an accountable medium."

For a brand like Six Flags, radio is an essential part of its media mix because even though it has a national presence, it needs to generate local interest to drive people to its 19 amusement parks. James Geiser, VP of marketing and sales, says the company is particularly drawn to radio's ability to engage consumers via its on-air personalities. "We have to get as much out of it as possible to leverage the strength of the medium," he notes. "We try to feed content to the stations. That's a fertile ground for us."

For example, to promote its Halloween-themed Fright Fest, Six Flags brought local DJs to the parks and recorded them while they were riding on coasters or going through the haunted house. In Dallas, the morning DJ was sent fried cockroaches—people willing to eat them were given free admission to the park—and the pictures were posted to the station's website. On Power 106 in Los Angeles, a hip-hop station with a particularly strong social media following, on-air contests for Fright Fest tickets require a visit to the station's website, and promotions are regularly pushed out using its Twitter feeds and Facebook pages.

What these brands recognize—and what radio stations and networks are acknowledging—is that content that can be shared to radio's loyal listeners can drive the brand conversation. In the current flu season, Walgreens has its pharmacists go into the DJ booth to administer flu shots to hosts on-air. "It goes beyond the ad schedule into content sponsorship," says Christine Kubisztal, director of media services for the retailer, noting that the goal is to use radio to build a personal relationship with its pharmacists.

Kubisztal adds that, although it is not part of the formal program, these flu stunts get viral coverage. "It extends into other vehicles. They'll film it and you can watch your favorite DJ get a shot," she says.

CBS Radio, through its Altitude Group, helped craft the Walgreens program and works with national brands such as Dodge, MasterCard and Bank of America to reach more deeply into CBS's 28 local markets. "We're using our stations and we're multiplexing on mobile, social, iPads and letting it flow," explains Rich Lobel, EVP of the Altitude Group. "Broadcast is the megaphone, the loudspeaker. It's the way to get excitement out in a big way."

For Fiat, CBS and Altitude took a slightly off-center approach to align with the values of the "life is best when driven" tagline used for the relaunch of the auto brand. It created a series of two-minute vignettes featuring storytellers riffing on the theme of what drives them. These were aired in fixed positions on CBS radio stations in New York, Los Angeles, Chicago, San Francisco and Orlando. Additional 15-second tune-in spots drove further engagement.

Each on-air vignette encouraged listeners to visit the Fiat USA Facebook page to view video of the entire story archived on the site. The videos were also placed directly on the

stations' websites. Through video pre-polls, streaming, time-based takeovers and contextually relevant placements, the digital distribution became the long tail of the radio campaign.

“We’re creating content experiences that leverage the assets of broadcast and can continue on other platforms,” says Lobel.

It’s that kind of local reach that brands still believe drives radio’s return. “From a creative side, radio can be magic,” says Lisa Cochrane, SVP of marketing at Allstate. “It allows theater of the mind, especially when you’re dealing with an intangible subject like protecting your stuff.”

In media landscape cluttered with ads, endorsements proving to be an effective alternative for some brands. Product placement and integrated marketing campaigns have been growing in importance among advertisers for years, and radio can play a role. From Rush Limbaugh to the local morning host, endorsement radio is having a moment. “It’s not that spot radio doesn’t work — it’s just that I have never seen a spot radio campaign outperform an endorsement campaign,” says Ad Results Advertising president Russell Lindley, whose agency has placed nearly \$1 billion worth of such ads on radio in the past 13 years. In one case study, the agency calculated that call volume jumped 3.8-times higher than when a traditional :60- or :30-second commercial was used. But even more impressive was that every dollar spent on live read ads brought in more than \$3.50 in sales, while the pre-recorded spots essentially broke even with sales. Lindley, a former radio sales manager and station owner, says the agency does get resistance from stations that want to keep live reads within traditional spot length parameters, even though a more natural conversation may run short or long. “If anything, a live endorsement ad is like a free ad — the listener is not interrupted by it and they will stay with the station,” he said. Lindley told the RAB-NAB Radio Show last week that Arbitron rank is also “very low on the scale” when the shop decides which stations to buy. A packaged goods company used sports radio to reach a female 25-54 demo and saw sales jump 20%. While the strategy took some selling, Lindley says “they didn’t question it again.” Demonstrating just how effective the live read ads can be, the average conversion rate on a campaign is 19%, Lindley says. But when the air personality is out on vacation and two recorded spots are substituted for one live endorsement, the conversion rate drops to 8.8%. Lindley says his agency places live read campaigns on about 1,200 stations a year — and it makes sure the air talent is actually a customer. For instance, for Select

Comfort Mattress, the host is required to sleep on one of their products for at least two weeks.

Friday, March 1, 2013 at 9:20AM

Here's a long-ish read at [Hypebot](#) from Alex May from [Sidewinder.fm](#) that includes this quote:

The reality is, though, that radio DJs may not be necessary anymore. Technology has provided countless ways for listeners to encounter new music, and automated radio playlists have all but replaced the need for live on-air personalities.

F**k! I couldn't disagree more.

If anything, radio DJs are MORE important than they have been in decades. There's nothing like a real, live human being to tell me the stories behind the artists, the songs and the albums. Being led to a song by an algorithm is fine, but that kind of music discovery is completely and utterly devoid of context and perspective.

Sometimes you need a knowledgeable, patient person to explain why you need to listen to something repeatedly so you pick up the nuances and understand what the artist is trying to say with the music. You need someone to encourage you to stick through a song, even though you might want to bail after the first 15 seconds. You want a friend that can help you share in the human joy of discovering art.

When I was in my early teens, I hung on every word from my favourite radio announcers. I trusted them, even when they played songs I didn't like--at least at first. But if they gave me a reason to listen to that song, I would. Sometimes I'd end up liking that song or artist. Sometimes I wouldn't. But at least my opinion was properly informed.

That's the way I approached every on-air shift I ever did. That's the way I still approach things whenever I'm on the radio. I want to say or play something that will make as many people go "Cool! I didn't know that! *Tell me more!*"

Great on-air personalities can make the music come alive. They make it more than just noises coming from a speaker or a set of headphones. They tell you *why* music matters.

A machine or some kind of crowd-sourcing algorithm CANNOT do that. And it never will. The industry should always be grooming and encouraging new talent, people who can entertain, tell stories and make the experience of listening to music *richer*.

If radio is to survive and thrive into the future and if it is to evolve with technology, it cannot allow itself to be made extinct by technology. Removing the human element--the DJ--is the thing that will kill it dead.

A sentence from [Seth Godin's](#) terrific new book [The Icarus Deception: How High Will You Fly?](#) captured my attention:

"We don't need more stuff, we need more humanity."

"Stuff" is abundant, but "humanity" seems to be scarce.

Consider the great radio stations you know. Are any of them heavy on "stuff" and light on "humanity"?

Now consider the not-so-great ones. Lots of "stuff" there, huh?

Coming up in this blog I'm going to review the "jobs" consumers "hire" radio brands to do. You'll see that the "stuff" jobs are in great danger of disruption, while the "humanity" jobs are ours to surrender.

"Humanity" goes beyond technology. It is, for example, the "humanity" of Facebook that keeps users coming back for more – the human faces and voices of their friends. A "social network" without "humanity" is neither a network, nor social.

While everyone can agree on a hit song, anyone can package those hits together. "Humanity," however, is hard to come by; it must be experienced again and again to be appreciated. Only then is it a disruption-proof advantage. "Humanity" requires a leap of faith and that most precious of all business assets: Time.

You can schedule your songs, but have you scheduled your "humanity"? After all, the genome was human before it was music.

Moment-by-moment Arbitron ratings may not reward that "humanity," but the ratings don't care about your brand long-term, do they?

Family, Friends Most Influential on Shoppers

ZenithOptimedia Study: TV Still King for Branding

By: Megan McIlroy Published: April 09, 2008

NEW YORK (Adage.com) -- Recommendations from family and friends trump all other consumer touchpoints when it comes to influencing purchases, according to new data from Publicis media network ZenithOptimedia.

AP

Word-of-mouth -- especially from family and friends -- may be one of the greatest influences on brand choice, **but marketers still face a great challenge is making it scalable.**

The data comes from ZenithOptimedia's Touchpoints ROI Tracker, a comprehensive project comprising over 300,000 interviews across 34 countries and covering more than 4,000 brands in 126 product and service categories.

ZenithOptimedia is making the data available publicly for the first time this month.

Consumer touchpoints were each given a "contact clout factor," a number on a scale of 1 to 100 that indicates the relative influence of the touchpoint on purchasing.

Trusted advice

Recommendations from family and friends led the pack with an average score of 84. TV ads and Internet search were next, with an average score of 69 and 67, followed by magazine ads at 60, newspaper ads at 55, outdoor ads at 45, radio ads at 42, and Internet banner ads at 41.

Though word-of-mouth may be one of the greatest influences on brand choice, marketers still face a great challenge is making it scalable, said **Bruce Goerlich**, ZenithOptimedia's president of strategic resources, North America.

"Word of mouth is incredibly powerful, but we as an industry are not doing as good a job as we could do in generating it," he said.

TV is tops for branding

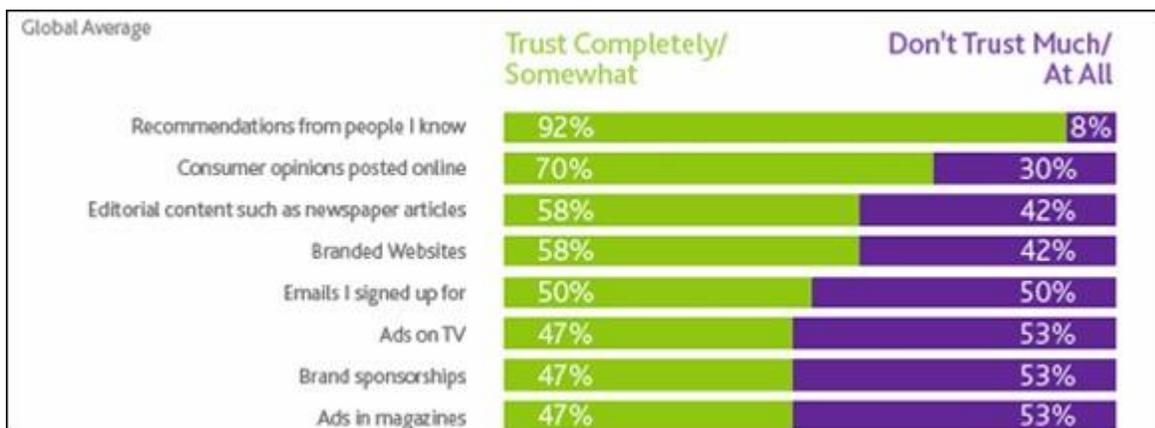
The ROI Tracker also measures brand association, or the percentage of consumers who say they have seen or heard of a brand through a touchpoint in recent months.

In the brand association category, TV is still king. The average brand advertising on TV is recalled by 22% of category consumers. Magazine ads follow with 16% of category consumers, and newspaper ads and family and friend recommendations are recalled by 13% each. Internet search follows

with 12% of category consumers, followed by outdoor ads at 9% and Internet banner ads and radio ads at 7% each.

Why identifying your influencers is crucial

The advent of social media has changed how businesses function across all departments -- from sales techniques to marketing strategies to customer service efforts. And because word-of-mouth is the [most trusted method of advertisement](#), there are many opportunities online for businesses of all sizes. Social networks are ripe grounds for conversation through reviews, complaints, praise, questions, etc. In fact, consumers tend to believe and trust the opinion of someone they know or a consumer opinion online over traditional advertising or marketing, making word-of-mouth one of the most powerful techniques in business. A glowing or scathing review from a trusted source can make a huge impact on a brand or a consumer's purchasing decisions.



Brands should take advantage of the way social networks function. There are highly influential social network users whose opinions are trusted -- and many have a hefty following to boot. These users can act as top tier ambassadors for a brand, especially if there is a good relationship between the individual and the brand. This is why companies of all sizes should identify who these influencers are and reach out to them. There are tools that can identify top influencers by impact (those who have the highest following) and by volume (those who mention your brand or product most frequently).

RADIO PERSONALITIES A HIT ON THE DISH

10-21-2012

FOX says it has a new entertainment hit, featuring radio personalities from around the country. The show, developed by 20th Television and airing on the FOX Television Stations – [DISH NATION](#) airs weeknights and features local radio personalities from across the country discussing current pop culture topics. DISH NATION premiered last month and is currently cleared in 97 percent of the US.

Out of the 40 first-run programs airing in national syndication, DISH NATION ranks as the #3 youngest skewing. See clips of the shows [HERE](#)

DISH NATION's viewers continue to climb since premiere – based on the just released Nielsen national rating, the TV show has grown 18% in just 4 weeks

Week 1 1.1 million

Week 2 1.2 million

Week 3 1.2 million

Week 4 1.3 million +18% Growth from Week 1

(Nielsen Total Viewers - Wk of October 1, 2012)

Here are some of radio's stars that appear on the program:

- o The Big Show with Scott & Todd on WPLJ. Hosted by a pair of titans in the radio industry, Todd Pettengill and Radio Hall of Famer, Scott Shannon.
- o Atlanta's Rickey Smiley Morning Show, heard locally on Atlanta's WHAT is hosted by comedian Rickey Smiley and features Ebony Steele.
- o Texas' (Houston/Dallas) Kidd Kraddick in the Morning, hosted by Kidd Kraddick and featuring Kellie Raseberry, Big Al, Jenna, and J-Si.
- o Detroit's Blaine & Allyson in The Morning have been together since 2005, and have been Detroit's #1 show for females for five years running.

SWIFT IN DREAM CONTEST WITH CLEAR CHANNEL

Here are more details on the Clear Channel/Taylor Swift promotion we wrote about yesterday. It's a direct result of the new relationship radio is cultivating with artists and record labels. On Monday Swift will release her newest album and more than 300 Clear Channels stations are helping the launch. Clear Channel listeners, across the country, are getting an opportunity to win a mountain of great prizes, Swift is getting massive promotion for her new album and Clear Channel gets tremendous access to THE hottest star in music today.

Now through November 9, all Clear Channel CHR stations will offer listeners the chance to text-in-to-win the "24 Hour Dream Life" contest. One winner and three friends will be flown on a private jet to join Swift for a behind the scenes tour of her new show, front row concert seats at two of her tour stops, a backstage meet and greet with Taylor Swift and a signed guitar. Beginning Q1 2013, Clear Channel Country stations will be offering a similar once-in-a-lifetime experience for its listeners.

Another component of the promotion is a Ryan Seacrest-hosted Taylor Swift 25-minute iHeartRadio Album Release Party. The event will air across Clear Channel radio stations on Monday, October 22 and will be available on demand at iHeartRadio.com. The on-air special will be followed by two weeks of exclusive content spotlighted across Clear Channel's Country, Mainstream Contemporary Hits Radio (CHR#, Adult Contemporary #AC# and Hot Adult Contemporary #HAC) radio stations.

In addition to the Seacrest special, Clear Channel will activate its Artist Integration Program across four formats beginning Monday, featuring eight of Taylor Swift's newest tracks. This AIP will include a series of on-air spots with Taylor Swift that will drive listeners online to access exclusive extended interviews and video content. Fans will also have instant access to download Swift's newest album RED.

Industry turns to research to sell the power of personalities. As the radio industry looks to differentiate itself from a glut of new digital jukeboxes offering advertisers unprecedented audio options, it's conducting more research to empirically demonstrate the sales power of personalities. Studies by Edison Research, Alan Burns & Associates, Jacobs Media and the USC's Annenberg School for Communication have demonstrated the unique, one-to-one personal connections that personalities make with listeners. All have shown personalities as the key differentiator between broadcast radio and pureplay webcasters. Underwritten by the Katz Radio Group, the USC Annenberg study showed nearly half (47%) of respondents said they considered or purchased products recommended by their favorite radio personalities. A study commissioned by Premiere Networks for syndicated host Delilah showed the impact the personality's endorsement campaign had for a bank card. Nearly half of listeners showed intent to purchase at the end of the campaign, an increase of over 50%. Three in four said they were likely to recommend it to a friend and an equal number said her endorsements were more effective than a regular ad. Similar studies have been done for endorsement ads by Dan Patrick, Jim Rome and other syndicated talent. More studies are in the pipeline. The industry is also redoubling efforts to create sampling opportunities and event sponsorships, some that involve occasions for listeners to press the flesh with their favorite personalities. Even before a campaign reaches the buying department at an agency, Katz works at the planning level to include station personalities. "We say, 'We can deliver an integrated marketing solution and part of that solution is the personalities and in many cases they anchor that solution,'" Katz Marketing Solutions president Bob McCurdy says. Katz is also expounding on the large number of media channels that radio can deliver. "In

channel planning, we typically measure 50-60 different media channels and their ability to meet various marketing goals and objectives," McCurdy says. "Radio can deliver 13 of them, including sampling, experiential events and event sponsorship in addition to personal recommendations. I don't think there is any other media that can offer as many channels as radio can."

In a quest for more emotion and engagement, advertisers ramp up partnerships with air personalities. Personalities pitching client products on the air is as old as radio itself. But as brands try to craft more engaging, one-to-one relationships with consumers and radio works to differentiate itself from a glut of new audio advertising options, personalities are playing a more active role in ad campaigns. One buyer for a large ad agency says 20% of its radio business currently involves personality endorsements. "We've been doing it for some time but now it's reached a saturation point," says OMD U.S. director of national radio Natalie Swed Stone. "Everybody wants to use personalities wherever they can." Endorsement ads by handpicked talent in local markets have proven successful for national grocery chain Super Valu and for Great Clips hair salons, says Compass Point Media VP Carol Grothem. The agency plans to step up personality buys in 2013. "We did quite a bit this year and we're going to do more next year," Grothem says. "Personality radio works well at the local and national level. We're big believers in it." One reason why the practice is becoming more widespread is agencies are doing a better job of merchandising talent endorsement success stories to their other clients. At the same time, radio's dominant national rep firm has stepped up marketing of local personalities to national

advertisers. Interspersed among client success stories on the home page of the relaunched Katz Marketing Solutions website are rotating panels promoting more than 20 mostly local morning shows in a variety of formats across top markets. From Chicago's venerable Don Wade & Roma (news/talk WLS) to San Francisco's Chuy Gomez (urban KMEL) to New York's Boomer & Carton (sports WFAN), the redesigned site uses video to showcase a diverse group of talent in action: on site at music festivals and station events, in the studio interviewing guests, backstage with pop stars and, yes, at client locations demoing products. "We believe personalities are going to be even more important moving forward because it is such a unique opportunity for the advertiser to deploy," Katz Marketing Solutions president Bob McCurdy says. "If you're able to harness the power of that relationship between the personality with the listener, it's limitless what you can accomplish."

Tapping into the trusted rapport between a personality and a listener. For endorsement ads to be effective, a natural affinity between the personality's lifestyle and the advertised product is critical, agencies say. That's putting greater pressure on clients and agencies to marry the right product with the right personalities. A recent male buy in Chicago for Great Clips used sports talk show hosts on two competing stations and one classic rock morning man. Each targeted a different listener lifestyle. While all three hosts received talking points and coaching from the agency and client, it was up to the talent to relate the service to his own lifestyle. One talked about taking his kids to get haircuts, another addressed it from the perspective of a single guy and a third spoke about the experience of getting a cut with his wife. "When we talk to the personality, we say, 'We just want you to be you, don't try to be somebody you're not,'" says Compass Point Media VP Carol Grothem. "We want them to bring their lifestyle or their family or whatever they want to talk about in their 30- or 60-second creative message." The movie industry, too, is putting talent to work to beef up box office receipts. Some studios screen their film for hand-selected personalities in advance of its opening so they can talk about it on-air the week before it premieres. "It's an organic integration," Katz Marketing Solutions president Bob McCurdy says. "They can speak with firsthand experience and show their enthusiasm." But talent involvement in campaigns goes far beyond live reads and endorsements. Some include appearances, promotions, even a personality serving as the product's official spokesperson. The length, depth and terms of the partnership often determine how far the personality will go for the product. Mike Bennett, morning man at Pamal Broadcasting AC WHUD, Hudson Valley, NY (100.7), is the spokesperson for Greater Hudson Bank for advertising and social media. He's also involved in supporting the bank's charitable organizations and business seminars and he visits bank locations to make personal connections with Greater Hudson clients. Says OMD U.S. director of national radio Natalie Swed Stone, "How tight and long the agreement is determines how much you can do with them."

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We trust the personalities we listen to because of the power of intimacy. We build a relationship and rapport with them over time. Wake up to them in the morning and go to sleep with them at night

Anyone on _____ You Don't Know Personally
But Who Feels Like a Friend?

	<u>Yes %</u>
Radio	46.8%
TV	35.6%
Internet	24.3%
Newspaper	12.2%



Is There a Medium That Feels Like One of Your Friends?

	<u>Yes %</u>
Radio Station	50.3%
TV Station	31.8%
Website	26.5%



How Much Would You Trust Information About a Product or Service From...

(10 Point Scale)

A Friend	7.9
A Radio Station	5.7
Newspaper Ad	5.0
An Internet Site	4.7
Famous Person on TV	4.4

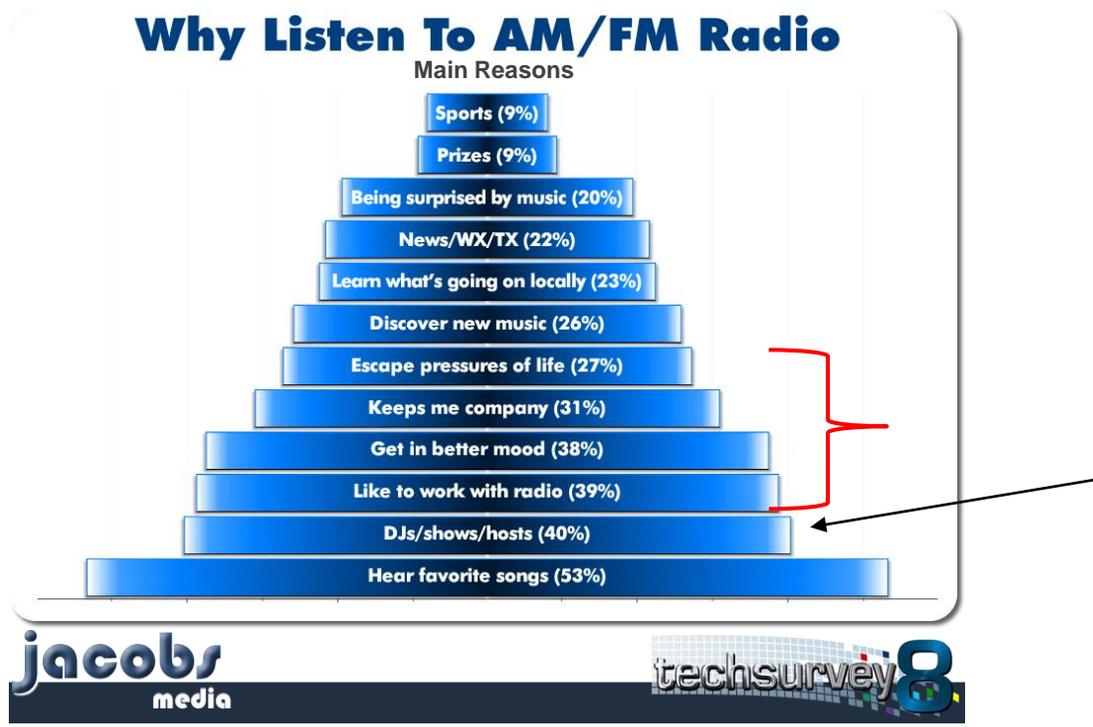


(COMMENT: EDISON STUDY STRESSES IMPORTANCE OF LOCAL AND PERSONALITIES)

2-22-2012

Edison research co-founder and President Larry Rosin presented the study at CRS yesterday which included over 1,000 country fans between the ages of 18 and 54. A key finding from the research: "Local, live DJs are instrumental in the difference between radio and other music outlets like Pandora or Spotify. Both P1s and non-P1s are generally equally as enthusiastic about DJs and half of both groups say that DJs are a prime reason that AM/FM radio is better than internet radio."

(COMMENT: BOTH THE JACOBS AND THE EDISON STUDY (ABOVE) CONFIRM THE IMPORTANCE OF PERSONALITIES TO THE LISTENING EXPERIENCE. PEOPLE GENUINELY ENJOY SHARING THE SAME MOMENT IN TIME WITH A LIVING, BREATHING HUMAN BEING. REDUCES MONOTONY)



(COMMENT: The above SLIDE supports the 4 “R’s” we saw in the Starcom/2008 GM study as to why people listen to radio. That study concluded that people listen for: Relaxation, Relevance, Recollection, Reliability)

Jacobs Tech Survey 8: Radio’s Big 4 – When we asked our respondents the main reasons why they’re AM/FM listeners, favorite songs and DJs were on top of the list. But next in line are four key emotional triggers that speak volumes about how radio can better serve its audiences: listening to the radio while they work, putting them in a better mood, providing companionship, and giving them an escape from their often challenging lives

Jacobs Tech Survey 8:

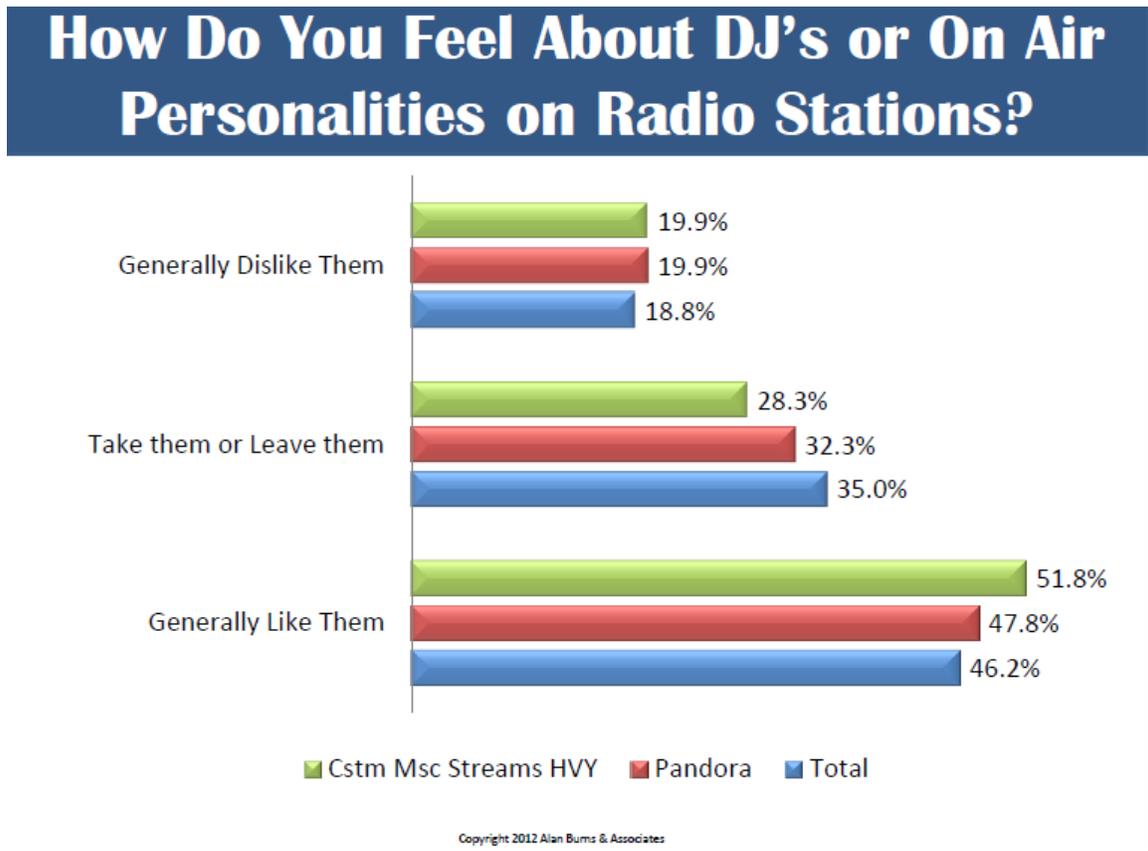
Beyond music & personalities, why listen to AM/FM radio?



PERSONALITY STILL POWERFUL DRAW FOR FEMALE LISTENERS. ENTERTAINING PERSONALITIES ARE ONE OF THE BIGGEST REASONS WOMEN SAY THEY LISTEN TO THE RADIO, NEW SURVEY DATA CONFIRMS. SEVEN OUT OF 10 WOMEN AGE 15-54 SAY A SIGNIFICANT REASON FOR LISTENING TO THE RADIO IS THAT "SOME OF THE PEOPLE ON THE RADIO ARE ENTERTAINING." ALAN BURNS AND ASSOCIATES' SURVEY SHOWS P1 LISTENERS ARE EVEN MORE PERSONALITY-FOCUSED. "WHEN YOU START NARROWING YOUR FOCUS, FROM ALL WOMEN TO TOP 40 CUMERS, TO ITS P1S, AND FINALLY TO ITS HEAVY/DEEP LISTENERS, EVERY STEP ALONG THAT PATH INCREASES THE DEGREE TO WHICH WOMEN STRONGLY AGREE WITH THE 'ENTERTAINING PEOPLE' STATEMENT," BURNS SAYS. THE RESULTS ARE

NOTEWORTHY SINCE HEAVY/DEEPS — PEOPLE WHO SPEND A MAJORITY OF THEIR LISTENING TIME WITH THEIR P1 STATION — MAKE UP 2 TO 3% OF A STATION'S CUME, BUT TYPICALLY ACCOUNT FOR HALF OF ITS QUARTER-HOURS. BURNS WILL HOST A WEBINAR TO PRESENT CHR LISTENER DATA THURSDAY

ALAN BURNS STUDY 2012:



USC STUDY CONFIRMS AIR PERSONALITY/LISTENER BOND

June 28, 2012

A study by USC's Annenberg School for Communication & Journalism on the relationship between radio listeners and on-air personalities confirmed that listeners feel they have a genuine relationship with their favorite radio personalities. The study, underwritten by KATZ RADIO GROUP, discovered that:

- * 75% of study respondents reported that they turn on the radio because they know their favorite personality is on the air;
- * 72% of respondents talk to their friends about their favorite personality or what they heard on the program;
- * Notably, listener engagement extended into the online realm, with nearly 70% of study participants reporting that they follow their favorite radio personalities and/or radio stations via social media channels;
- * Nearly half (47%) of all respondents considered or purchased products recommended by their favorite radio personalities;
- * More than half (51%) considered or purchased a product advertised during their favorite personality's show; and
- * Fully 82% of study participants expressed feelings and exhibited behaviors consistent with the phenomenon known as "parasocial identification."

"Our findings underscore the depth of the relationship, loyalty, and trust between listeners and radio personalities," said USC-Annenberg School for Communication and Journalism professor PAULA PATNOE WOODLEY. "This connection can be a significant benefit for radio station advertisers as demonstrated by the significant number of study respondents who have considered or purchased services or products advertised during radio shows or recommended by favorite on-air personalities."

"With more than half of the respondents saying their favorite radio personality influences their opinion, it is clear that parasocial interaction, or listeners' feelings that they have real relationships with radio on-air personalities, definitely exists," confirmed study co-author LAUREN MOVIUS."

"The unique emotional connection that exists between radio personalities and listeners is real and should not be underestimated," KATZ RADIO GROUP EVP/Radio Analysis and Insights MARY BETH GARBER said. "Radio is the only media platform that allows people to have an intimate, ongoing and evolving personal relationship with on-air personalities. Advertisers that are able to appreciate the unique value of these powerful connections stand to benefit tremendously."

Several recent studies conducted by Premiere Radio Networks for two national advertisers. Both studies have been de-branded to protect confidentiality of both advertisers



Bank Card Case Study

PREMIERE NETWORKS

Study Overview



- 100% web fielding via 3rd-party national panel companies
- Each study fielded in 3 waves:
 - Wave #1: “Before” wave prior to campaign (September 19-22, 2011)
 - Wave #2: “During” wave at 1st campaign midpoint (November 7-13, 2011)
 - Wave #3: “During” wave at 2nd campaign midpoint (January 23-27, 2012)
 - Wave #4: “After” wave after the campaign (March 19-25, 2012)

- 60% female; 40% are male
- Age 25-54
- Household incomes between \$50,000 and \$125,000
- Average participant is married, employed full-time, and living in a household of 3
- Half listen to Delilah regularly or daily; half are non-listeners (control group)
- About 2/3 are primary financial decision-makers; about 1/3 share equally in financial decisions



PREMIERE NETWORKS

Executive Summary

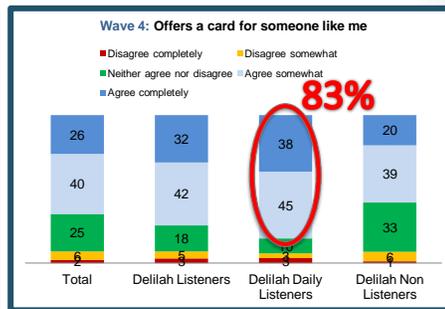
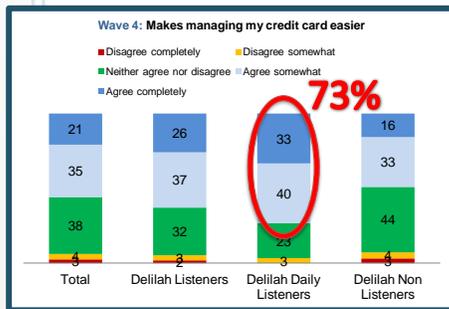
- 1 Delilah effectively educated consumers on Bank Card's key attributes, convincing up to **83%** of those surveyed of Bank Card's reliability, flexibility, and ease of use.
- 2 Nearly **50%** of listeners showed an **intent to purchase** at the end of the campaign, an increase of over **50%**.
- 3 Delilah listeners demonstrated high brand loyalty, identifying Bank Card as card for "someone like me". **75%** said they were likely to recommend it to a friend.
- 4 Delilah's endorsements were memorable. **50%** more listeners **recalled hearing a Bank Card ad** at the end of the campaign. **75%** said that Delilah's endorsement was **more effective** than a regular ad.



Changing Opinions

One of Bank Card's chief campaign objectives was to drive home certain attributes of and attitudes towards their special features. Delilah's endorsement managed to convince her core audience of many of these key attributes.

By the end of the campaign, Delilah Listeners were overwhelmingly convinced of Bank Card's key attributes:

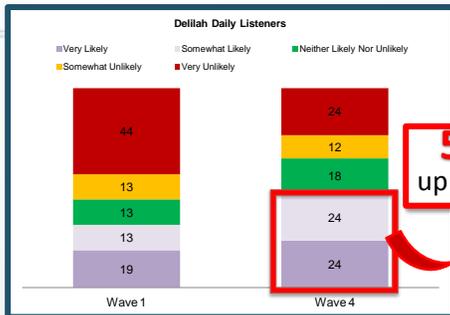


Other Key Attribute Successes Included:

- **20%** increase in belief that Bank Card "Appreciates My Loyalty"
- **24%** increase in "Understands The Things That Are Important To Me"
- **70%** more likely to consider Bank Card "flexible" than non listeners



Intent to Purchase and Recommend

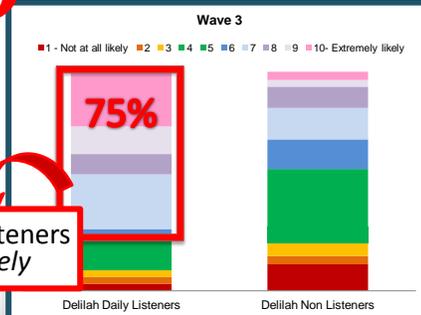


How likely are you to consider getting a Bank Card so you could use the special features?

50% increase
up to almost **50%**

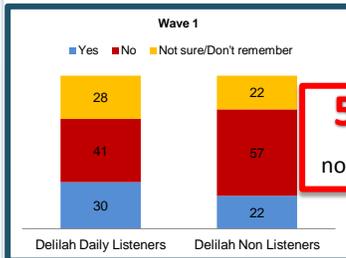
How likely are you to recommend Bank Card to a friend?

25% of Delilah Listeners are extremely likely

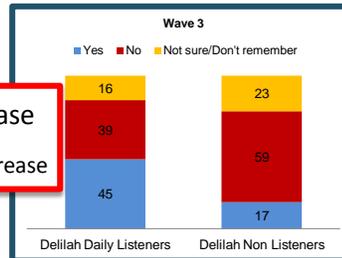


A Memorable Endorsement

Have you seen or heard any advertising for Bank Card recently?



50% increase
vs.
non listener decrease



Nearly **two-thirds** of Delilah listeners say hearing her talk about Bank Card is more convincing than standard advertising.

More than **75%** of daily listeners agree.





METHODOLOGY

- Timing: September 2011 --January 2012 campaigns
- 100% web fielding via 3rd-party national panel companies
- 70% of participants were female
- The study rolled out in 3 waves:
 - “Before” wave prior to campaign (September 6-11, 2011)
 - “During” wave at campaign midpoint (October 31-November 3, 2011)
 - “After” wave one week after campaign completion (January 5-11, 2012)
- Conducted by *Critical Mass Media*



RESULTS

75% increase in radio advertising recall for Household Appliance Brand among Premiere listeners throughout the course of the campaign. *(TV recall increased by only 23% during that same period).*

125% increase in Premiere listeners' ability to attribute the Household Appliance Brand tagline to the correct product throughout the campaign. *(There was no statistically significant increase among non-listeners).*

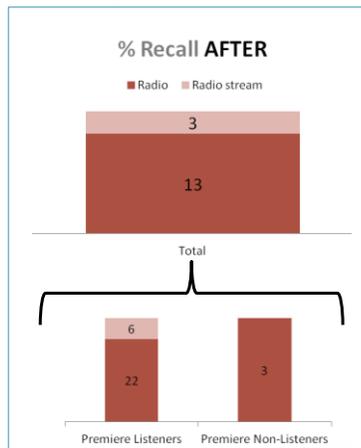
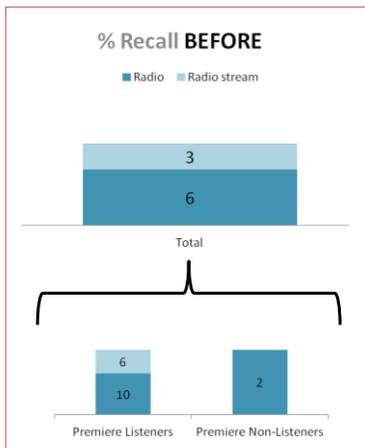
Increased likelihood of purchase for daily listeners of Premiere entertainment programs



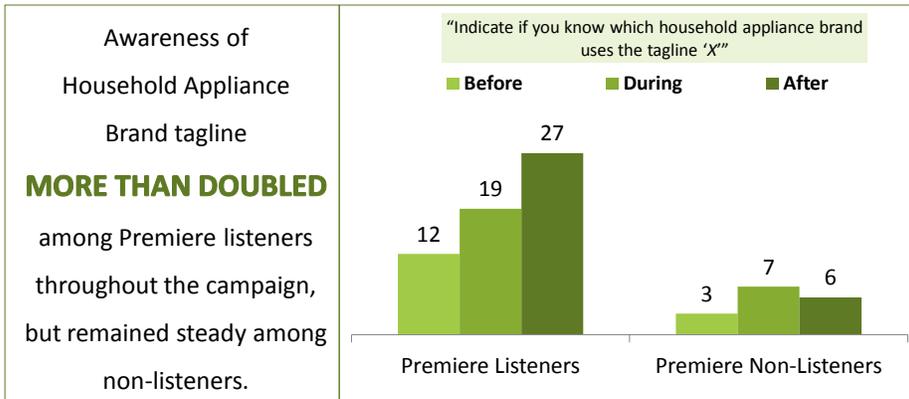
ADVERTISING RECALL

75% INCREASE IN RADIO ADVERTISING RECALL

The Household Appliance Brand displaced the next higher advertiser as the 2nd most-recalled brand, by the campaign's end.

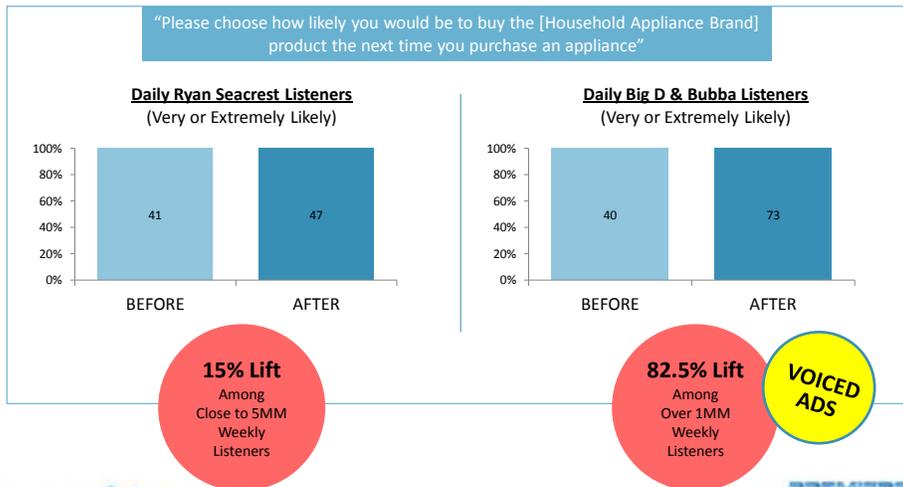


TAGLINE ATTRIBUTION



LIKELIHOOD TO PURCHASE

RADIO *INCREASED PURCHASE INTENT* AMONG DAILY LISTENERS



CONCLUSIONS

This study demonstrates increase in ad recall, increase in tagline awareness, and increase in the intent to purchase

Targeting females using voiced endorsements on
Premiere's entertainment properties WORKS
for household appliances.



PREMIERE
NETWORKS

Below is a Study that chronicles the incredible relationship listeners enjoy with their favorite radio personalities—it's called Parasocial



Paula D. Woodley, MA
Woodley Communications
University of Southern California

Lauren B. Movius, PhD
University of Southern California

Parasocial Interaction Study Results:
Parasocial Interaction between
On-air Radio Personalities and Listeners

for
Katz Radio Group
May 23, 2012

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- I. Introduction
- II. Study Objectives
- III. Parasocial Interaction
- IV. Research Methods
- V. Study Participants
 - Radio Stations
 - Demographics of Respondents
- VI. Summary of Findings
- VII. Recommendations
- VIII. Conclusion

IX. Addendum
Survey

I. INTRODUCTION

Katz Radio Group contracted with Paula Woodley, lecturer at the University of Southern California- Annenberg School for Communication and Journalism, and president of Woodley Communications to perform a quantitative web-based research study to learn more about the Parasocial Interaction relationships that exist between AM/FM radio listeners and their favorite on-air personalities.

Seven Southern California broadcast radio stations (music format) participated in the study by posting our online survey on their website and/or Facebook fan page for a period of up to three weeks. A total of 733 listeners responded with 617 of them responding to all of the most pertinent questions for this study.

An analysis of the survey's findings concluded that listeners have high levels of parasocial interaction with on-air personalities, as well as a commitment to the station and the on-air personalities.

II. STUDY OBJECTIVES

As stated above, the main objective of this study was to learn more about the relationships that exist between broadcast radio listeners and their favorite on-air personalities; specifically, the existence of Parasocial Interaction (PSI).

An additional objective was to look beyond the existence of parasocial relationships into whether or not PSI builds loyal, long-standing fans of both radio personalities and radio stations; and in turn, whether PSI positively affects radio station selection, time spent listening, frequency of listening, a commitment to products and services advertised and promoted on the air, and others.

In sum, the study objectives are as follows:

1. Establish if there is a Parasocial Interaction between the broadcast radio listener and their favorite on-air personality.
2. Determine if this type of parasocial relationship results in loyal, long-standing fans of radio personalities and the station.
3. Look for a correlation between promotional activities and PSI.

III. PARASOCIAL INTERACTION

Parasocial interaction is a term that was introduced in 1956 by social scientists Donald Horton and Richard Wohl. Since that time it has been used in academic settings to describe one-sided "para-social" interpersonal relationships in which one party knows (or feels as though they know) a great deal about the other. Audience

members may develop quasi-relationships with media personalities. The most common form of such relationships is between celebrities and their fans. There is an “illusion of intimacy” between media personalities and audience members in parasocial interactions (Horton & Wohl, 1965).

A parasocial relationship can be between a “regular person” and a television or movie star, famous athlete or other type of celebrity. In addition, PSI can take place with a sports team or even fictional characters. Even though these relationships are based on illusion rather than actual social interaction, a bond of intimacy is created and the audience members can feel they really know the media personality. These individuals believe that the celebrity they feel so fond of is communicating directly to them. Oftentimes the celebrities will engage in the illusion of 'one-on-one' interaction with the audience by addressing them directly (i.e. *The Oprah Show* and *Modern Family*).

Television executives have actively promoted PSI and there have been dozens of published academic studies that confirm the existence of PSI. However, there is only one published study on parasocial interaction among radio on-air personalities and their fans. This study¹ did establish parasocial interaction among listeners, but researched only talk radio.

Our study is the first to establish that PSI does clearly exist between music-format on-air radio personalities and their listeners.

IV. RESEARCH METHODS

We focused on adult listeners, ages 18-39, of music-based AM/FM radio stations in Southern California. An internet questionnaire containing 33 questions, including demographic data and three open-ended questions, was developed and programmed into Survey Monkey software. We offered an incentive of five, \$100 Amazon gift cards to be selected at random from respondents who completed the entire survey. The questionnaire took less than five minutes to complete and was anonymous (except for those that entered the drawing when an email address was required).

Eight suitable radio stations were selected and requests to post the questionnaire were emailed to station managers. All responded favorably, yet it appears seven stations posted the questionnaire on their station’s website and/or Facebook fan page. Each station was provided with unique links to the survey.

The surveys were posted during a three-week period from November 8, 2011 and November 24, 2011. The actual start date fluctuated slightly based on the stations’ ability to post the questionnaire.

¹ Rubin, A. & Step, M. (2000). Impact of motivation, attraction, and parasocial interaction on talk radio listening. *Journal of Broadcasting and Electronic Media*, 44(4), 635-654.

As our study would not be mentioned on the air, we had to rely on listeners going to the station websites and Facebook pages to learn of the study. The goal was to obtain 250 completes, and we were pleased to see 733 responses with 617 completing all relevant measures.

In our study, PSI was measured by adapting the 10-item Parasocial Interaction Scale² (Rubin & Perse, 1987) to analyze the emotional involvement participants felt with their favorite radio personality. Our adapted version included seven parasocial interaction statements, such as: “I see my favorite radio personality as a natural, down to earth person,” “I would like to meet my favorite radio personality in person,” and “My favorite radio personality makes me feel comfortable, as if I am with a friend.” The PSI scale has been shown to be reliable and valid in past research.

The respondents were asked to focus on their favorite radio personality and answer the questions by expressing their level of agreement or disagreement with certain ideas. Answer options for the scale contained a five-level range from “strongly disagree” to “strongly agree.” We averaged responses across the seven items. (See appendix for survey questionnaire, see PSI scale questions in the “Tell us what you think” heading.)

In addition to the PSI scale questions, we looked at whether or not listeners listen longer to the station because of the radio personality, change stations less when their favorite personality is on the air, may be persuaded by the radio personality’s opinions expressed on the air, recommendations to purchase products and services, and station advertisements.

V. STUDY PARTICIPANTS

Radio Stations

The following seven radio stations in Los Angeles participated in the study by posting the questionnaire on their website and/or Facebook page.

KPWR-FM – 106	
KSWD-FM – 100.3	
KYSR-FM – 98.7	
KIIS-FM – 102.7	
KHHT-FM – 92.3	
KOST-FM – 103.5	
KBIG-FM – 104.3	
Facebook (all)	72 respondents

² The 10-item PSI scale is based on a 20-item measure developed by Rubin, Perse & Powell (1985). Both scales have been proven to be reliable and valid in a number of research studies.

Demographics of Respondents

The demographic breakdown of our 617 survey respondents is below:

Gender

The most notable factor is that nearly 70% of the respondents were female.

- Female – 69.5%
- Male – 30.5%

Age

The age of listeners is split relatively evenly, with the exception of the oldest bracket.

- 18-24 years of age – 32.5%
- 25-35 years of age – 33%
- 35-49 years of age – 23.7%
- 50 years of age & over – 10.7%

Ethnicity

The largest percentage of listeners describe themselves as Hispanic or Latino, followed by Caucasian; all other ethnicities represent a statistically smaller sample.

- Hispanic/Latino – 45.1%
- Caucasian – 38.1%
- Asian-American/Pacific Islander – 8%
- African-American – 4.4%
- Other – 4.4%

Marital Status

Ninety percent of the respondents were married or single, almost evenly split.

- Single – 48%
- Married – 43.1%
- Divorced – 6.3%
- Declined to state – 2.5%

Education

Over 75% of the respondents have either attended college/trade school or graduated

- High school graduates – 12.8%
- Attended some college or trade school – 47.6%
- Graduated college – 29%
- Attended graduate school – 9.9%

Income

- Less than \$25,000 – 21%
- \$25,000 - \$49,999 – 26%
- \$50,000 - \$74,999 – 16%

- \$75,000 - \$99,999 – 8%
- Declined to specify – 18%

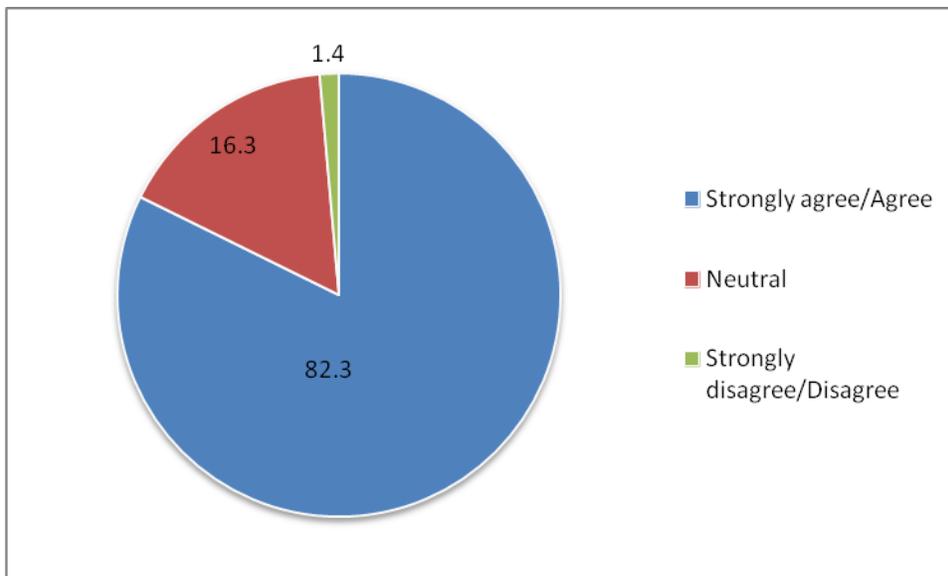
VI. SUMMARY OF FINDINGS

This study confirmed, with an overwhelming majority, that broadcast radio listeners have parasocial relationships with their favorite on-air personality. This section reviews the details of our findings.

Parasocial Identification Findings

As stated above, this study definitively found that parasocial interaction - or listeners’ feelings that they have “real” relationships with the radio on-air personalities – does exist. In fact, 82% of the sample reported having a parasocial interaction (answering strongly agree and agree) with their favorite radio personality (see chart #1).

Chart 1: Parasocial Interaction Findings



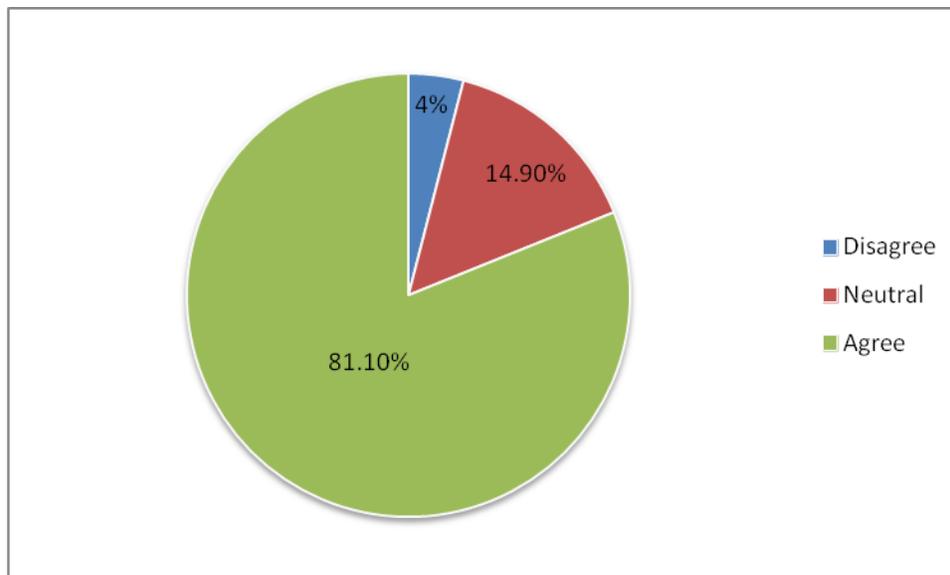
We found that men and women have the same levels of Parasocial Interaction, with education as the only exception. Women with college degrees had a slightly higher level of PSI than their male counterparts and conversely, males with high school educations had higher PSI than women in the same education category. Additionally, we found for both genders, as age increases, so does PSI.

Listening Habits

The following snapshot of respondent listening habits further reinforces the connection between radio personalities and their fans.

- Thirty-four percent of the respondents listened to their favorite radio personality for 26-50% of the time spent listening to the radio, and nearly 30% for 51-75% of the time.
- On a typical day, the amount of radio listening was split almost evenly with approximately 30% of the respondents listening four or more hours, 30% for 2-4 hours, and 30% 1-2 hours.
- Over 25% of the sample has been listening to their favorite radio personalities for more than 10 years, with the largest group (38.5%) listening between 4-9 years, followed by 1-3 years at 32.2%.
- Nearly 55% of respondents listen to their favorite personality on a computer or mobile device when they are away from a radio.
- Further expressing their feelings of a relationship, the majority of respondents (81.1%³) listen to their favorite radio personality “*whenever I can*”(see chart below).

Chart 2: “I listen to this radio personality whenever I can.”



Social Media

³ Percentages are calculated based on respondents who agreed or strongly agreed to the statements.

The frequent use of social media to stay connected to the radio personality and station also may support parasocial relationships. Nearly 70% of respondents follow their favorite personality and/or radio station on social media (68.7% of the sample). The chart below shows their social media use (see table 2). It is important to note, that for 55.2% of the sample, the impact of following the radio personality on social media was “to make them feel like they know the host better.” The open-ended questions in this category provided wonderful insight into the power of social media to enable and reinforce this type of relationship.

Table 2: Social Media Involvement

	Facebook	Twitter	YouTube	MySpace
Personality	54.5%	24.3%	11.7%	3.9%
Station	61.4%	22.5%	9.4%	3.2%

Open-ended Questions

This study contained three open-ended questions: 1) What makes him/her them your favorite radio personality?, 2) [Explain why] communicating through social media with your favorite radio personality makes you feel like you know them better?, and 3) Is there anything else you’d like to share about your favorite on-air radio personality?

The written responses to these questions reinforce the respondents’ affection for the radio personalities and feeling like they know the person behind the microphone. In terms of why the personality is their favorite, the largest number of responses (39%) indicated that humor was key.

Excluding the hundreds of responses that indicate the personality is funny, hilarious, great or awesome, below are a few other (unedited) representative examples that reflect feelings of a parasocial relationship:

1) What makes him/her them your favorite radio personality?

- *Connects with the audience, feels like she's one of us.*
- *She's my favorite radio personality because I saw first hand how hard she works and how dedicated she was to her passion of being behind the mic. She also taught me a lot and inspired me to stay motivated and focused on a similar dream that I have.*
- *They have a good moral compass.*

- *They are very down to earth people, just like their listeners.*
- *They're real, "normal" (not scream-y), fun, informative.*
- *Intelligent, direct, honest.*
- *He makes you feel like he knows you personality and he play my favorite music.*
- *They are very down to earth, Family oriented.*
- *Waking up every morning and just hearing Ryan Seacrest & Ellen K start off my morning is like hearing a best friend everyday play your favorite music, talk about your favorite celeb, and hearing them in the morning with the energy they bring threw the radio is what makes them my favorite radio personality duo cause if it wasnt for them every morning. My day would not start out has good as they made it for me.*
- *They are both funny and charming. I think they are very nice people.*
- *Their lack of class, they just seem real. They don't pretend to be funny, they just are.*
- *Talkative, energetic, entertaining, funny, outgoing, and genuine.*
- *Mimi has the great rare ability to tap into the pulse of the collective conscience and use that in the selection of the music she plays. She is the ONLY radio person i make a point to listen to... listening to her is very rewarding. (and no, I have never met her.. this is an honest answer.) i am a radio veteran myself. She is Great!*
- *they work well together, they make me smile, I really enjoy spending my mornings with them.*
- *good man*
- *He's funny and he is genuine. He never changed only his weight.*
- *He's so down to earth and chill. He plays amazing music every night and from the times I've called in to vote for anything or replied on twitter or Facebook he's always been friendly and carried a food conversation*
- *His trueness.*

2) [Explain why] communicating through social media with your favorite radio personality makes you feel like you know them better?

- *by taking time to respond we build on a relationship even if we have not met or he does not know me personally*
- *Like if they are my friends or family members*
- *sure, when they post pics and fav things etc, you do feel like you know them better, more like a friend that just happens to be on the radio*
- *I think by reading posts on Facebook from my favorite radio station and/or personality helps me to feel a bit more connected, and allows me to share my opinions with them easier. It definitely aids in bringing the station closer to its fans and the fans have a chance to ask for a specific request, share a memory and just ask a question. Makes the station seem more "down-to-earth" and approachable.*
- *They speak to you directly not a mass audience. Only those who really listen and appreciate the show will visit their Facebook.*
- *You get to see how they feel outside of work hrs or what he is really thinking. Like what he ate for dinner or plans for the weekend.*
- *You get to know them more and more as you communicate or follow them [on Facebook].*
- *Because they talk to ppl through twitter and just make everyone feel close to them and like there here with us as a friend*
- *i seem to know them better, as humans.*
- *Yes because I hear about their everyday life makes me feel connected*
- *Because I get to see their updates and feel like I am there with them*
- *because were actually communicating and talking to each other, to know one another.*
- *I get to see what he says he's doing. He also gives his opinion on certain things and sometimes I agree with him. I feel like if I know Big Boy personally.*
- *You get a sense of how real a person they are and you can relate to them as well.*
- *Shows he's still a down to earth keep it real type person*

- *Yes it makes them seem real and you know them on a personal level*
- *she almost talked me into getting my first tattoo*
- *Because he actually replies to you and makes you feel important.*
- *I get to see the activities and products they do*
- *Because reading the posts and information does allow you to know about the person, the same as any other friends on Facebook.*
- *kinda makes you get to know them a little better.*

3) Is there anything else you'd like to share about your favorite on-air radio personality?

- *long live radio*
- *just i think it great to have on air radio stations it just makes everyone day*
- *I don't feel lonely in my office when I'm listening them in the mornings.*
- *Drivers in Southern California are always stuck in traffic so they make the commute so much easier and keep you from falling asleep. I think those circumstances are reasons why we listen so much and eventually grow to love radio personalities.*
- *She Awesome and someone I can always talk to and a very caring person.*
- *I love listening to Mark & Kristin. I disagree with some of what they say and often send emails stating such. It's nice to know they read my emails because they make comments on their show on the same day or respond via email. They are happy, upbeat, and I love that they share parts of their lives with their audience. I won the chance to see "Straight No Chaser) at the KOST studio... They are just as nice in person as they are on their show.*
- *I wake up early just so I can listen to them!*
- *I cannot even imagine where I would be today were it not for Dr. Oz good intention, a good heart, and humor. he has thought me a lot about myself and others. he has one of the best doctors around which makes life feel comfortable going back to the doctors. i don't know any other radio host that could would take time to find us cures and share them "on-Air".*

- *I think she has a beautiful personality. Canned at times but very giving towards her work on the radio. She's witty in her conversations with us on air. I love her verb-ages. Keep up the great work Lisa. I think you are wonderful. Gino B.*
- *That he is a real down to earth person*

Impact of Parasocial Interaction

The impact of a parasocial relationship can be seen in listener behaviors, such as listening patterns, as well as station and on-air personality loyalty.

The listening behaviors that likely result from parasocial relationships can also be seen in listener responses to other questions, for example:

- 81% listen to their favorite personality whenever they can
- 75% turn on the radio because they know their favorite personality is on the air
- 79.4 listen longer to that radio station because their favorite personality is on the air
- 58.6 listen more frequently than in the past because of their favorite personality
- 85% change the station less frequently when their favorite personality is on the air
- 71.6 talk to their friends about their favorite personality or what they heard on the program

Further analysis indicates that the higher the level of PSI, the more likely the radio fan will listen longer. More importantly, our research found that parasocial interaction actually *predicted* all of the listening behaviors listed above.

As for the role of PSI and its affect on listener persuasion, over half (51.6%) of the respondents feel their favorite radio personality influences their opinion, and 51.1% have considered or purchased a product/service advertised during their favorite radio personality's show. Just under half (46.8%) of the listeners have considered or purchased a product/service based on the recommendation of their favorite radio personality. This issue of PSI leading to actual purchasing decisions requires further research, as the initial findings were incongruent with other results.

VII. RECOMMENDATIONS

This study also provides valuable insight for radio station advertising sales. The high level of parasocial interaction that has been proven between these two parties clearly indicates a strong level of commitment to the personality and the station. Additionally, it provides added credibility to the stations' claims that not only will their client's ads be heard more often; they will also be considered by approximately half of the listening audience.

With other options for music listening, such as mp3 players or Pandora, there is not an opportunity to build PSI relationships – only radio can offer advertisers this personal connection and lasting listener commitment.

VIII. CONCLUSION

Based on the opinions of 617 Southern California based listeners to seven top radio broadcast radio stations (music format), this web-based research study proved that high levels of parasocial interaction relationships do exist between AM/FM radio listeners and their favorite on-air personalities. Additionally, analysis showed that listener habits are actually predicted by parasocial interaction and that this correlates to a level of commitment to the on-air personalities and the radio station as well.

This study has implications for the ongoing and future significance of broadcast radio as an entertainment and advertising vehicle. It further supports the power and influence of the on-air radio personalities and provides evidence that listeners care about them, listen to them, and actually tune in because of them.

VIX. Addendum

- Survey
(see separate document)

Personalities provide an unique competitive advantage

Mark Ramsey: Recently I did some research that put me face-to-face with fans of a particular morning show in a large market. The role this morning show plays in the lives of those consumers was amazing. They knew everything about the show and the characters on it. "They are like friends," they said. These listeners laughed, they cried, and they lived their lives alongside these characters on the way to work or school every morning.

STUDY CONDUCTED BY PREMIERE RADIO NETWORKS

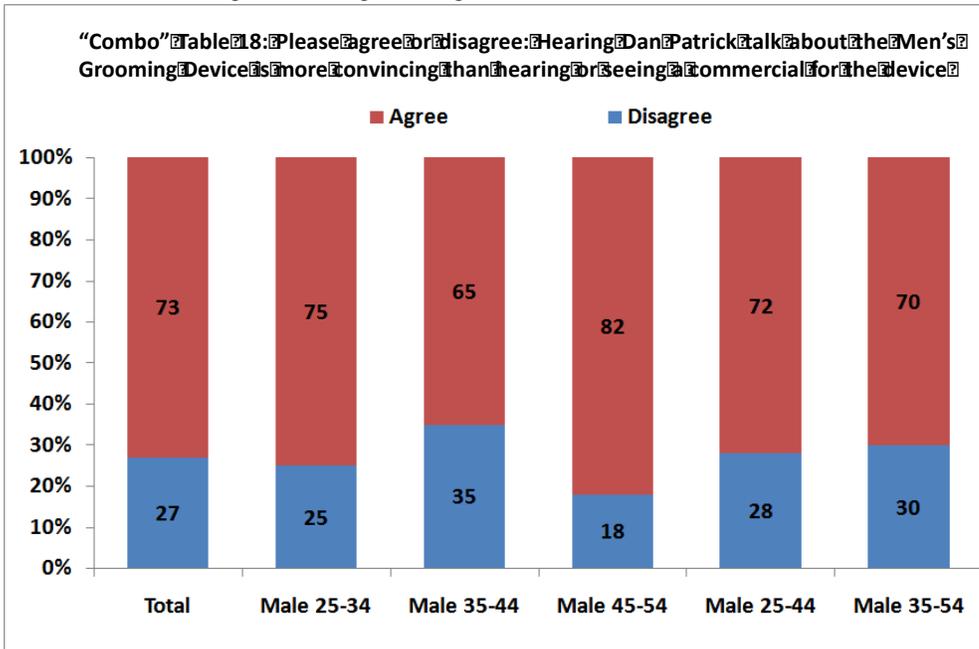
In the examples below, "Men's Grooming Device" was substituted for the name of the advertiser due to the advertiser's desire for confidentiality

Executive Summary

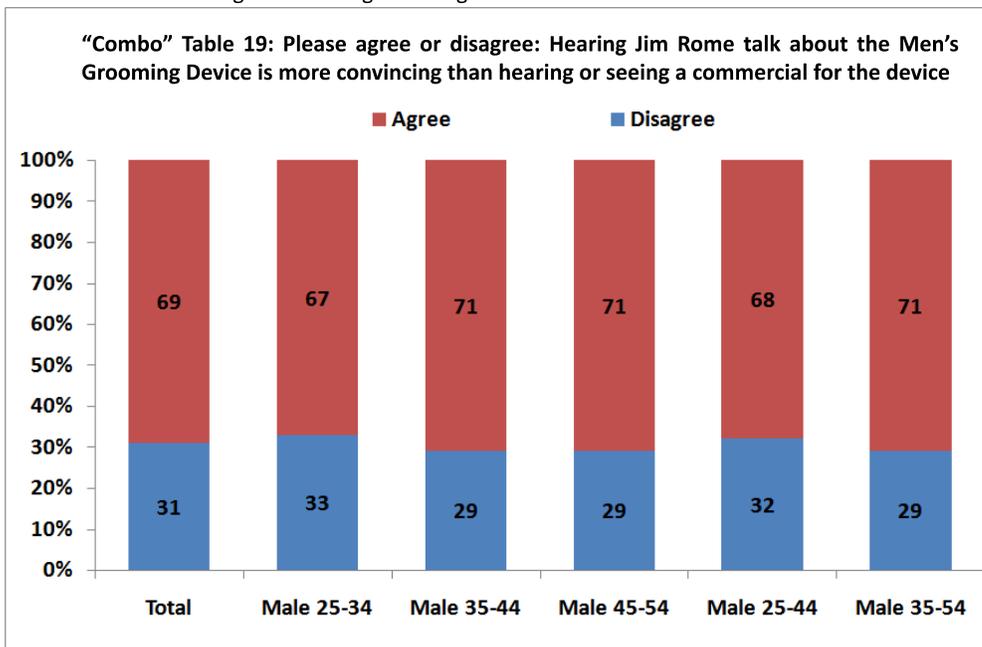
- 1. 73% of Dan Patrick listeners say hearing him talk about the Men's Grooming Device is more convincing than either hearing or seeing a traditional advertisement for the device. 69% of Jim Rome listeners say the same about him.**
- 2. By the conclusion of the campaign, the Men's Grooming Device makes gains on a Competitor as a brand they've heard advertised lately. Recall for the Men's Grooming Device advertising on Jim Rome's show increased by 62% from Wave 1 to Wave 2. Recall for the Men's Grooming Device advertising on Dan Patrick's show doubled in the same time period. Respondents generally say they heard the spots multiple times.**
- 3. Awareness of the Men's Grooming Device tagline increased 41% among Premiere listeners from the beginning to conclusion of the campaign.**
- 4. By the end of the campaign, 46% of heavy Dan Patrick listeners, 45% of heavy Jim Rome listeners, and 38% of listeners (both casual and heavy) of either show can peg the Men's Grooming Device tagline to the correct product, compared to just 26% of non-listeners.**
- 5. Interest levels in the Men's Grooming Device increased marginally throughout the campaign; this increase occurred amongst both listeners AND non-listeners.**
- 6. By the conclusion of the campaign, half of Premiere show listeners say they'd at least probably buy the Men's Grooming Device in their next purchase, compared to just 30% of those who don't listen to either show.**

Men's Grooming Device Spot Recall Test Final Report

- Nearly 74% of Dan Patrick listeners say hearing Dan talk about the Men's Grooming Device is more convincing than hearing or seeing a commercial for the device



- More than 2/3 of Jim Rome listeners say hearing Jim talk about the Men's Grooming Device is more convincing than hearing or seeing a commercial for the device



NEW EDISON STUDY STRESSES IMPORTANCE OF LOCAL

2-22-2012

Edison research co-founder and President Larry Rosin presented the study at CRS yesterday which included over 1,000 country fans between the ages of 18 and 54. A key finding from the research: "Local, live DJs are instrumental in the difference between radio and other music outlets like Pandora or Spotify. Both P1s and non-P1s are generally equally as enthusiastic about DJs and half of both groups say that DJs are a prime reason that AM/FM radio is better than internet radio."

Our data also suggest that live, local DJs are one of the big advantages that radio has over internet and satellite outlets, and should be acknowledged as such."

The relationship between personalities and their listeners is what psychologists call a "parasocial relationship," essentially a one-way friendship -- but still results in a very real emotional connection. People feel like they know these radio personalities; they run into them on the street and speak to them as if they've been friends for years. They actually care deeply about their favorite radio personalities, many of them are the first voices they've heard in the mornings for years or the last voice before going to sleep.

Mary Beth Garber: The disc jockey remains a major attraction of broadcast radio and is something the internet audio services can't match. People want to have relationships and emotional connections in their lives. They want "friends". This type of relationship brings people to the station and keeps people coming back, as the station begins to take on the personality of its personalities. It's a "virtual neighborhood. Good PD's create a place where listeners look forward to returning to. Listeners need to have a good sense of what to expect in their personalities shift, but they're always going to be surprised, too. The content is live and fresh.

The following slides details the importance of personalities from a 2012 study conducted by University of Southern California:

Because he actually replies to you and makes you feel important

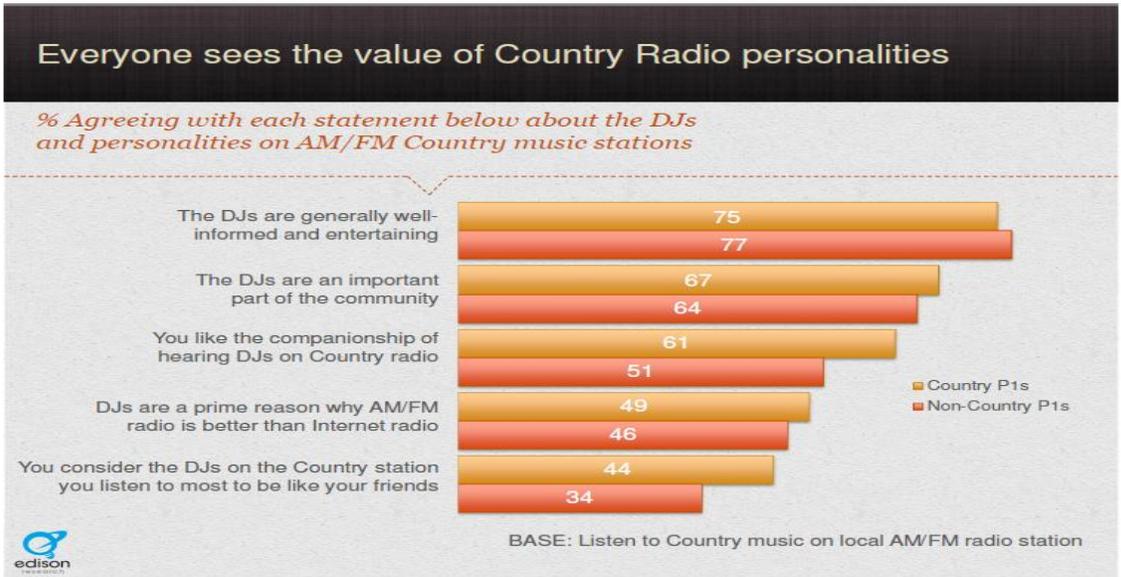
Radio Provides The Power of Personal Connection

- **75%** turn on the radio because they know their favorite personality is on the air
- **79%** listen longer to that radio station because their favorite personality is on the air
- **59%** listen more frequently than in the past because of their favorite personality
- **85%** change the station less frequently when their favorite personality is on the air
- **72%** talk to their friends about their favorite personality or what they heard on the program
- **70%** of respondents follow their favorite personality and/or radio station on social media
- *“Because he actually replies to you and makes you feel important”.*

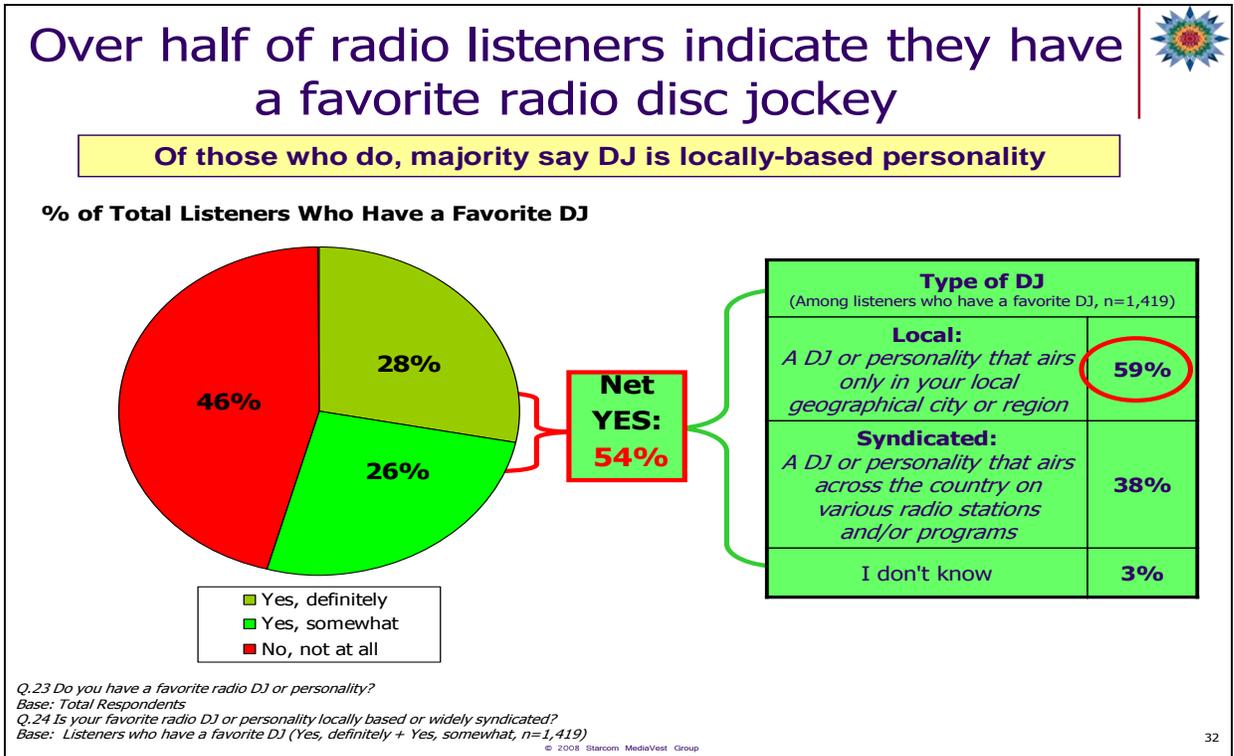
Source: USC, Annenberg School for Communication & Journalism, PSI Study Nov 2012, Woodley, P. and Movius, L.

KATZ | RADIO GROUP
.....

The study below was commissioned by Albright/O'Malley in 2012 for the Country Music Conference



The 2008 Starcom/GM study also confirms this point.



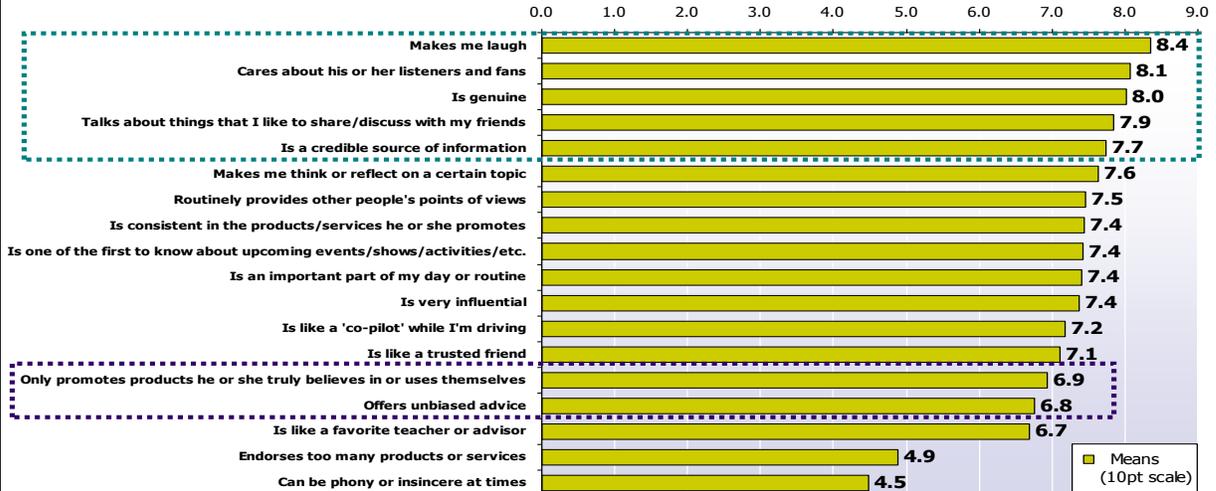
Entertainment value, relevant connection, and credibility clear equities of favorite DJ's



Less solid feelings that product-related advice is unbiased or selective

My Favorite Local Radio DJ or Personality...

Base: Listeners who have a favorite DJ, n=1,419



Q.25 Now, still thinking about your favorite radio DJ or personality, for each statement below, please indicate how much you agree or disagree by using a scale from 1 to 10, where a 1 means that you "Strongly Disagree" and a 10 means that you "Strongly Agree."
Base: Listeners who have a favorite DJ (n=1,419)

© 2008 Starcom MediaVest Group

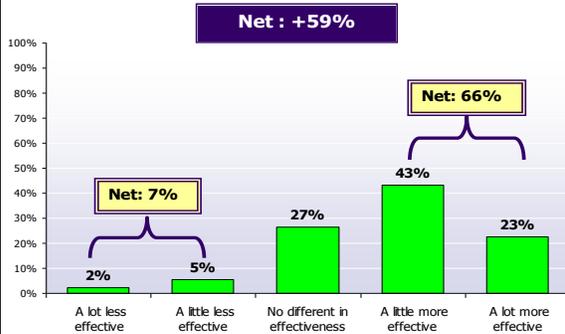
Importantly ads voiced by their favourite personalities are deemed considerably more effective:

Favorite DJ or not, majority of listeners feel DJ-endorsement ads are better than – or at least as good as – pre-recorded spots



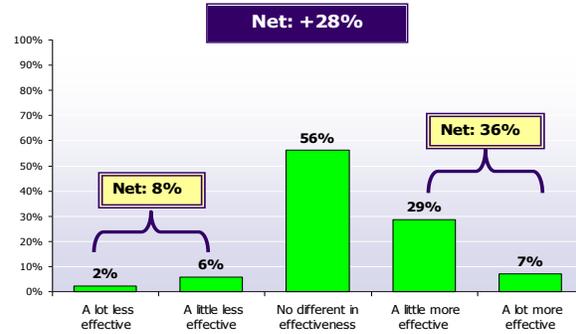
Among those with favorite DJ, particular preference for DJ-read spots

Among Listeners Who **Do** Have a Favorite DJ
(n=1,419)



VS. Pre-Recorded Ad, Products Endorsed by your favorite DJ are...

Among Listeners Who Do **Not** Have a Favorite DJ
(n=1,204)



VS. Pre-Recorded Ad, Products Endorsed by a DJ are...

Q.26 Versus a traditional pre-recorded commercial, do you believe a product or service message delivered on air by your favorite radio DJ or personality is...

Base: Listeners who have a favorite DJ (n=1,419)

Q.27 Versus a traditional pre-recorded commercial, do you believe a product or service message delivered on air by a radio DJ or personality is...

Base: Listeners who do NOT have a favorite DJ (n=1,204)

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Listeners are Loyal to their DJ's

This time, the listeners were heard

WBZ Radio brings back laid-off late-night host after thousands air their grief

By Johnny Diaz
GLOBE STAFF

Leazarus, it's nice to meet you," says "Manny in the Car."

His greeting is for Steve LeVeille, a name and voice best known to those for whom midnight is the middle of the day. The switchboard at WBZ-AM (1030) in Allston lights up as Manny and scores of other fans call in from their semitractor-trailers, cars, and homes in Massachusetts, Rhode Island, and beyond. They are celebrating LeVeille's all-but-miraculous return to broadcast life.

"You need a new name for the show," jokes Mike, another night owl. "Steve LeVeille: The Sequel!"

LeVeille, for almost a decade a fixture on the



WBZ Radio was deluged with e-mails after it laid off host

airwaves from midnight to 5 a.m. and embraces the happy avalanche of e-mails. Two weeks ago, WBZ Radio laid him off but cutbacks. Fans were bereft, and enraged. They mounted petitions. "Bring Back Steve" campaign

LeVeille Continued from Page A1
boycotted WBZ advertisers. In the first week LeVeille was off the air, the station was deluged with at least 8,000 e-mails. The station bowed to the public pressure, and now LeVeille is enjoying a rare gift in a staggering economy: a second chance.

He is among the last of a dying breed: the local overnight radio talk show host. His listeners — "Bob the bread man," "John the milk truck driver," nocturnal commuters, insomniacs, and early risers — say LeVeille remains a special part of their lives even though they've never met him.

"When you left, we lost a community, a community of people," said Brian, a caller from Pennsylvania. "It really felt like a loss in the family."

That sense of intimate connection is part of what can bind listeners to radio; it's also what can make it risky for a radio company to substitute, as WBZ briefly did, a syndicated voice for local talent.

"It's an amazing story," said Tom Taylor, editor of radio-info.com, a website that covers the radio industry. Locally, at least five stations have purged some of their on-air talent and administrative staffers because of shrinking ad revenues. That makes LeVeille's reinstatement all the more unusual, Taylor said.

"The reversal of WBZ's decision goes to the heart of the social contract a radio station has with its listeners," he said. "To many people, WBZ is a compan-

ion, a trusted friend, and you don't make changes there lightly."

On his third night back with WBZ, LeVeille can't get off the topic of his comeback. That's all his listeners want to talk about. A familiar voice comes on line 2. It's Randy Price, longtime anchor at WHDH-TV (Channel 7).

"Hey, welcome back from exile," said Price, driving home to Maine after his late-night newscast. (Since that call, Price has left the station. See story on B1.) "Some of my colleagues were rabidly in the movement to bring you back," Price said. "It's good to have a live voice in the night. I'll be listening."

"I am very appreciative," LeVeille said.

Forty years ago as a teenager in Burlington, LeVeille was one of those radio callers. He listened to WBZ's Larry Glick host the overnight show. Glick held the job for 20 years.

"My grandparents gave me a little transistor radio, and I spun the dial, and somewhere in that, the radio bug bit," said LeVeille, who studied communications at Emerson College.

LeVeille launched his radio career at WEEI in 1977 as a news writer and producer, and he worked for ABC News in New York as a news writer and assignment editor in the 1980s. He was the morning man at WFTQ in Worcester before the station closed.

In 1991, LeVeille landed at WBZ, where he worked as a fill-in host and substituted for the late

David Brudnoy. In 1999, when Bob Raleigh retired after 23 years of hosting the overnight show, LeVeille moved into that slot.

LeVeille chats with callers with his folksy humor. As the night deepens, he grows more animated, turning in his chair, hands flying in the air. He listens more than he talks. He treats his callers as his guests and tries to get as many on the air as he can. He averages about 40 a show.

"I like to interview the callers. This is the opportunity for them to have their say," he said. "We have five hours. I don't have to be in a rush. I like to give people a

'When you left . . . it really felt like a loss in the family.'

BRIAN
Caller from Pennsylvania

chance to open up a little bit."

Perhaps that's why they're rejected so loudly when LeVeille was laid off Dec. 29. WBZ replaced him with a syndicated broadcast from St. Louis. Unemployed, LeVeille prepared to find an agent and a new job.

"I was prepared to move. I had made that transition to hit the ground running," said LeVeille, 53, who lives in Newton with his wife, Diane. As he embarked on his job search, LeVeille's loyal listeners relentlessly lobbied WBZ to bring him back. Station officials began negotiat-

ing a new contract. The announcement came Jan. 27.

"It goes to show you how unique Boston and New England is," said Peter Casey, director of news and programming at WBZ-AM. He estimates that, in any given quarter-hour of LeVeille's show, about 17,000 listeners are tuned in. "Boston and New England holds WBZ to a higher standard than other radio stations and they are not shy about letting us know that."

The station had also laid off broadcaster Lowell Dyett, but after an outcry, brought him back in a half-hour community affairs show at 4:30 a.m. Sundays.

LeVeille says he is humbled by the power of his loyal listeners.

"I'm still stunned. I didn't realize the extent of the passion they had for this program," he said. "You would hope that a few people would call and complain, but I never expected anything like that."

Almost halfway through this night's show, LeVeille appears energized by the incoming calls.

Carolyn from Pennsylvania is on the air. "He has risen. He has risen," she greeted LeVeille. "I'm really amazed that you returned." LeVeille thanked her before cutting to a commercial.

"I did everything I wanted to do by '96," he said during a commercial break. "I've been enjoying the gray all these years. I am going to keep doing this job. I wasn't finished with this show."

Johnny Diaz can be reached at jdiaz@globe.com.

On his third night back, WBZ host Steve LeVeille couldn't get off the topic of his return because that's all listeners talked about.

Loyal listeners bring back laid-off WBZ Radio host

KATZ MARKETING
[SOLUTIONS]



Power of Live, Local Personalities

“Bob & Sheri” threw a wedding and listeners were invited!

Bob & Sheri get 38,000 virtual RSVPs. Greater Media’s syndicated “Bob & Sheri” morning show offers the latest evidence that listeners will use online video to interact with a station. Show co-host Bob Lacey was married Saturday, July 31 to fiancé Mary Lucas at the home of host Sheri Lynch. To bring listeners into the mix they opted to create a live webcast of the wedding and the Great Gatsby-themed reception which featured recording artist Ryan Star.

Greater Media Charlotte interactive director Jonathan Mauney says, “We knew our listeners would be interested in seeing Bob’s wedding, but the response totally blew us away. Thousands of listeners watched all day long.” Preliminary data shows 38,988 listeners watched part of the live webcast and another 38,302 watched highlights on Monday when the show cast discussed it on-air. Mauney says, “It’s a perfect example of how we can build on the compelling on-air content with an online interactive experience