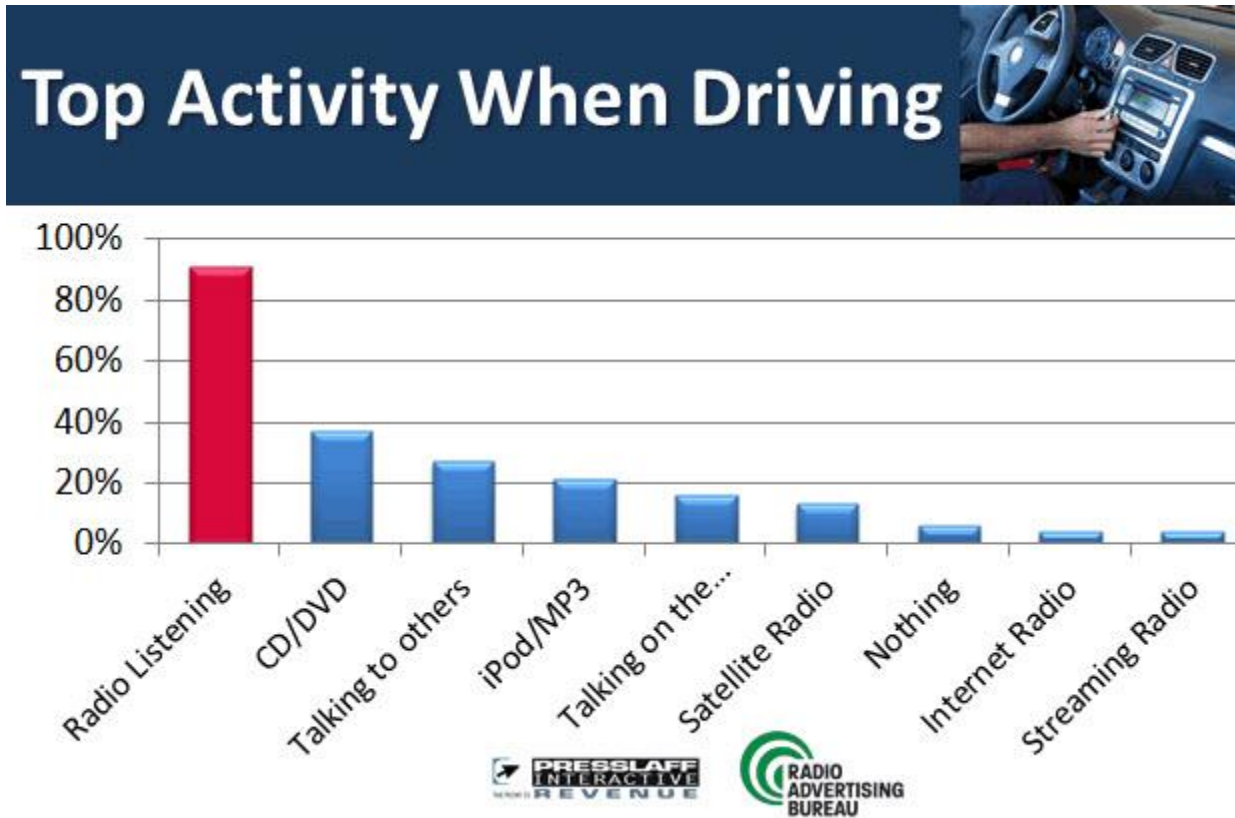


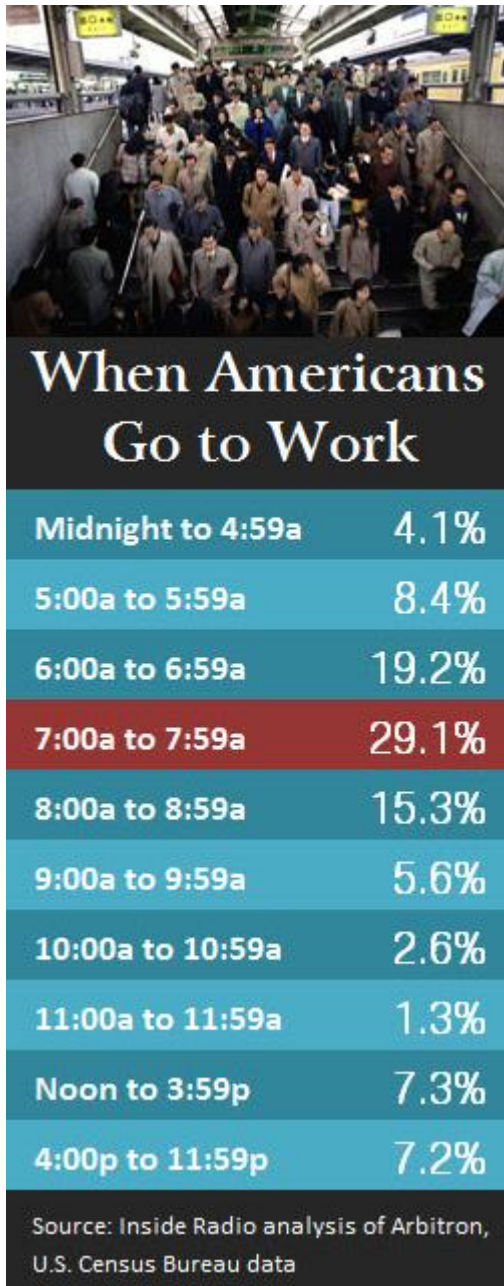
1.



**Earlier commute times are redefining what constitutes morning drive time.** With commute times growing longer every year, alarm clocks are going off and Americans are hitting the highways for work earlier than ever before. While the 7am hour remains radio's prime time for in-car listening, the 5am-7am segment is nearly as big — with one third of Americans heading out the door before 7am. "Stats like these prove commuters are up and at it while many clusters don't even have anyone in the building," consultant Phil Hunt says. "It makes a strong case for reviewing how you're scheduling your talent and how you're purposing your content and information packages." With morning commutes beginning earlier, so too are the times some stations begin airing service elements like news and traffic. "For the most part stations have not started earlier, but all-news stations in major markets are carrying live traffic reports in the 4am hour, even though the morning news cycle has not kicked in," says veteran traffic service executive Bill Yeager, who now works with Cumulus Media's Right Now Traffic service. Yeager says in major markets like L.A., San Francisco, Chicago and Washington where traffic is bad, and markets like Denver, Phoenix and Orlando where public transportation options are few, stations have been more traffic-focused. "Another factor is TV beginning local morning shows at 4:00 and 4:30," he says. Consultant Alex DeMers thinks the traditional notion of what constitutes morning drive has been dead for some time. "While we continue to encourage clients to get their morning shows up and running in the 5am hour, the bigger effect is that we tend to move into more of an 'at-work' mode with our morning programming closer to 8am in many cases," he says. There are exceptions, notably with personalities or content that can transcend the listening environment. DeMers says beyond the shift in commuting patterns, he's also keeping a close eye on how many of Arbitron's meters aren't coming online until after 7am — something that could skew early-morning ratings.

**Longer commutes play to radio's mind share advantage.** Kansas City — smack in the middle of the country — is a fitting symbol for America's commute. People living there average a 22.6-minute commute to work each day. That's up 21% from the 1990 census, when the typical commute lasted 18.7 minutes. The longest commutes are in the big cities — New York, Washington, Chicago and Los Angeles — and

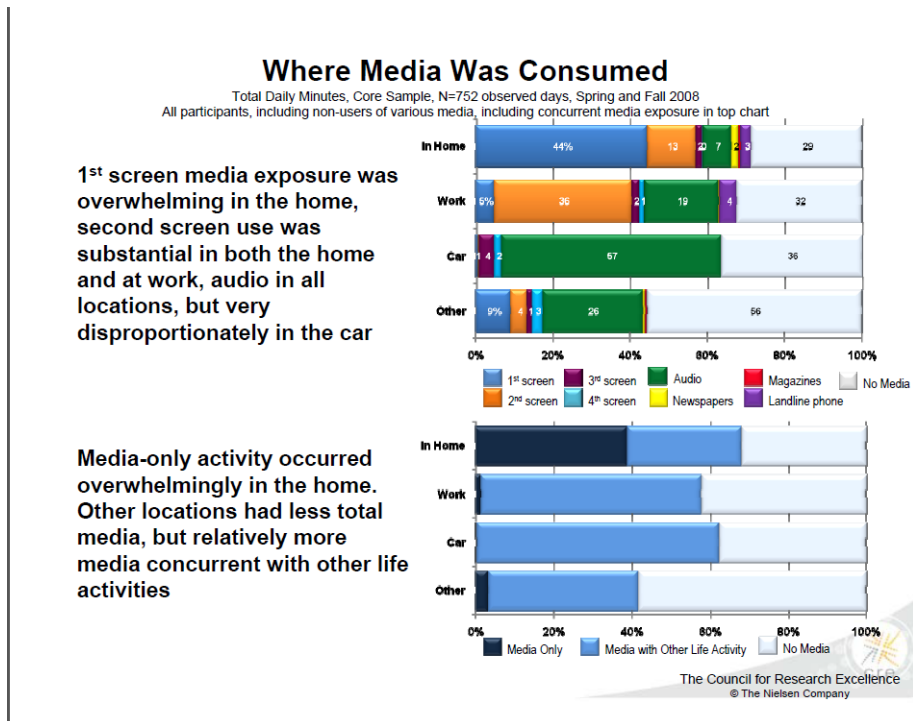
their adjacent suburban markets where so-called “super commuters” drive for 100 miles or more for work. Arbitron analysis of U.S. Census Bureau data shows the New York feeder market of Sussex, NJ had the average longest commute at 37.7 minutes, followed by the Washington suburban market of Fredericksburg, MD at 37.6 minutes. With 84% of people reporting they listen to broadcast radio in the car, those long commute times bump up weekly morning drive TSL. Arbitron says in Sussex the average adult (18+) listened to five hours of radio during morning drive (6-10am) each week and the typical Fredericksburg commuter tuned-in for 4 hours and 45 minutes. That compares to the average morning drive TSL of 3 hours and 53 minutes. Read a full list of all 275 markets’ commute times [HERE](#).



Radio’s in-car position gets some company as Wi-Fi expected to grow rapidly. **Roughly half of all radio listening is done in the car, and it remains to be seen whether Wi-Fi will pose a threat or opportunity. But the industry could find out soon. According to analysts IMS Research, the market for dashboard Wi-Fi will increase eight fold over the next seven**

**years.** So far it's not an option for most car buyers – Audi is one of the few brands to offer the feature. But that's all but certain to change. The firm estimates carmakers will spend \$28 billion by 2016 on microchips to put Wi-Fi in cars. IMS senior analyst Filomena Berardi says automakers see “great opportunities” in offering Wi-Fi to customers who want to connect their tables, games and other mobile devices to the web while in the car. “The uptake of Wi-Fi in vehicles will be fairly aggressive,” she predicts. As more listening is done through mobile apps, a dashboard with an internet connection may eventually change how people listen to radio – **not necessarily what they're tuning into, since things like traffic reports and companionship often score high with in-car listeners**

## 10 - Radio Dominates in the Car



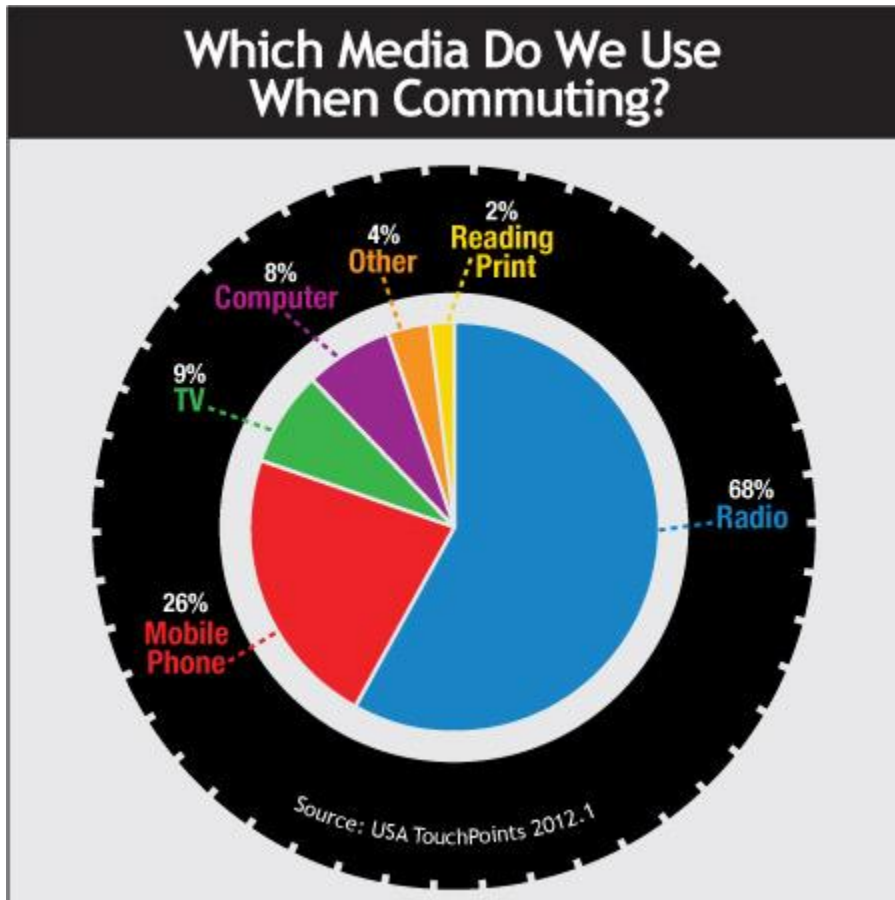
## The Whole Story: Media And The Daily Commute

by [Mike Bloxham](#), 16 minutes ago

Many of us that commute in and around major metropolitan areas may use the subway or railroad to get to and from work. Others will walk. But how representative are we? This analysis from USA TouchPoints of media use during the average daily half-hours when we travel to and from work reveals the relative position of different media at this time.

Whether consumed while traveling, just before leaving or arriving home, or just after arriving or leaving work, media delivers some segment of the commuting population in varying degrees and contexts.

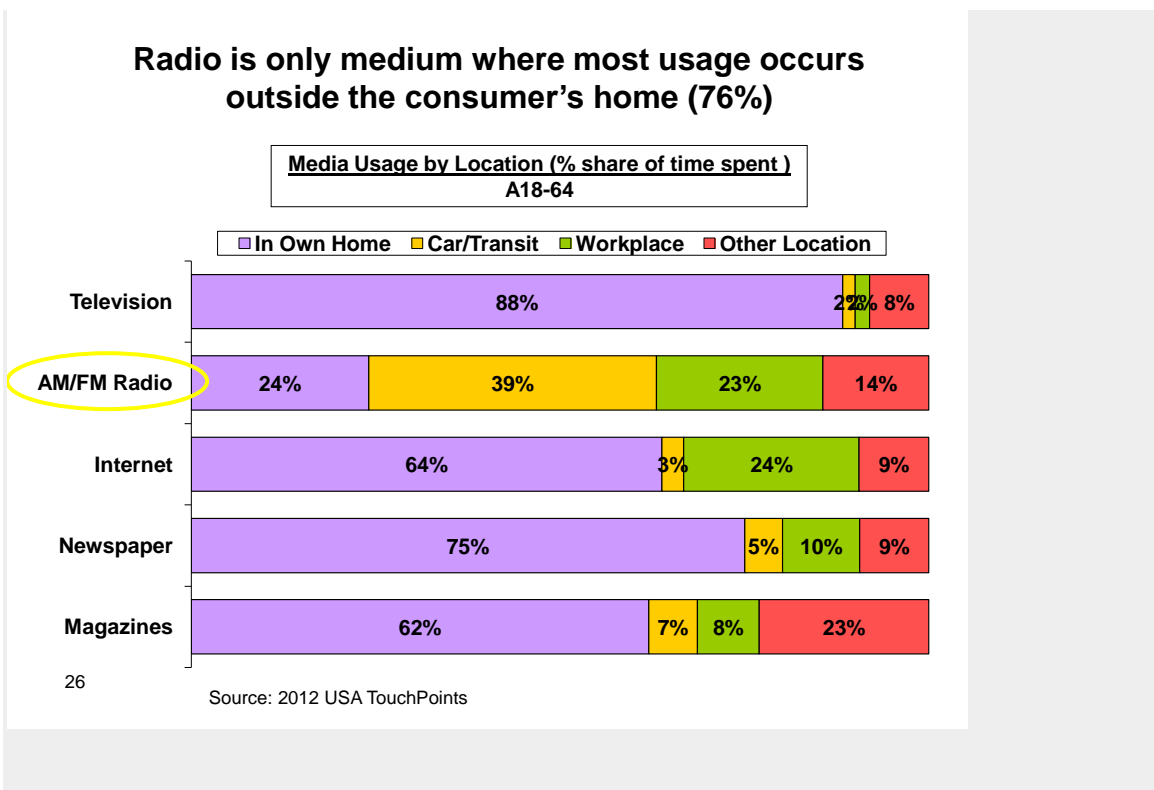
- Radio is far and away the dominant medium in the commuting schedule with 68% reach. Many people listen to the radio at home to provide music, news and -- crucially -- local traffic information before leaving home. As a great body of data has previously shown, radio also dominates in the car and USA TouchPoints bears this out -- both for music and for talk-based content.
- The ubiquity of the mobile phone, it's multifunctionality as both a communications, work and leisure tool places it second in the rankings of most-used media in the commuting period at 26%. Regrettably, it's safe to say that at least some of this will also be done in the car.
- The presence of TV at 9% reach will mostly be accounted for by the number of people using it just before leaving home and the computer will be primarily used by those arriving at work during the half-hour reported -- though some will also be using it on trains, etc.
- The relatively low reach of newspapers and magazines will partly be accounted for by the dominance of the car as the commuting vehicle of choice for the vast majority of the country, where mass transit is either not available or the preferred option.



### 8/12 Alan Burns & Associates Study:

When it comes to how internet access in the car would affect radio listening, the study showed a large difference between what women say they would do and what they actually do. More than one in four said they would mostly listen to custom music streams if they had in-car web access but only 4% of those who have it actually do so. There was a less significant difference when women were asked about listening to radio on a radio in the car. That was the top activity reported by both those that actually have web access on wheels (57%) and what a majority said they would do most if they did (53%). “There’s a difference between hype and reality,” Burns said

**Fact:** Per USA Touchpoints 39% of all listening done in Autos. Why is this important? The latest Census figures found that more than three-quarters of Americans commute to work alone in their car, with the average one way commute lasting 25 minutes- a captive audience.





**PERCEPTION #2: Once streaming becomes widely available in car, terrestrial radio will be dead**

We have heard other critics suggest that once in-car streaming radio is embraced by the mainstream, over-the-air or terrestrial radio will be severely threatened; that in-car streaming will sound the death-knell for terrestrial radio. Looking back at our September 2010 national study, we are again reminded that about 90% of all streamers still use terrestrial radio on a daily basis. It also should be emphasized that the streamers we interviewed in this study generally turn on AM/FM radio first when they get in their cars.

They continue to enjoy over-the-air radio out of habit, ease of use, and because of unique content including news, traffic, weather, sports and morning shows. Terrestrial broadcasters should continue to focus on these services as they brace for the future wave of in-car streaming.

## Radio loves traffic: Where the jams are

By [Dave Seyler](#) on May, 25 2012 with [Comments 0](#)

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There are few things that do a better job of fueling radio station listening than a good traffic jam, and it is especially valuable when they are a guaranteed event two times a day. Here are the ten best markets for bad traffic.

The study from inrix.com finds that commuters in America's largest media markets tend to face the longest commutes, but the worst market – or the best, if you operate a radio station – isn't even on the continent.

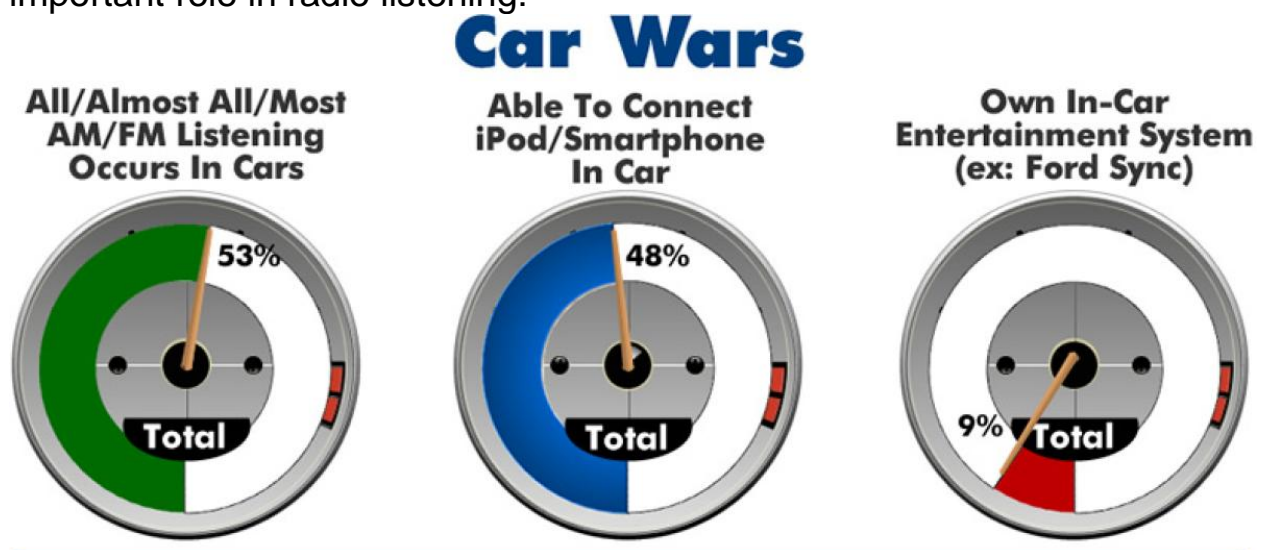
Yes, ladies and gentlemen, we are talking Honolulu, Hawaii. An average commuter spends 58 hours a year getting to and from work, two hours longer than a resident of Los Angeles and a full 10 hours longer than commuters in #3 San Francisco.

Here is the Worst 10 list, working down to the bottom rung occupied by the Hawaiian entry:

- 10) Chicago – 32.8 hours
- 9) Boston – 35 hours
- 🤔 Austin – 30 hours
- 7) Seattle – 33 hours
- 6) Washington, D.C. – 45 hours
- 5) Bridgeport, CT – 42 hours
- 4) New York – 57 hours
- 3) San Francisco – 48 hours
- 2) Los Angeles – 56 hours
- 1) Honolulu – 58 hours

144,000,000 Americans spend 52 minutes/day in the car alone 76% of the time.

Per Jacobs Tech Survey 8: The Radio continues to play a very important role in radio listening:



Jan-5-2012

Joe Kennedy sounded like a traditional radio guy yesterday as he started off a presentation with some strong pro-radio statements. The Pandora CEO could have been reading from Clear Channel CEO Bob Pittman's radio crib sheet when he spoke at the Citi 2012 Entertainment, Media and Telecommunications Conference; he quoted Arbitron numbers, saying radio remains hugely popular with consumers and that radio still dominates vehicle listening. Radio is still big for two reasons, Kennedy believes: serendipity and ease of use. "Because with radio, we don't know what's coming next," he said. "And it's an easy experience. We can listen while multi-tasking, while driving, working, partying."

He also pointed out that Pandora is free and requires virtually no effort.

While Pandora does offer consumers a free service, it also has a paid premium option, and no effort might be a stretch -- \*while creating a station is simply a matter of choosing an artist or song, refining a station to your own taste with likes and dislikes does take some time-- and it's certainly not as effortless as turning on a home or car radio to listen to your favorite AM or FM station. In fact, Kennedy stated that one of Pandora's goals was to make the service "as easy to use as FM."

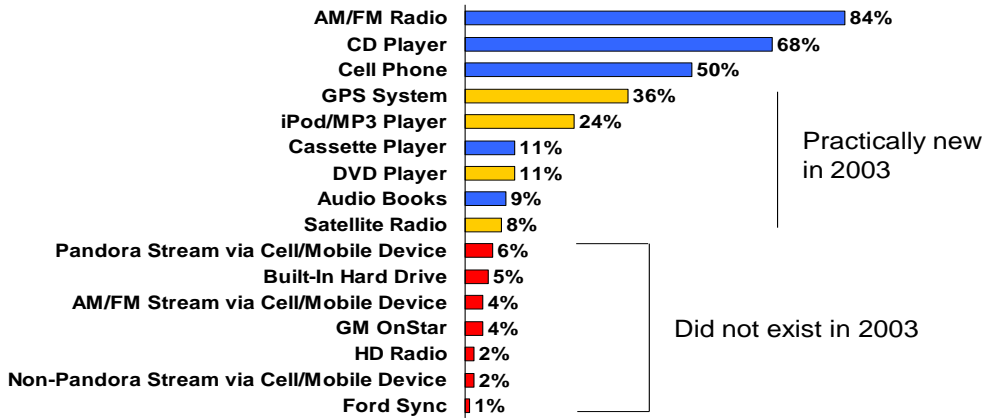
**Kennedy says ease of use in the automobile is at least five years away.**

Radio is the most effective medium reaching people as they "transition" from their various life roles. Many of these transitions involve the automobile.



# Radio Remains the King of In-Car Media in 2011

% Using Device In Primary Car (2011)



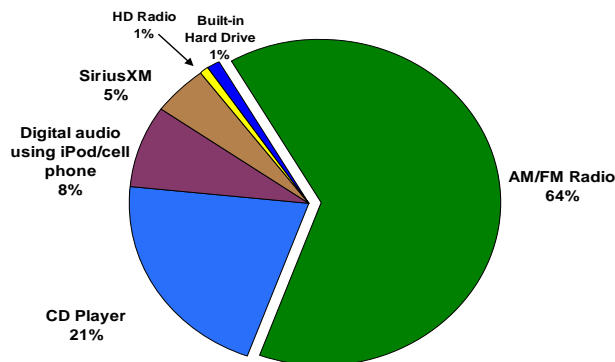
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Slide 9

Base: Driven/Ridden In a Car in Last Month



# In-Car Listeners Spend Nearly Twice the Time With Radio vs. Other Audio Devices Combined

*“Think about the time you spend in your primary car. What percent of the time would you say you listen to...”*



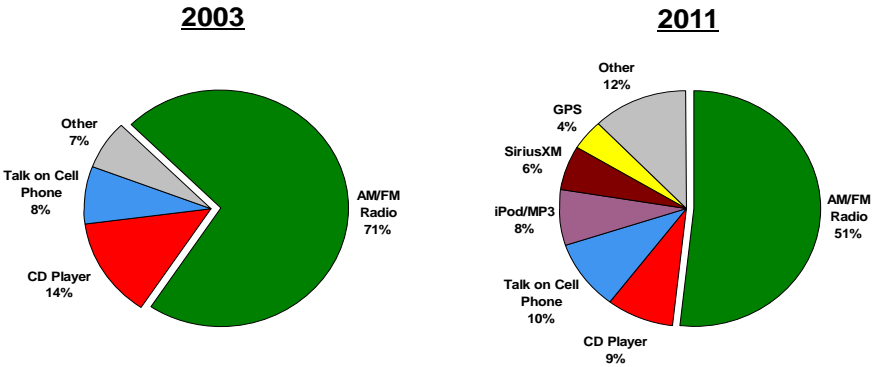
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Slide 11

Base: Use at Least One Audio Device In-Car  
Average Self Reported Share of Time In-Car



# AM/FM Radio Is Still the Most Essential In-Car Device

*“If you could ONLY EVER use ONE device in your primary car, which one device would you choose?”*



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Slide 14

Base: Driven/Ridden In a Car in Last Month

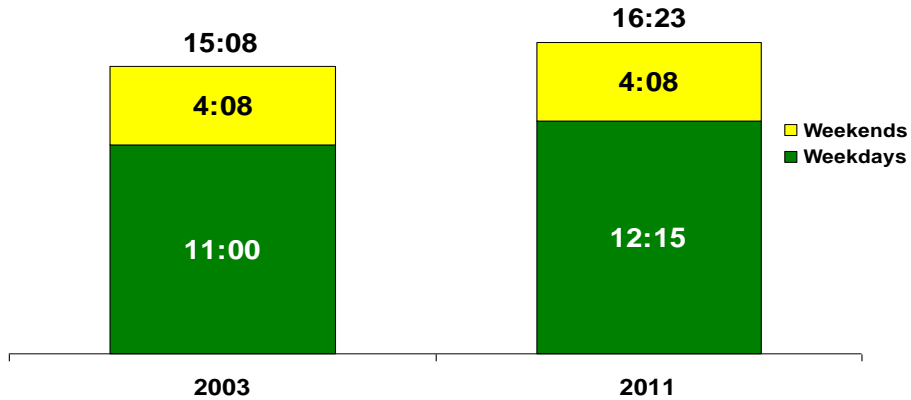


**Convenience is still king.** The vast majority of listeners currently do not listen to their digital audio alternatives in their car. A 2011 knowDigital study confirmed that it was still **too much of a hassle** to hook up audio alternatives in the car with respondents suggesting they consider streaming too much of a hassle for short trips. A few consumers pointed out safety concerns associated with adjusting the channel or skipping songs via a smartphone loosely housed in their cup holders. Others responded that it drained their smartphone’s battery.

Arbitron presented their Study, The Road Ahead (Media Entertainment In The Car) at the Chicago June 2011 NAB which confirmed radio’s preeminence in the automobile and dispelled several myths about in-car listening-spend close to 1.5 hours/week more in the car than in 2003:

## More Time Reported Spent In-Car Than in 2003

Average Reported Time Spent In-Car (as Driver or Passenger)  
(Hours:Minutes)

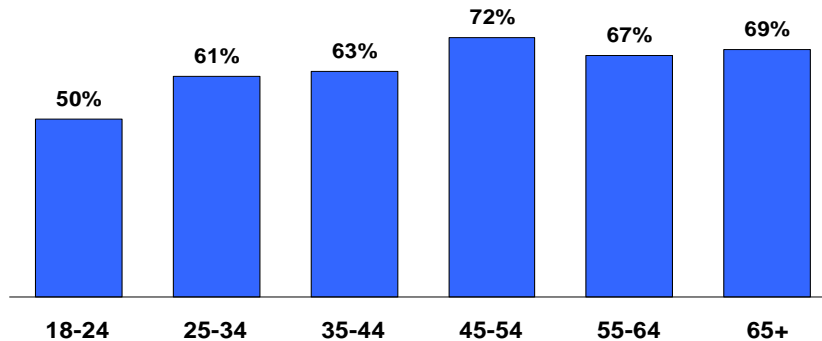


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Slide 4



## AM/FM Radio Commands Most Time Spent With In-Car Media Among All Age Groups

Average Self Reported Share of Time Spent In-Car with AM/FM Radio  
By Age Group



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Slide 12

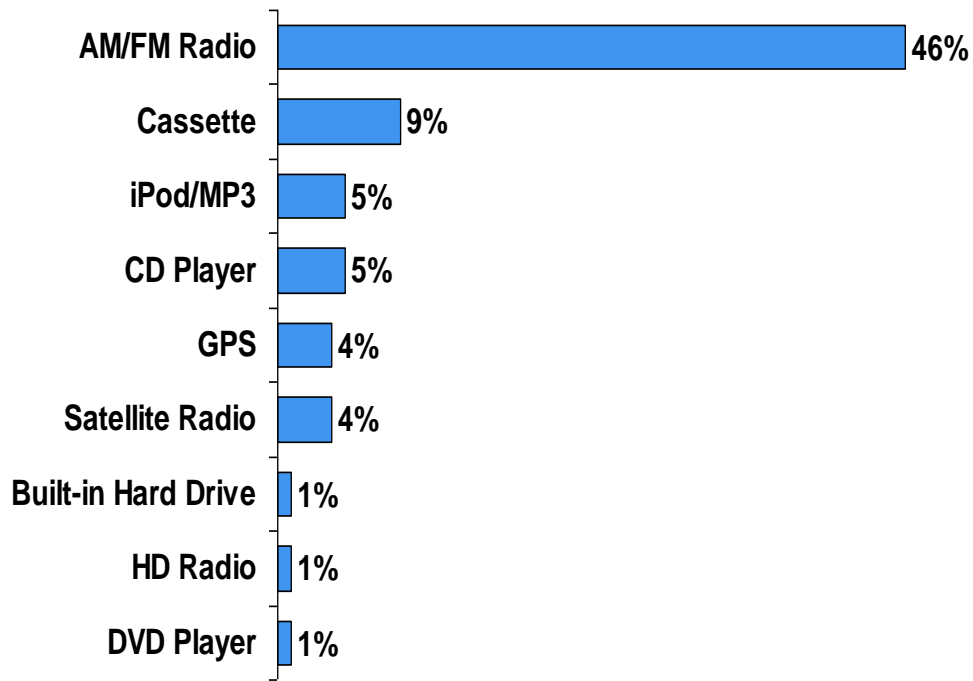
Base: Use at Least One Audio Device In-Car  
Average Self Reported Share of Time In-Car



Radio dominates all other audio options in the automobile:

## AM/FM Radio is the Dominant "Always On" Medium In-Car

% Who Use Almost All The Times In-Car



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Slide 13

Base: Driven/Ridden In a Car in Last Month

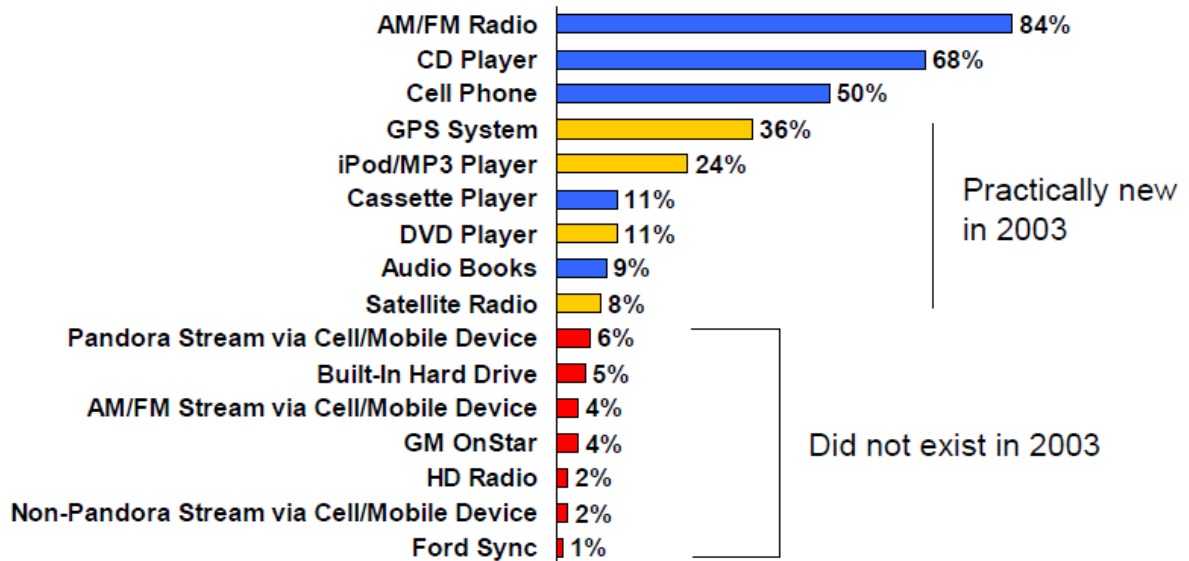


In slide below CD usage is 3x those that use an iPod/MP3 and 11x this that use Pandora in the car

*In slide below those listening to AM/FM stream in the car and HD equals Pandora*

## Radio Remains the King of In-Car Media in 2011

% Using Device In Primary Car (2011)



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Slide 7

Base: Driven/Ridden In a Car in Last Month



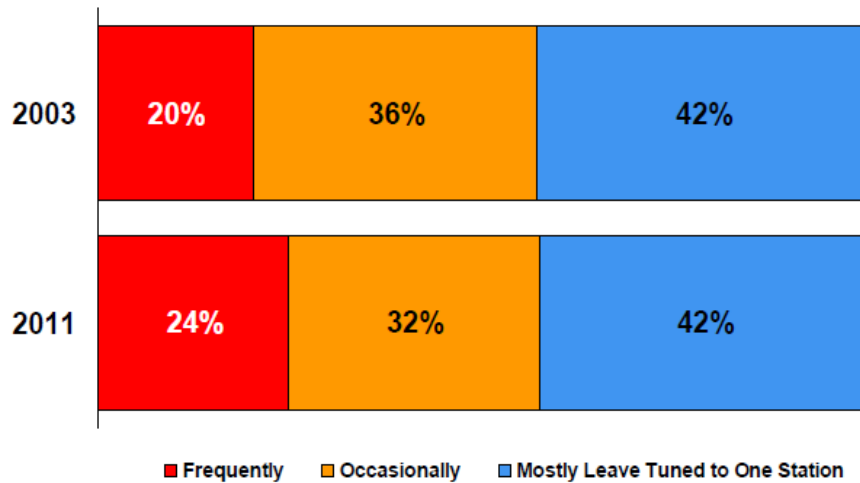
The study also showed that people are not switching stations

a) as much as commonly thought

b) any more now than 8 years ago:

# Few Radio Listeners Frequently Change Stations While in Their Car

*"Think about the radio listening you do while you are in your primary car, how often would you say you change the station?"*



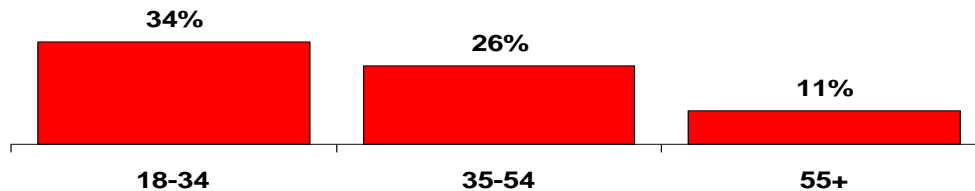
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Slide 25

Base: Use AM/FM Radio in Primary Car



# 18-34s More Likely to Change Stations Frequently While In-Car

**% Who Frequently Change Stations While in Their Primary Car**



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Slide 26

Base: Use AM/FM Radio in Primary Car



Those using audio options other than AM/FM audio as their Primary audio device remains low:

HD and Streaming to AM/FM streams used far more often than Pandora below. Only 1% indicated they listen to Pandora on their cell phone in the car. 7% responded that they stream AM/FM on their cell phones:

## Frequency of In-Car Usage Still Low for Non-AM/FM Radio Audio Media

**% Using Device In Primary Car**

