



RADIO ENGAGEMENT IN CANADA

October 2012

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Introduction

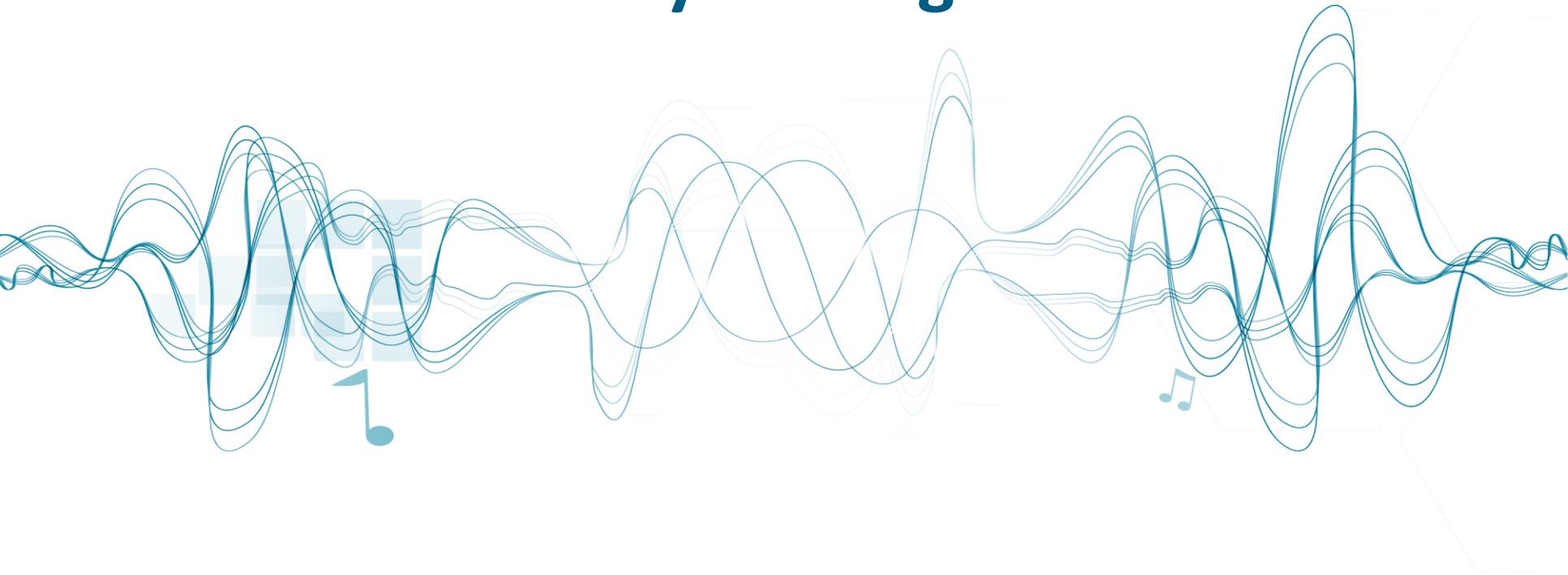
- This report contains the results of a study conducted by Vision Critical and commissioned by the Canadian Association of Broadcasters.
- The purpose of the study was to provide fresh and forward-looking insights into the role and relevance of radio to listeners and to advertisers in today's fast-changing media landscape.
- Among the more specific objectives:
 - The extent to which active online Canadians, with a wide range of digital audio alternatives available, use broadcast radio
 - The role that broadcast radio currently plays for listeners in the new media marketplace
 - How radio is used in today's in-car audio environment—and who uses it
 - Attention paid by listeners to radio ads vs. other modes of advertising
 - The interplay between broadcast radio, digital and social media
 - Prospects for broadcast radio in Canada following the anticipated launch of Pandora or a similar services in the next few years.

Methodology

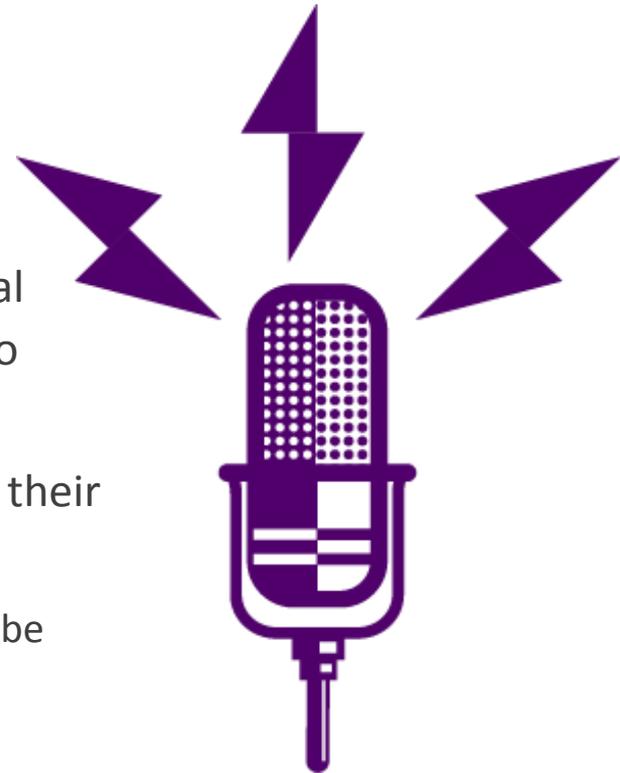
- The results shown here are drawn from four online surveys conducted via computers, tablets and smartphones using Vision Critical's Sparq survey platform:
 1. The main *Radio Engagement in Canada* survey among 2,208 Canadians aged 12+; September 26-October 1, 2012
 2. A supplemental survey conducted using Vision Critical's national omnibus survey; 1,006 Canadians aged 18+, October 16, 2012
 3. Wave 4 of *Radio on the Move*, a syndicated study tracking audio consumption in private vehicles among Canadian drivers/passengers, June 12-18, 2012
 4. A parallel survey among 1,017 Americans aged 18+ to probe differences between the Canadian and U.S. markets, with particular attention paid to the use of Pandora in the U.S.; September 26-October 1, 2012
- Sample for each survey was randomly selected from Vision Critical's national online research panels, the Angus Reid Forum (Canada) and Springboard America.
- Final data weighted to reflect the population distribution of the markets surveyed

Note: Results presented in this report reflect the perceptions and reported behavior of engaged online consumers. Their use of online technology can be considered one step ahead of the general public—a relevant sample for providing forward-looking insights to the radio and advertising industry.

Key Findings



- Broadcast radio is a daily habit, next only to TV, among online Canadian adults.
 - Two-in-three say they listen daily.
 - Daily consumption is largely consistent across all age cohorts and regions of Canada.
- Radio plays a central role in many Canadians' lives.
 - Nearly half of online Canadian adults (45%) consider radio to be “indispensable” or an “important part of their life.”
- The greatest strengths of broadcast radio vs. new digital audio alternatives revolve around “connection”—personal and local connections, as well as the chance to connect to what’s popular in music.
- Canadian radio listeners have personal, emotional ties to their favourite stations.
 - Three-quarters of all online Canadians aged 12+ (74%) would be disappointed if their favourite radio station went off the air



- Listeners connect to radio personalities.
 - More than one third (35%) of radio listeners have a particular DJ/host they make a special point of listening to.
 - Of those, more than 4-in-10 (42%) describe that DJ/host like a “friend” or a “good friend” and more than half (54%) say they would be more likely to purchase a product or service they recommended.
- In car listening is a growing and important part of radio’s continued relevance.
 - More than half of online adult Canadians commute to work or school by car/private vehicle—and Canadians’ commute times are increasing.
- Commuters are an attractive target who listen to a lot of radio.
 - Skewing towards high income households, males and 25-54 year-olds with kids, Canadian adults who commute by car at least one hour a day listen to 3.7 hours of radio in a typical weekday vs. 2.4 hours among those who do not commute by car.
- Radio continues to dominate the in-car audio environment.
 - Daily reach of radio in-car for Canadian drivers and passengers is 72%, followed by personal music via CDs/mp3s with a daily reach of only 26%.



- Compared to other media, radio advertising gets noticed.
 - When asked what proportion of ads they “miss completely,” radio listeners report avoiding a smaller proportion of ads than consumers of all other media except those exposed to cinema ads.
 - In contrast, TV viewers—especially those in PVR households—report the highest levels of ad avoidance of all traditional media.
- Engagement with broadcast radio is expanding onto other platforms.
 - One-in-three listeners (30%) say they listened to AM/FM via non-traditional platforms (computer, tablet, television or smartphone) in the past month.
 - More than one-in-four (26%) report visiting radio station websites weekly.
 - Two-thirds (68%) of online adults say they at least sometimes listen to radio while they are online, listening throughout the day and evening.
- Broadcast radio’s prospects look secure in advance the anticipated launch of Pandora and/or similar Internet radio services in Canada.
 - The experience in the U.S. with Pandora strongly suggests that online music services are additive rather than a replacement platform.
 - Pandora users actually listen to more AM/FM radio than other online American adults—and indicate that they are listening at least as often as they were two years ago.

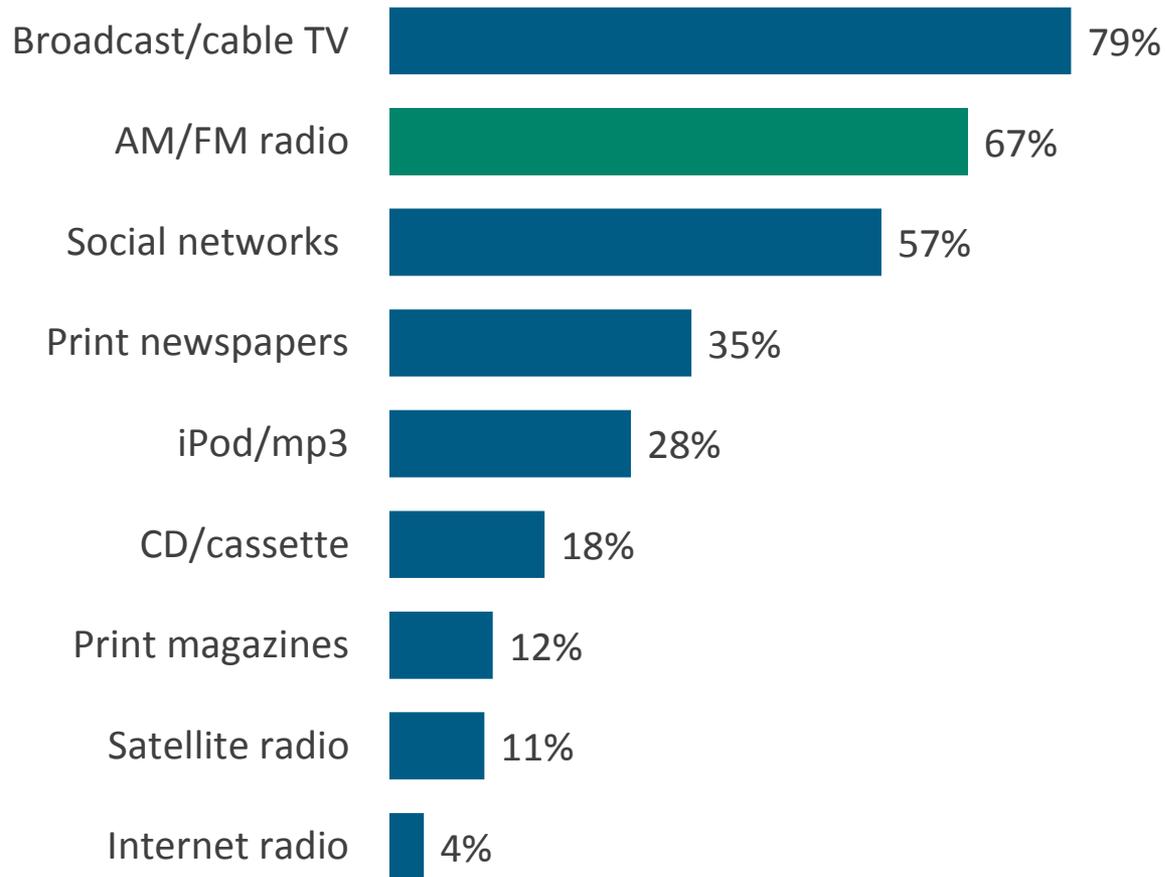


Radio's Place in the Daily Life of Online Canadians



Like TV, radio is Canadians' daily touchstone, even among online consumers.

% of online adults who report accessing each medium daily



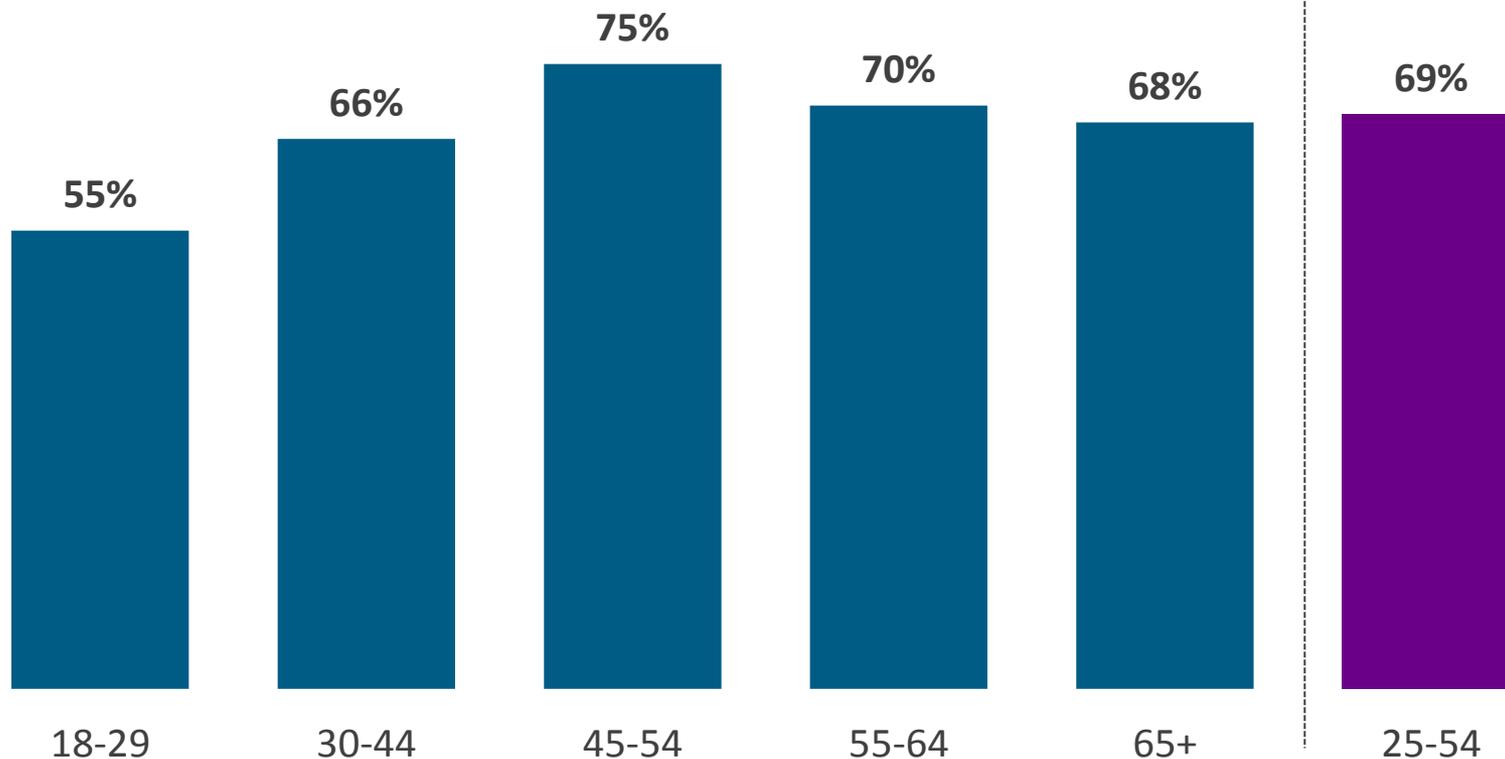
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: Canadian online adults, aged 18+

B1. How often, if ever, do you normally read, see, hear or access the following media sources?

More than half of all adult cohorts report listening to AM/FM daily.

% of online adults who report listening to AM/FM radio daily



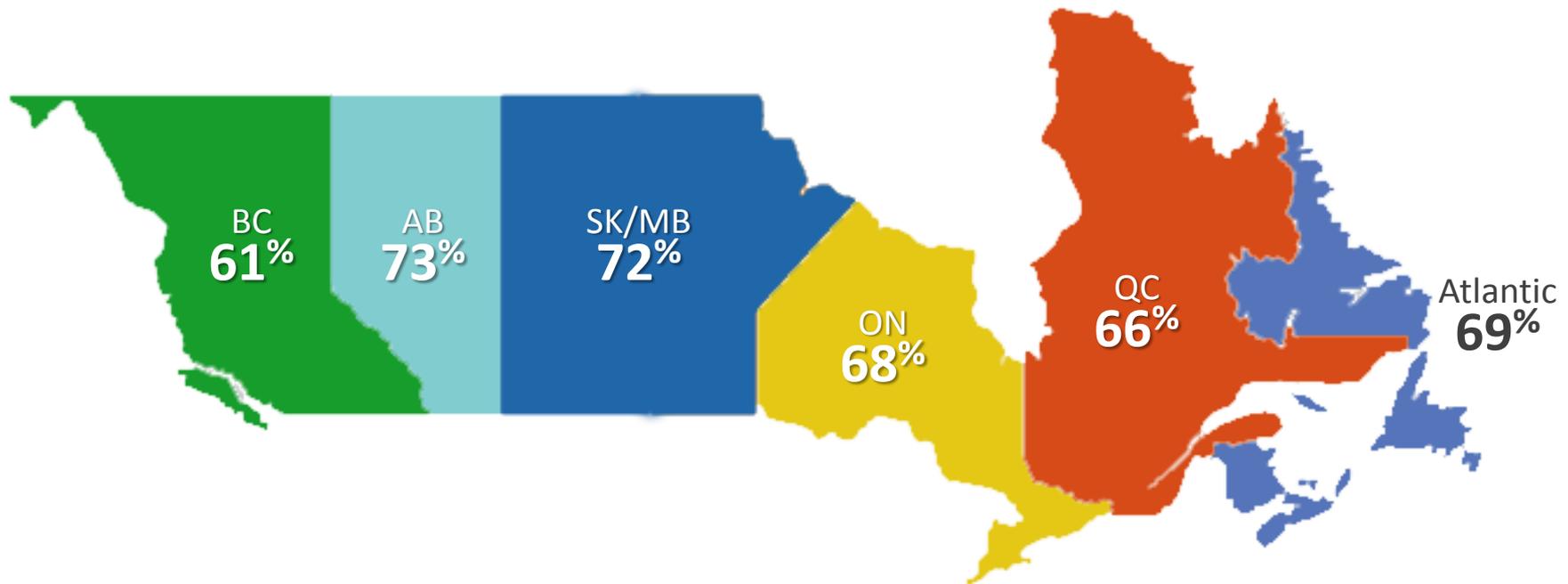
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: Canadian online adults, aged 18+

B1. How often, if ever, do you normally read, see, hear or access the following media sources? [FM/AM radio]

Daily listening levels are largely consistent across all regions of the country.

% of online adults who report listening to AM/FM radio daily

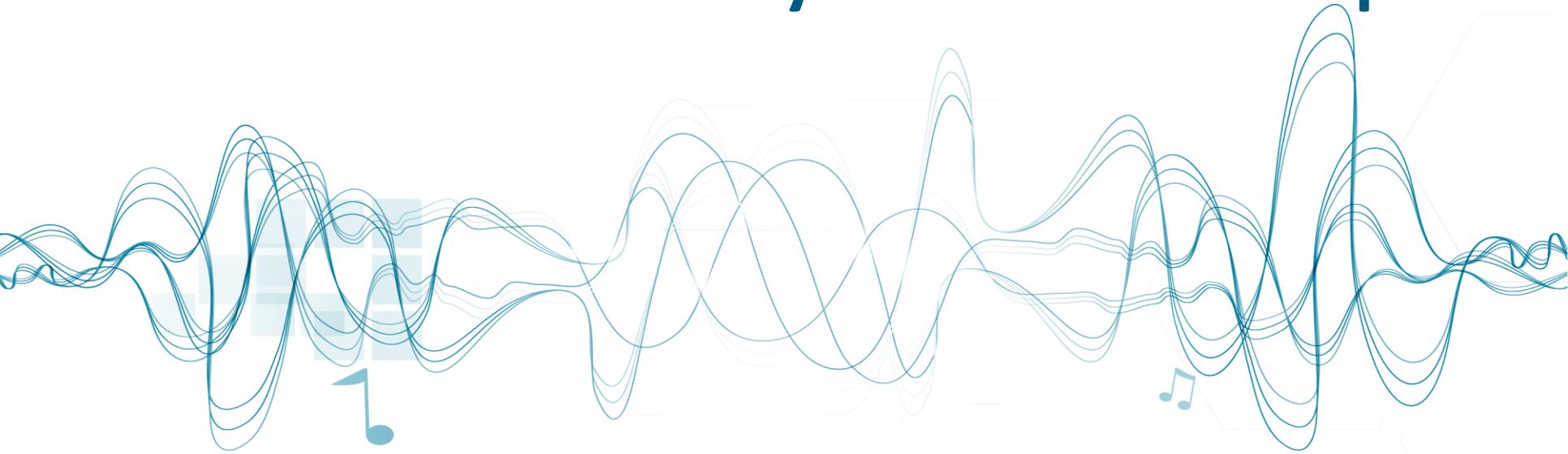


SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

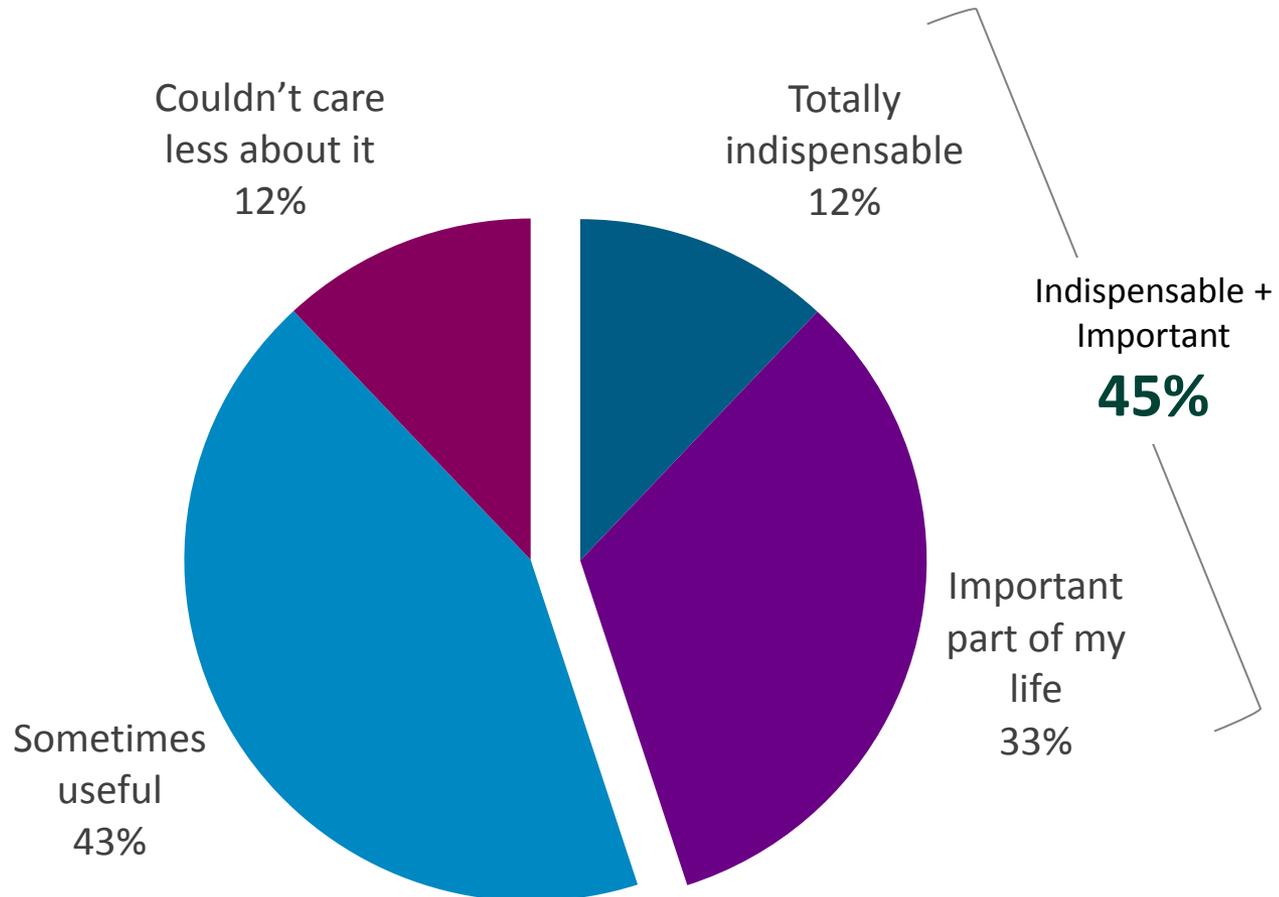
Base: Canadian online adults, aged 18+

B1. How often, if ever, do you normally read, see, hear or access the following media sources? [FM/AM radio]

Radio's Role in Today's Audio Landscape



Broadcast radio plays a valuable role in most online Canadians' lives.



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+
C1a. Which of these statements best describes how you personally feel about broadcast radio—that is those radio stations available on the AM or FM dial?

Above all, listeners value the connections that broadcast radio brings.

- **Local connections**

- “What is happening in my community” / “unites communities” / “feel in tune with my local news” / “familiarity the DJ's have with MY city!” / “DJs you will see and interact with” / “insight to my local community”



“It's centered around my local area and hires local people.” (42 year-old female)

- **Human connections**

- “You are never alone” / “a human being is DJing” / “fondness for certain announcers” / “like having company” / “ability to request a special song for a birthday” / “human beings with no rehearsals”



“The DJ makes me feel as if he/she were visiting with me personally.” (71 year-old male)

- **Musical connections**

- “Keep in touch with current music” / “hear music I may not have thought of hearing” / “talk about music” / “winning concert tickets” / “discover new bands” / “news & event info relevant to my genre”



“Random songs come on that you never would YouTube or buy on iTunes, so you have more of a range of music.” (teen)

- **Simple, low tech**

- “Don't have to choose the music” / “turn on and voila!” / “without using data” / “Don't have an RJ45 jack embedded in my butt” / “Always-on” / “no gadgets while driving” / “inexpensive” / “info without me having to search a lot” / “have it on at work and leave it alone”



“it's a no brainer, you get into the car turn the engine over and the radio is on. Anything else is too time consuming and dangerous to be fiddling around with.” (41 year-old female)

SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: Online Canadians, aged 12+ who place at least some value on radio

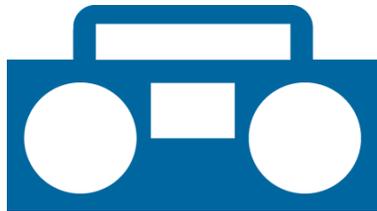
C2. Given all the other audio alternatives that are now available, what are those things about AM or FM radio that set it apart and give it the greatest value to you personally?

Compared to digital audio alternatives, radio keeps its listeners feeling connected...

% associate type of audio with

'Makes Me Feel Connected'

-listened to each type of audio in past month-



AM/FM radio

65%



Internet radio

29%



Satellite radio

22%



iPod/MP3

17%

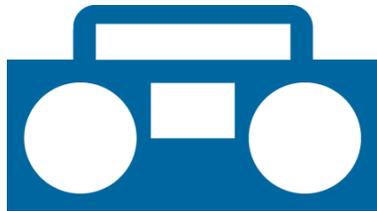
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+ who listened to applicable type of audio in past month
C3a/b. Which of the following words or phrases, if any, do you associate with each of these?
Satellite Dish designed by Sergey Krivoy, iPod from The Noun Project

... and radio uniquely interests and engages listeners.

% associate type of audio with

'Interesting'

-listened to each type of audio in past month-



AM/FM radio

62%



Internet radio

45%



Satellite radio

43%



iPod/MP3

31%

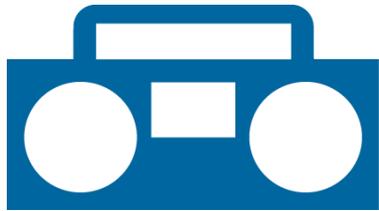
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+ who listened to applicable type of audio in past month C3a/b. Which of the following words or phrases, if any, do you associate with each of these?
Satellite Dish designed by Sergey Krivoy, iPod from The Noun Project

Radio is always there, just a button away.

% associate type of audio with

'Convenient'

-listened to each type of audio in past month-



AM/FM radio

71%



iPod/MP3

64%



Satellite radio

42%



Internet radio

39%

'Easy'

-listened to each type of audio in past month-

70%

57%

40%

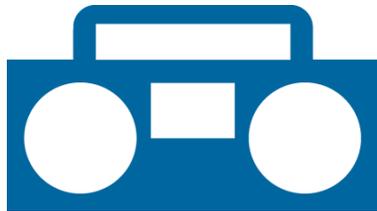
37%

Among teens, radio still plays a leading role in helping them discover new music.

% of teens who associate type of audio with

'Helps me Discover Music I Haven't Heard Before'

-listened to each type of audio in past month-



AM/FM radio

60%



Internet radio

52%



Satellite radio

51%



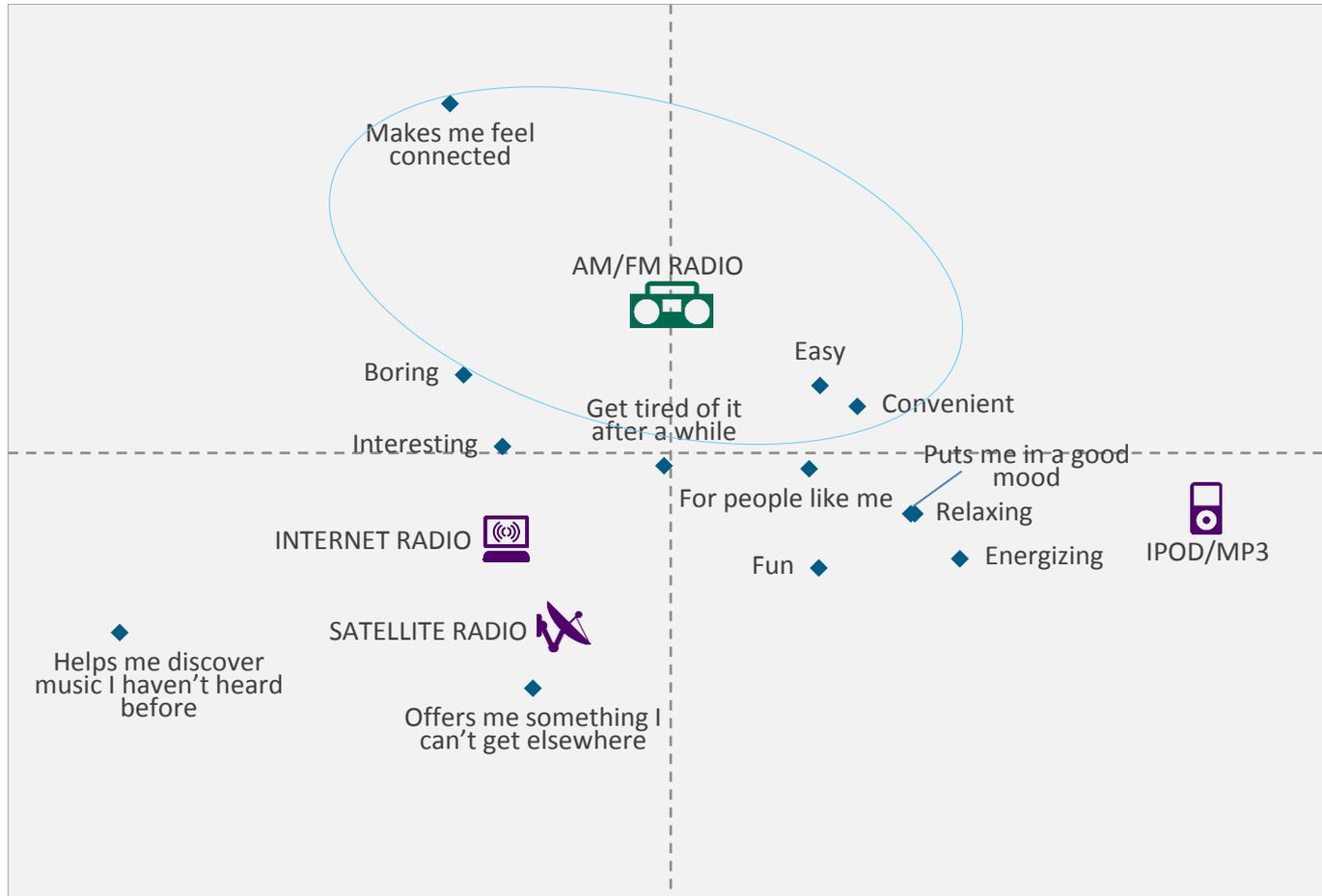
iPod/MP3

19%

SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online teens, aged 12-17 who listened to applicable type of audio in past month
C3a/b. Which of the following words or phrases, if any, do you associate with each of these?
Satellite Dish designed by Sergey Krivoy, iPod from The Noun Project

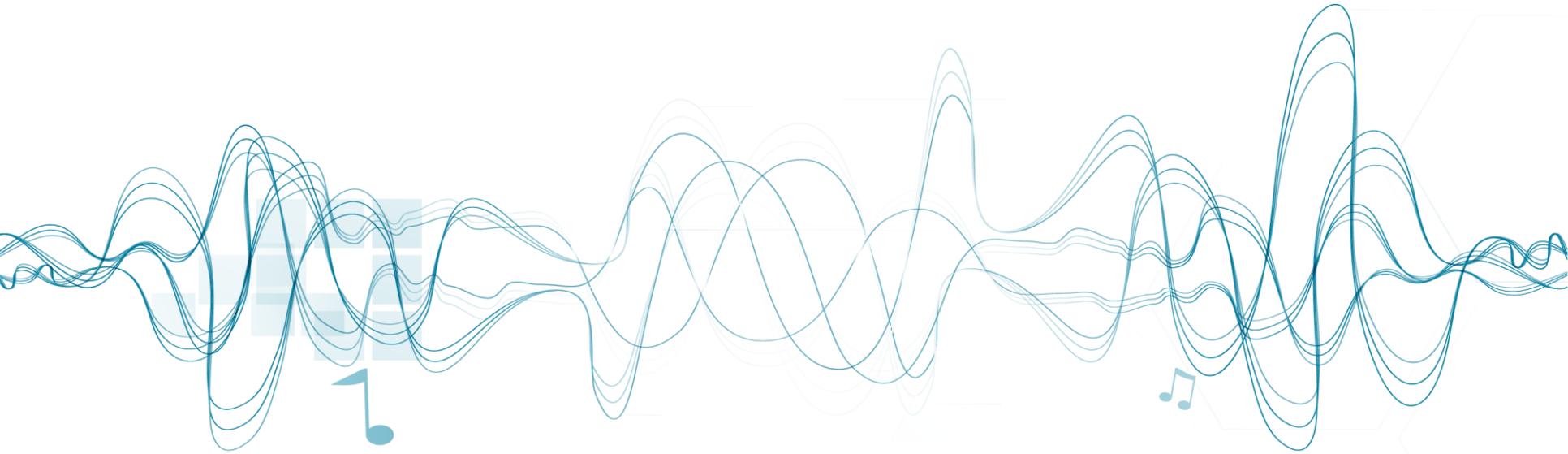
Where AM/FM Radio Fits in the Audio Landscape

This chart shows, based on proximity, those attributes with which each audio medium is most uniquely associated among Canadian radio listeners—e.g., AM/FM radio is most uniquely associated with being “convenient,” “easy,” and “makes me feel connected.”



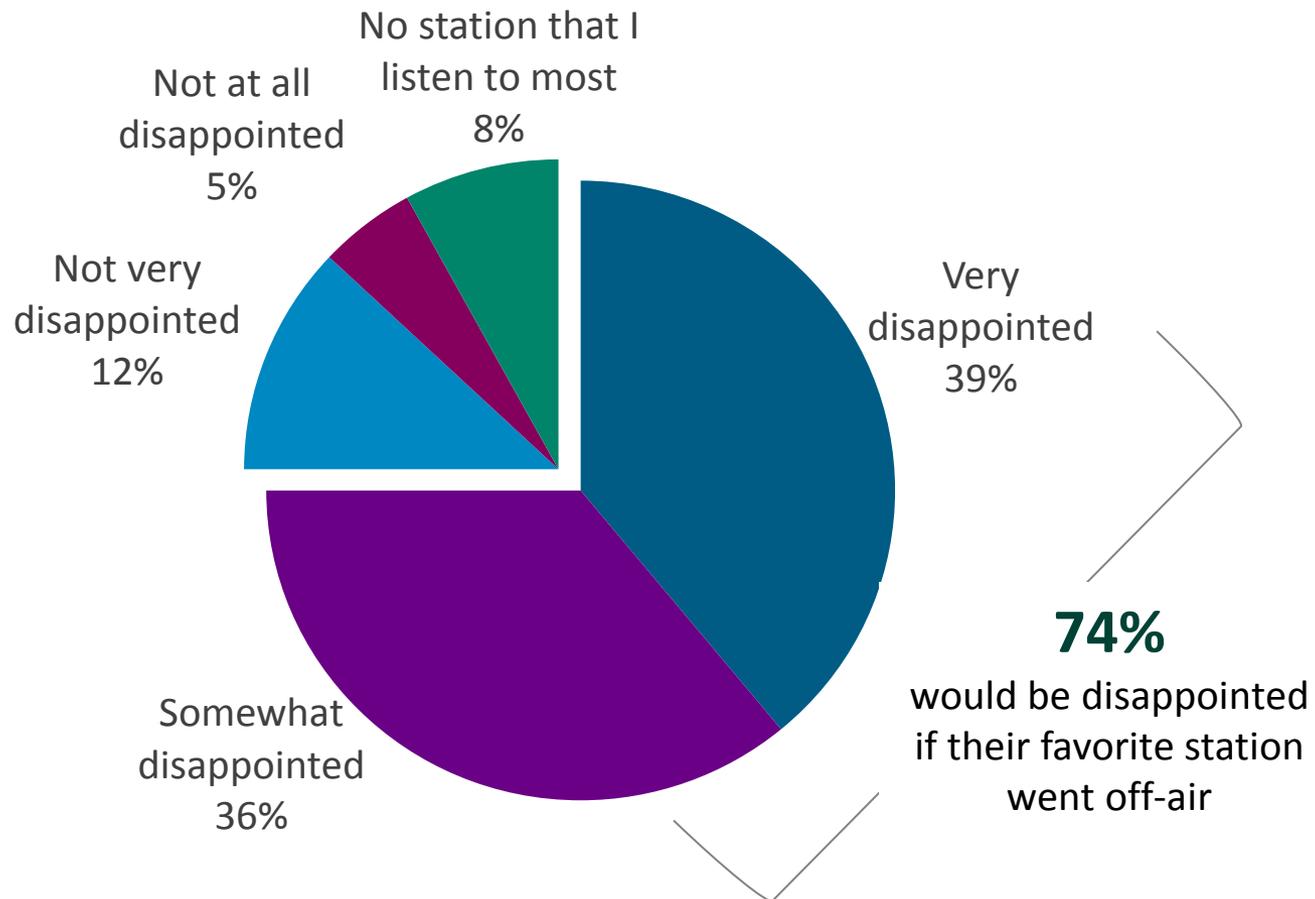
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+ who listened to applicable type of audio in past month C3a/b. Which of the following words or phrases, if any, do you associate with each of these?
Satellite Dish designed by Sergey Krivoy, iPod from The Noun Project

Radio... it's Personal



Radio listeners have personal, emotional ties to their favourite station.

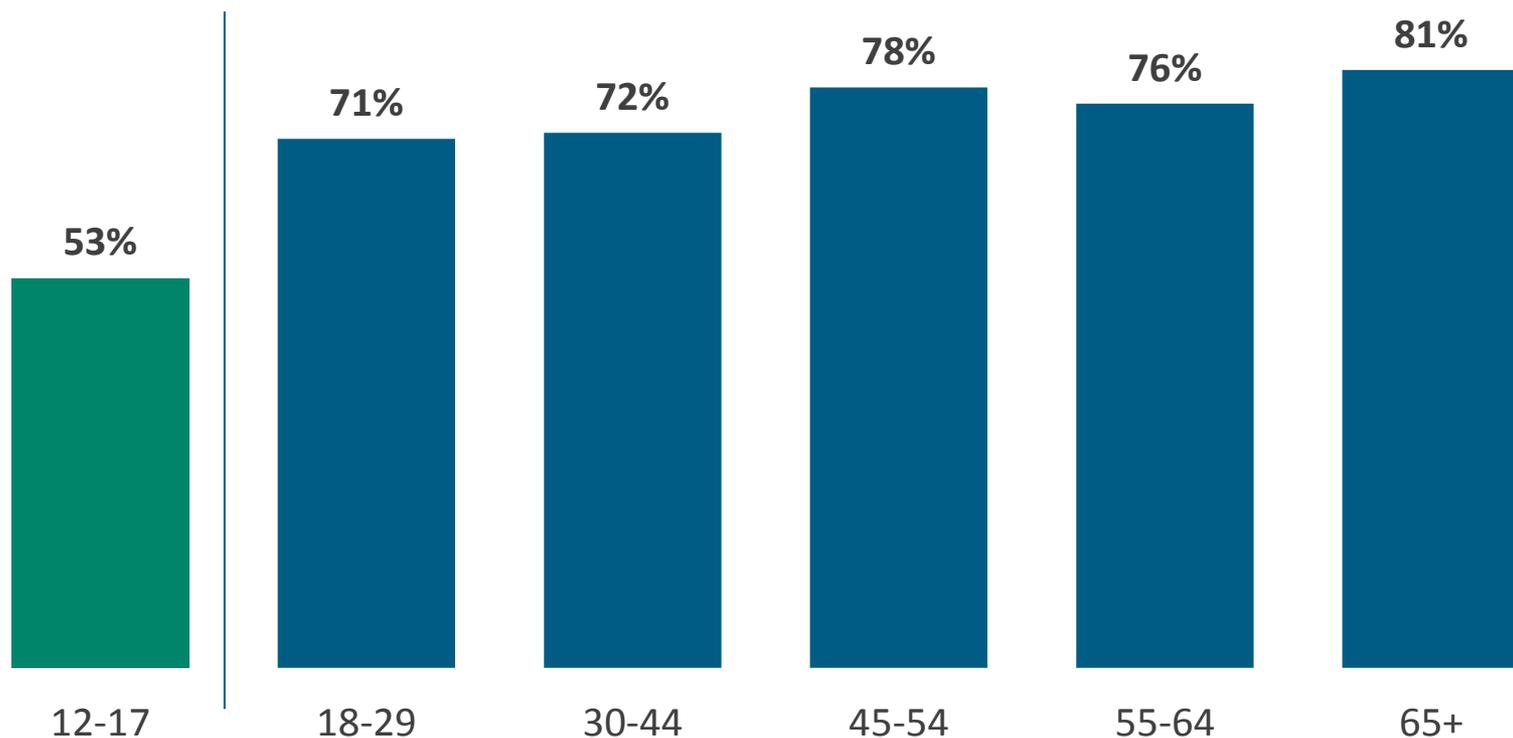
“If the station you listen to most was no longer available, do you think you would be...”



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Online Canadians, aged 12+ who listen to broadcast radio
C1b. If the FM or AM radio station you listen to most was no longer available, do you think you would be...

Emotional ties to favourite stations span all adult cohorts.

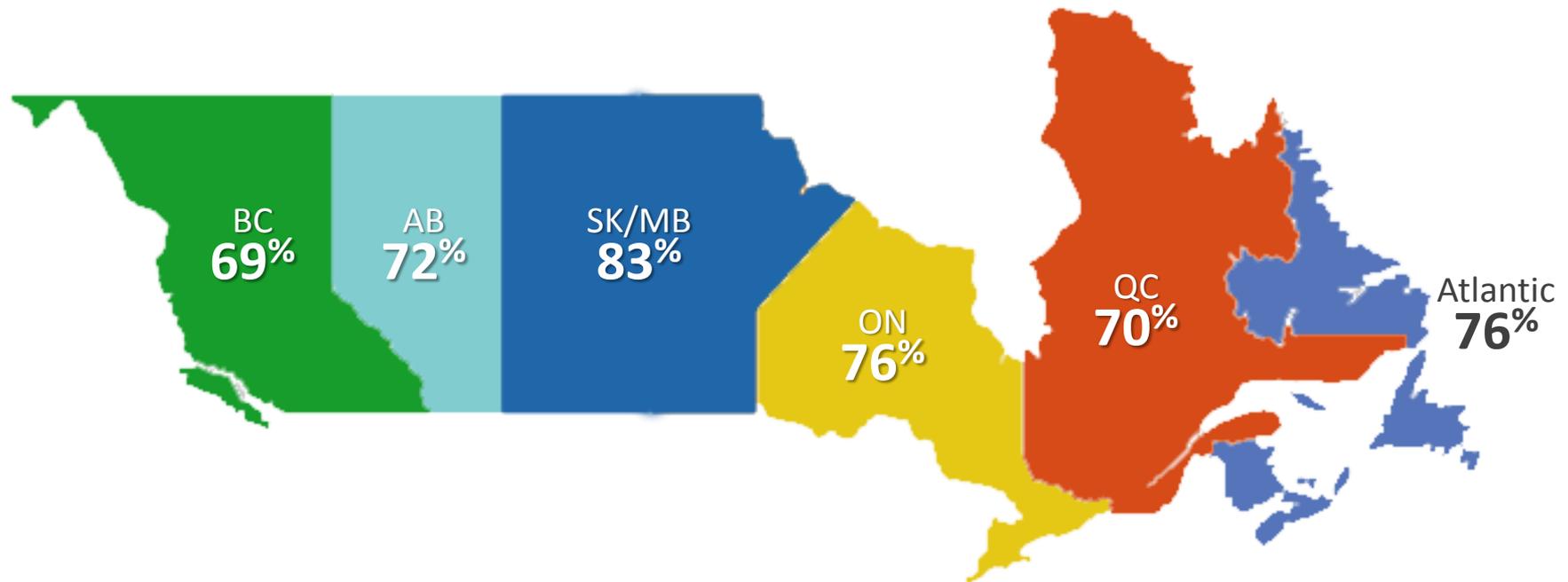
% would be disappointed if favourite station went off the air



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Online Canadians, aged 12+ who listen to broadcast radio
C1b. If the FM or AM radio station you listen to most was no longer available, do you think you would be...

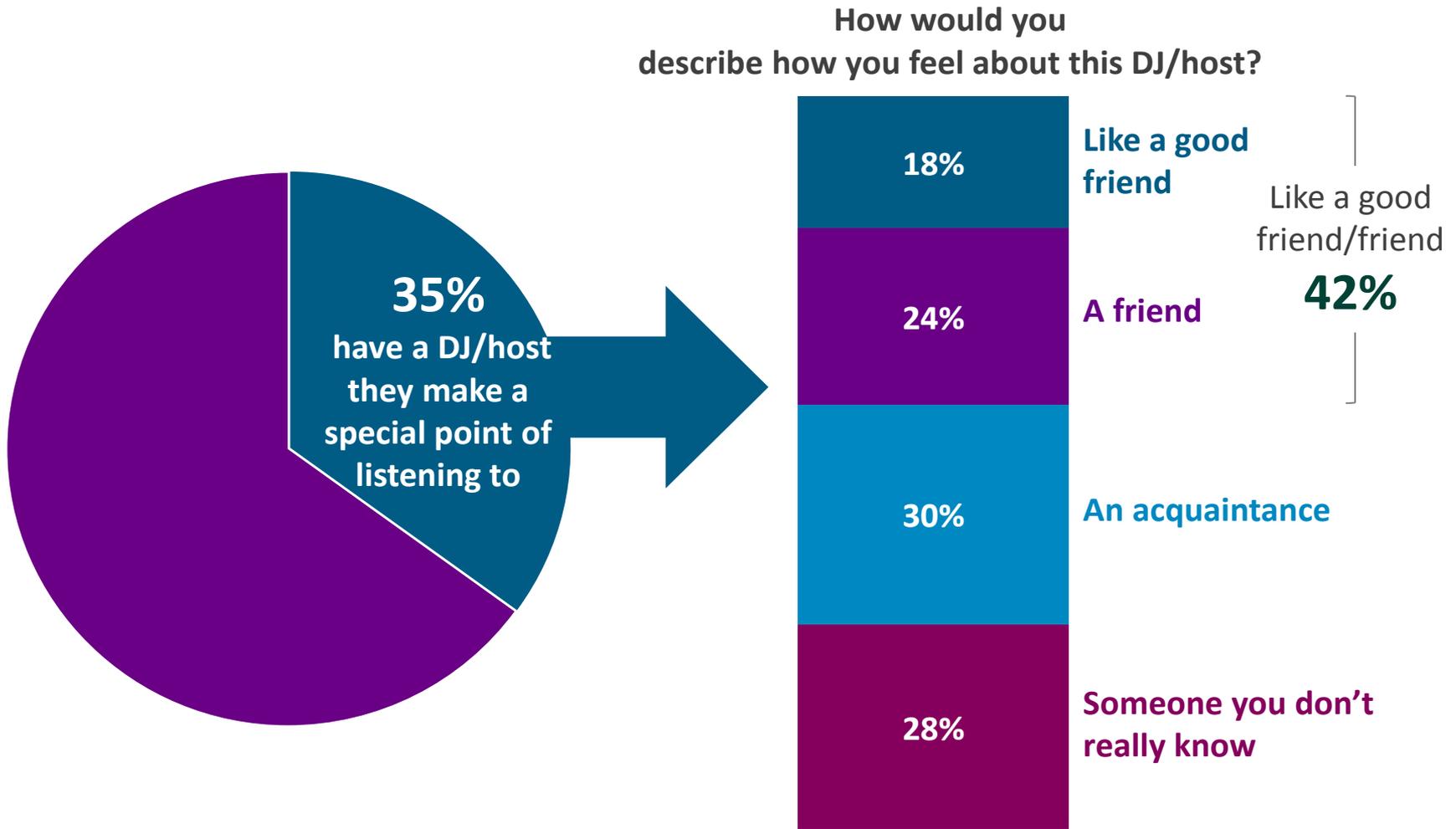
Canadians' connection with their favourite stations extends across the country.

% would be disappointed if favourite station went off the air



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Online Canadians, aged 12+ who listen to broadcast radio
C1b. If the FM or AM radio station you listen to most was no longer available, do you think you would be...

Radio listeners connect to station personalities.



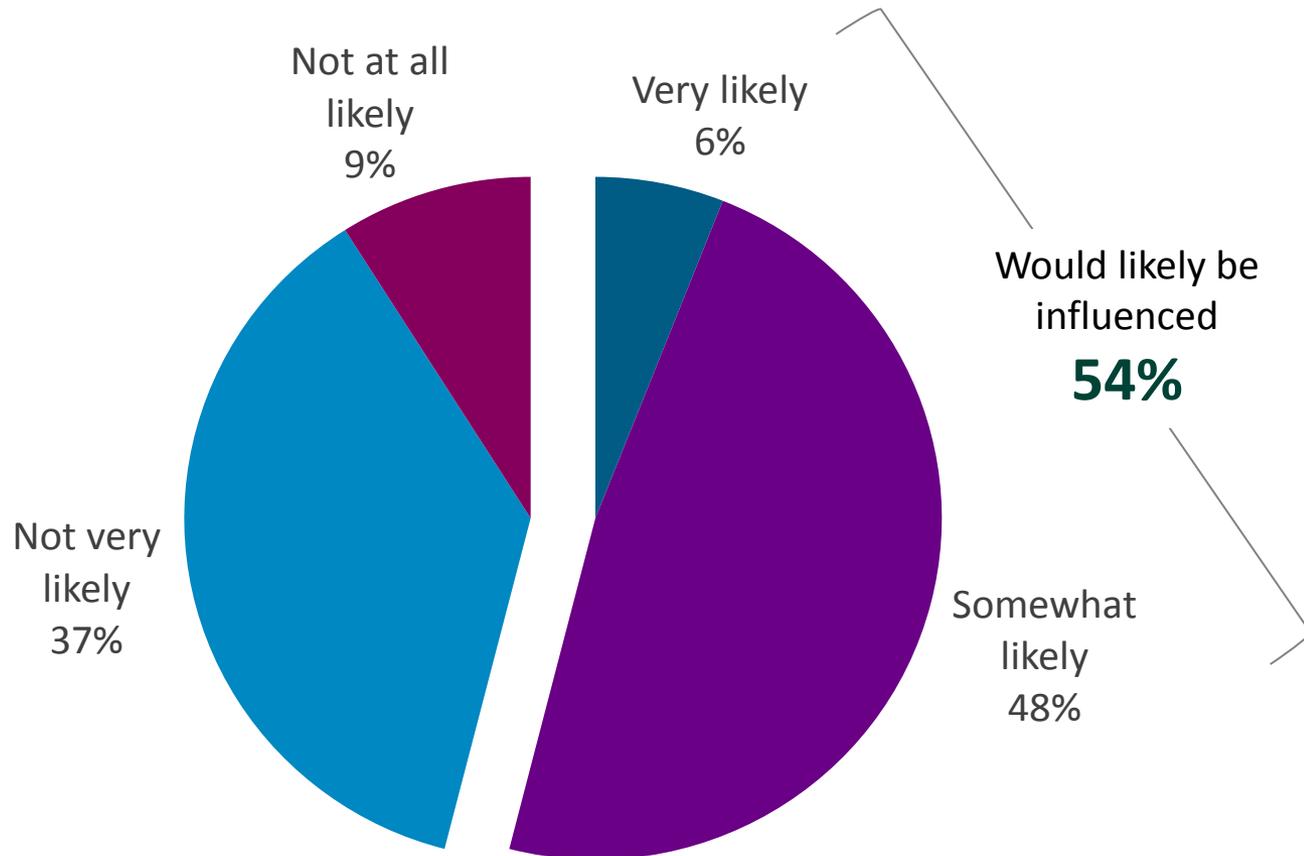
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+, who listen to broadcast radio

E1. Are there any DJs or host on FM or AM radio that you make a special point of listening to?

E2. Which of the following would best describe how you feel about your favourite DJ or host on radio?

Radio personalities can help drive purchase.

"How likely would you be to consider using/purchasing a product/service recommended by your favourite DJ/host"



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: Canadian online adults, aged 18+, who make a special point of listening to a DJ/host

E3. How likely would you be to consider using/purchasing a product or service that was recommended by your favourite DJ/host?

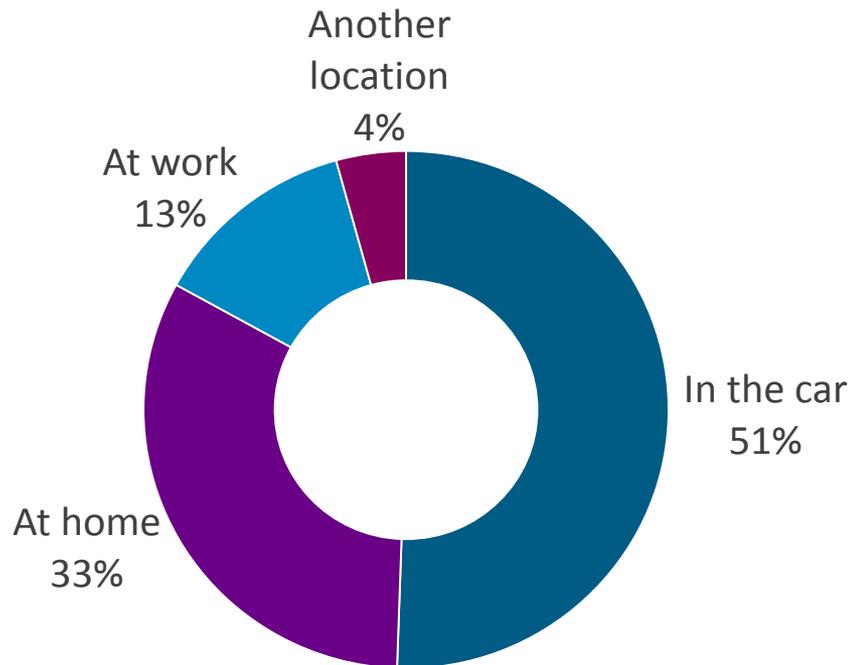
Radio on Wheels— a Look at In-Car Listening



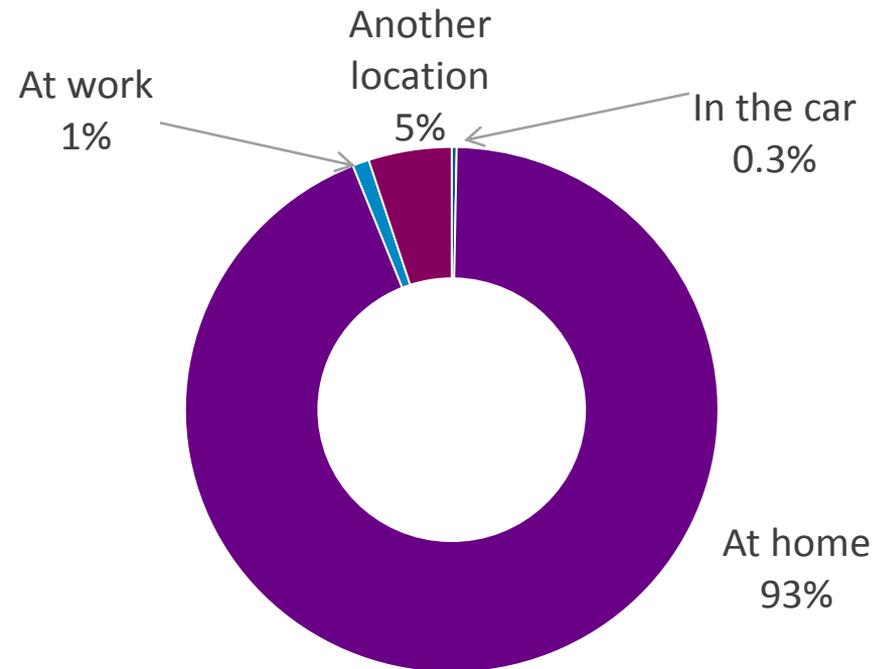
Radio catches consumers on-the-go in their cars— TV almost exclusively at home.

“Of all the time you spend [with medium], what proportion is...”

Radio



TV



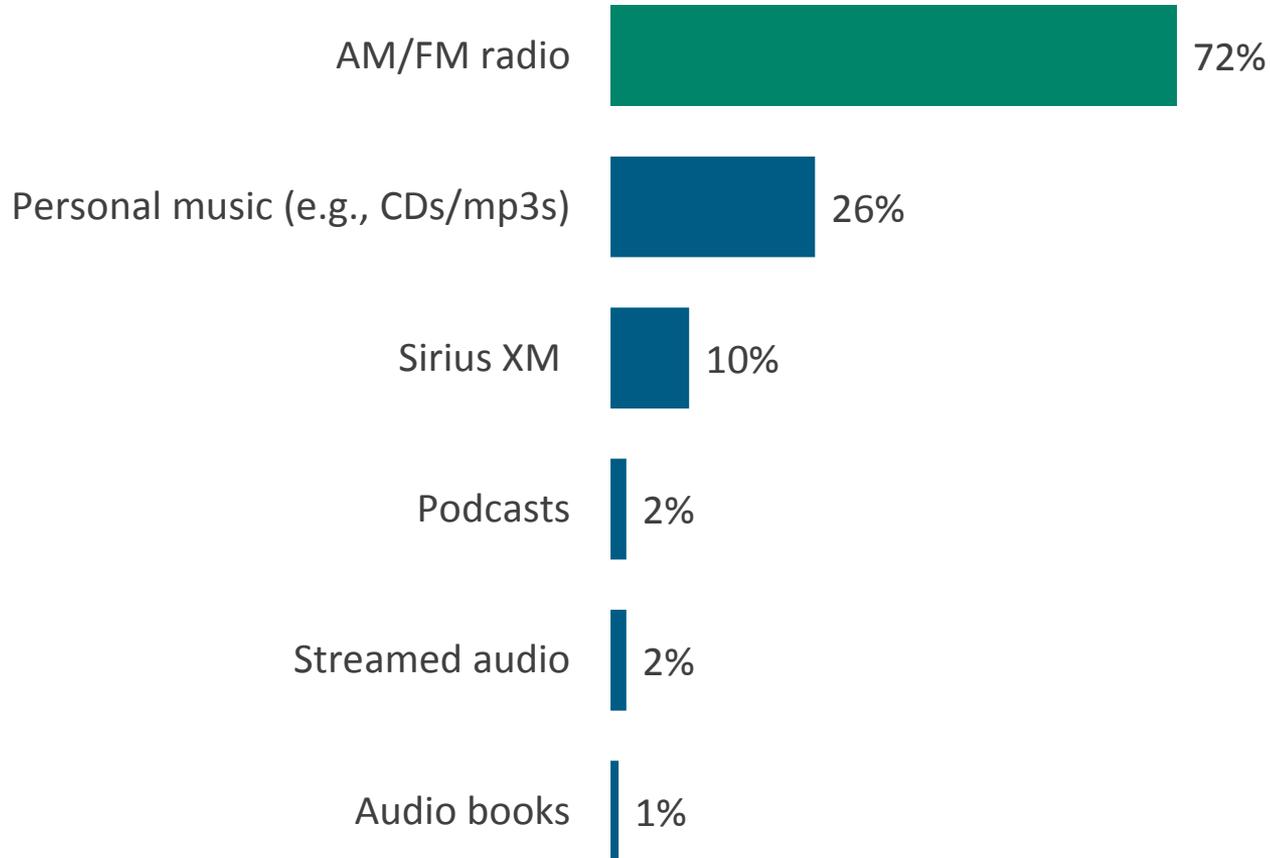
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: Canadian online adults who listen to radio,/ watch TV aged 18+

B3a. Of all the time you spend [listening to FM or AM radio / watching broadcast or cable TV], what proportion is...

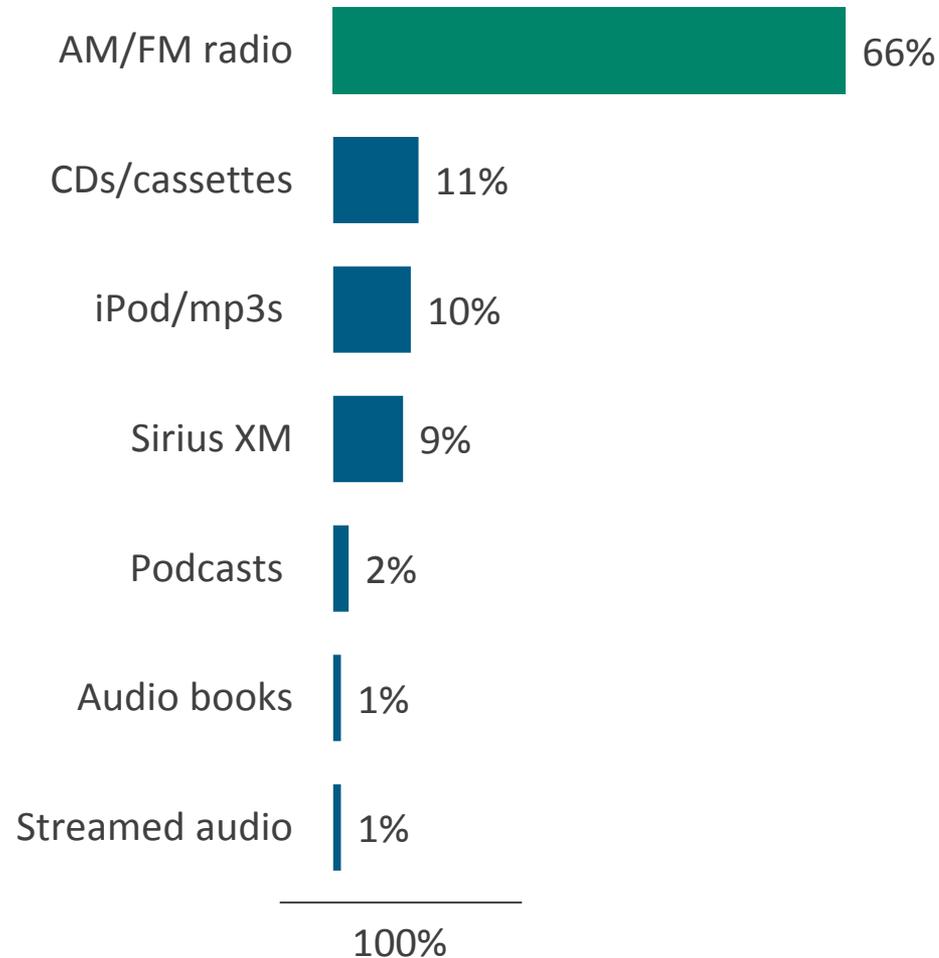
Radio still dominates in the car, in reach...

Daily reach in private vehicle: Canadian drivers/passengers



... and in share of in-car listening.

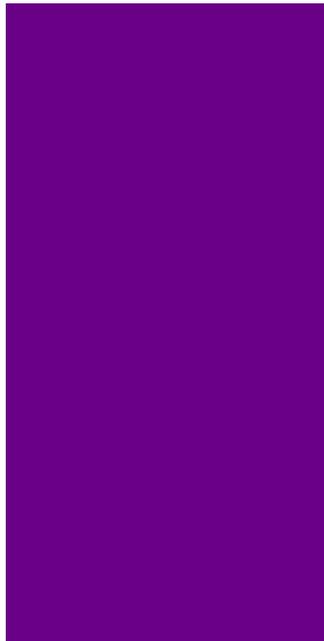
Share of listening in private vehicle : Canadian drivers/passengers



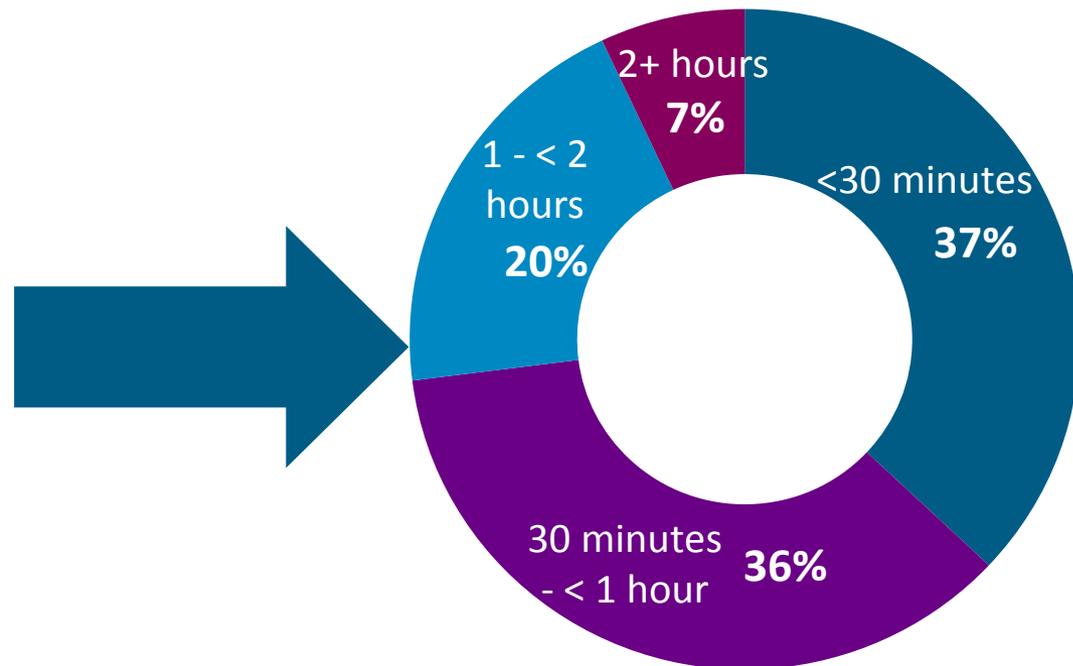
More than half of all online adult Canadians commute to work or school by car/private vehicle.

Commute by car

51%



Length of commute (both ways)



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+
F1a. How do you typically commute to work/school?
F1b. How long is your commute (each way)?

Commute times keep increasing.

Reported Change in Commute Time by Car in Past 2 years

14%
Less Time



25%
More Time



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

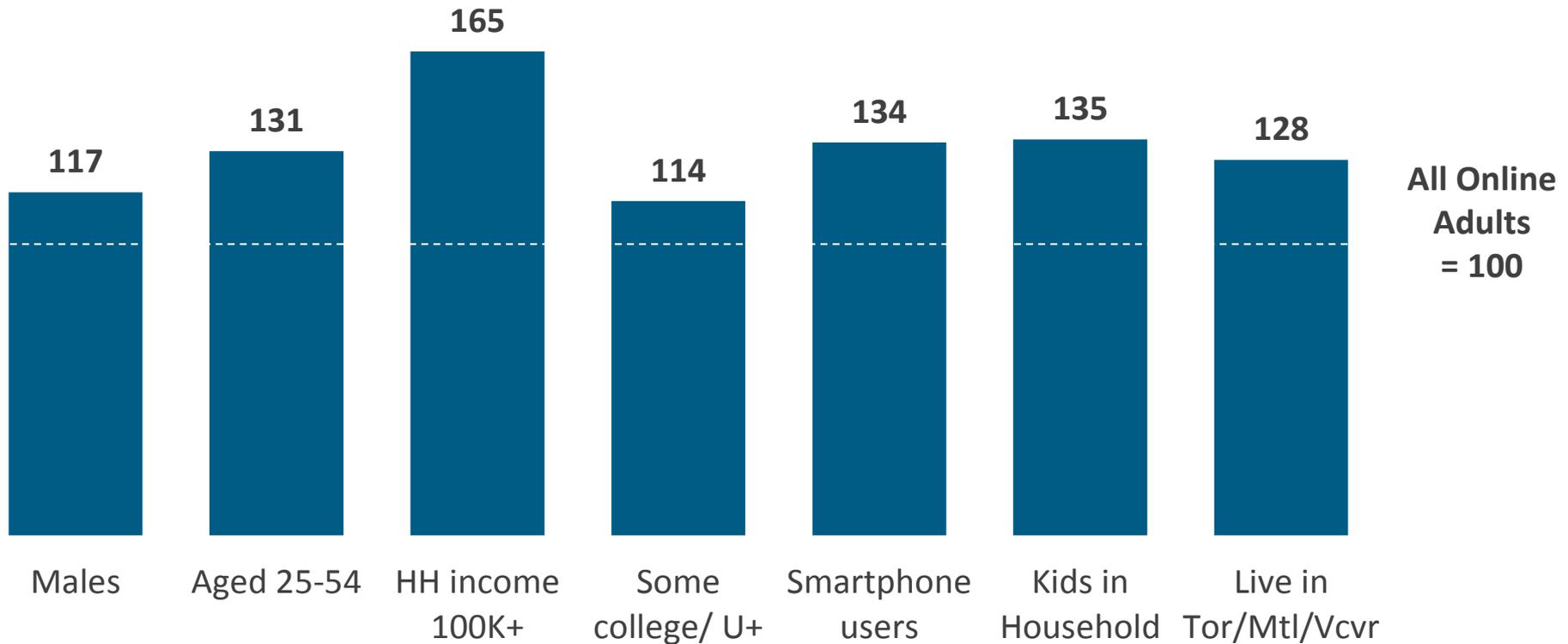
Base: Canadian online adults, aged 18+, commute by car

F1c. Is your commute taking more or less time than it did 2 years ago?

Car designed by Filippo Camedda, Clock designed by Dmitry Baranovskiy from The Noun Project

Commuters are an attractive target.

Adults who Commute by Car 1+ Hours/Day, Indexed to Online Adult Population



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+, commute by car 1/2 hour+ each way

Commuters are BIG radio listeners.

Average hours tuned / typical weekday

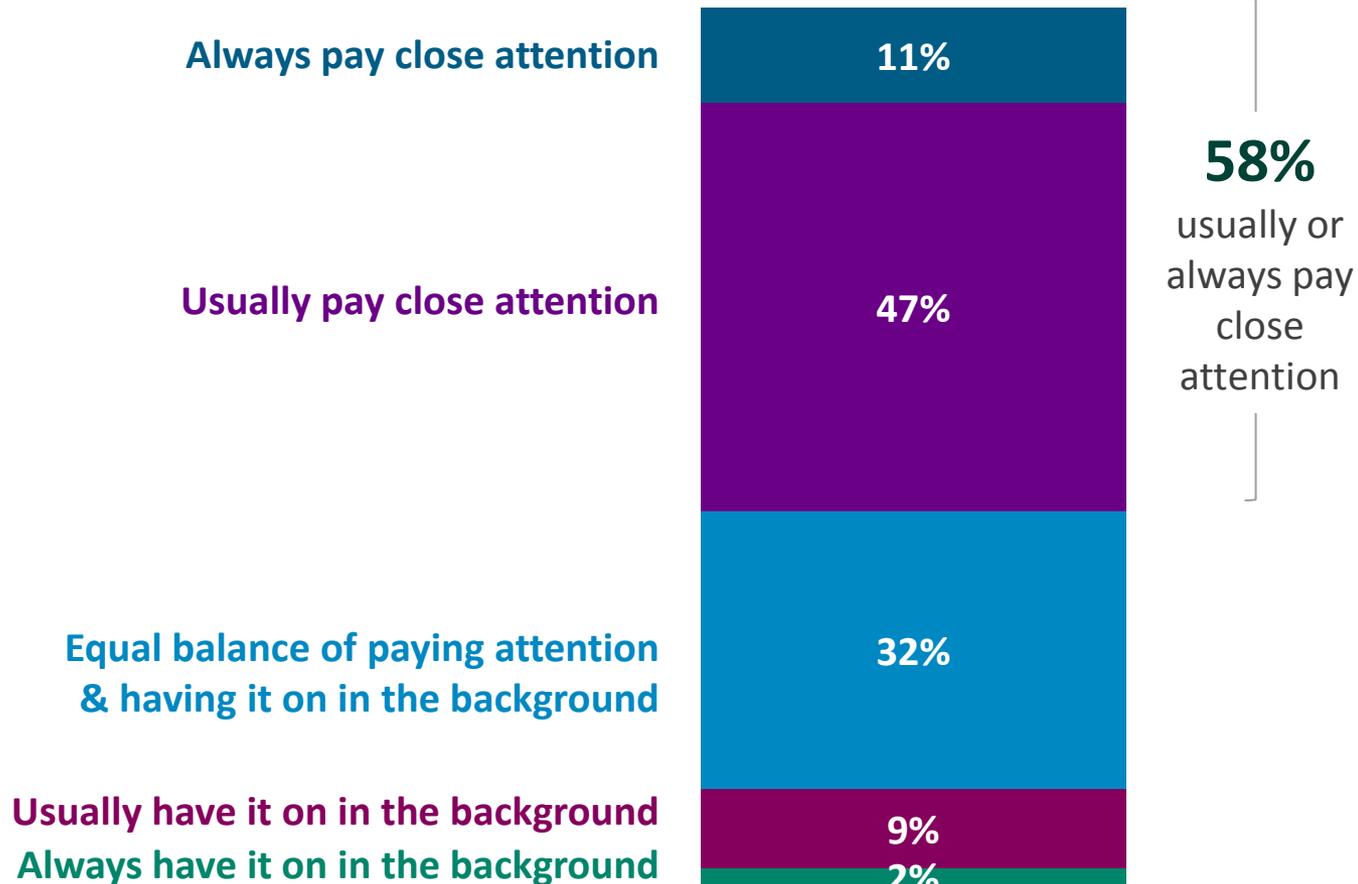
2.4 hours/day
Do not commute
by car



3.7 hours/day
Commute by car
1 hour+/day

Commuters are engaged listeners.

*Degree of attention paid to radio while in the car
-Adults who commute by car 1+ Hours/Day-*

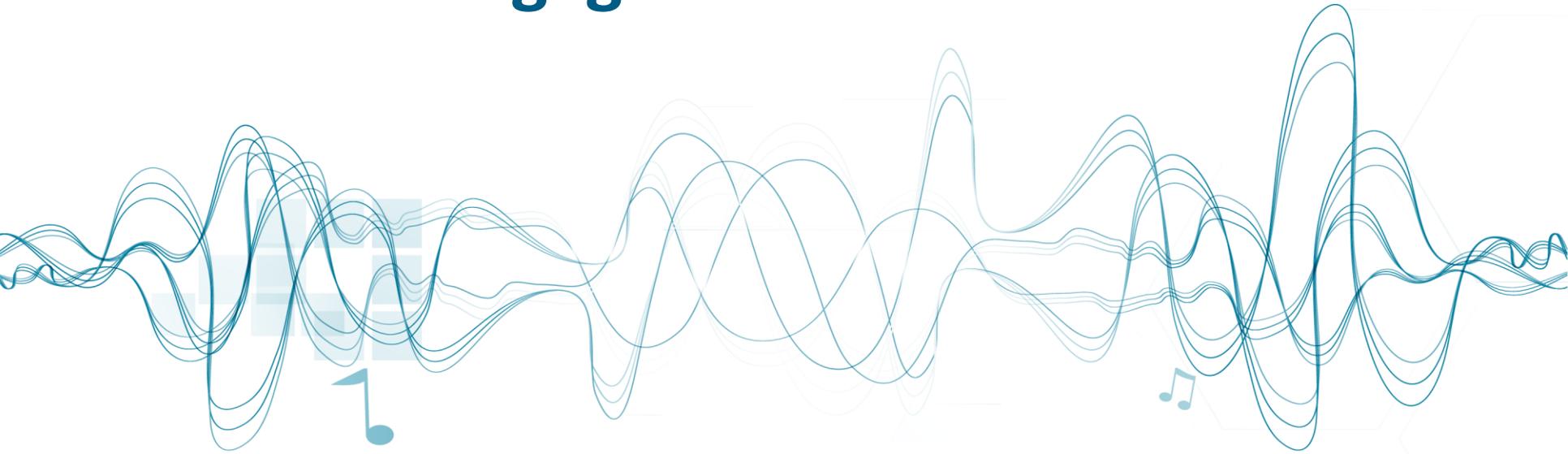


SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: Canadian online adults, aged 18+, commute by car 1/2 hour+ each way

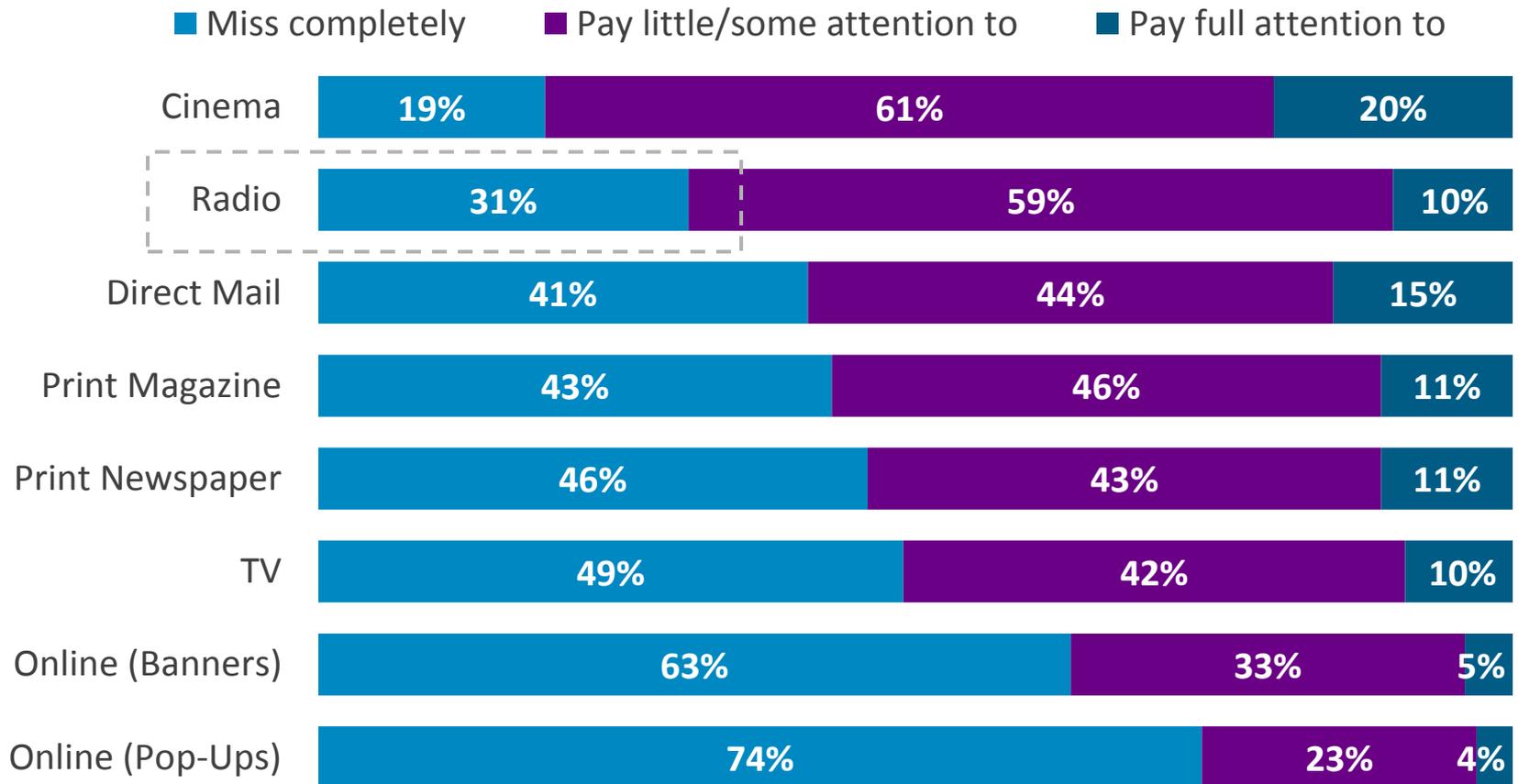
B4a. Which of the following best describes the attention you pay to FM or AM radio when you have it on in the car?

Engagement with Ads



After cinema, online Canadians say they are least likely to avoid radio ads.

What proportion of ads do you feel you...



SOURCE: Canadian National Omnibus, Vision Critical for Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: Canadian online adults, aged 18+, who access each media

Q5A-H. When you're watching/listening/accessing [medium] ..., what proportion of the ads do you feel you:

Canadians in PVR households are even more likely than others to say they avoid TV ads.

What proportion of TV ads do you feel you...

■ Miss completely ■ Pay little/some attention to ■ Pay full attention to

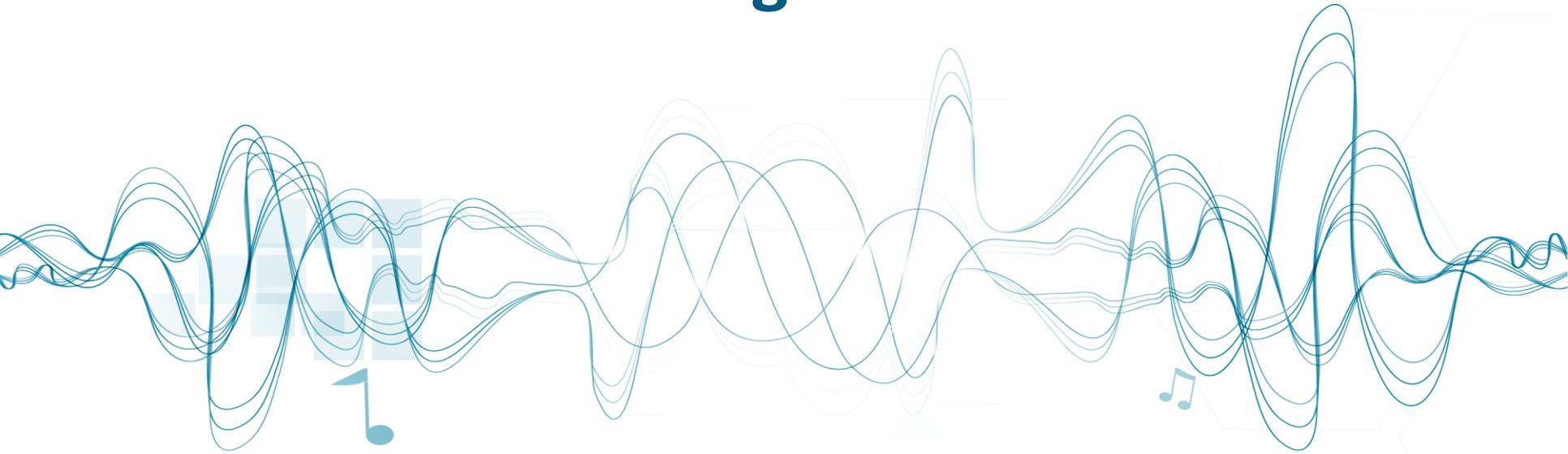


SOURCE: Canadian National Omnibus, Vision Critical for Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

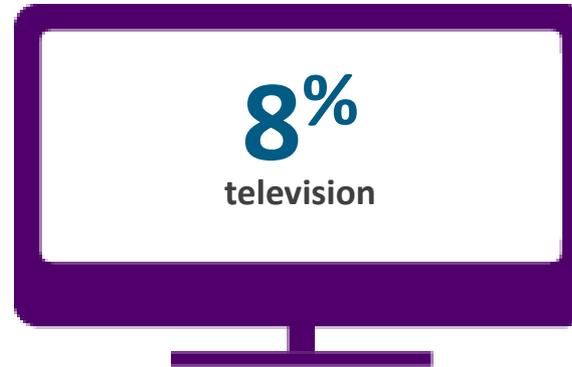
Base: Canadian online adults, aged 18+, TV watchers

Q5B. When you're watching TV, what proportion of the ads do you feel you:

Radio—The Digital Connection



Listeners are increasingly consuming broadcast radio on other platforms.



In total,
30%
listened to
AM/FM via
non-traditional
platforms /
past month

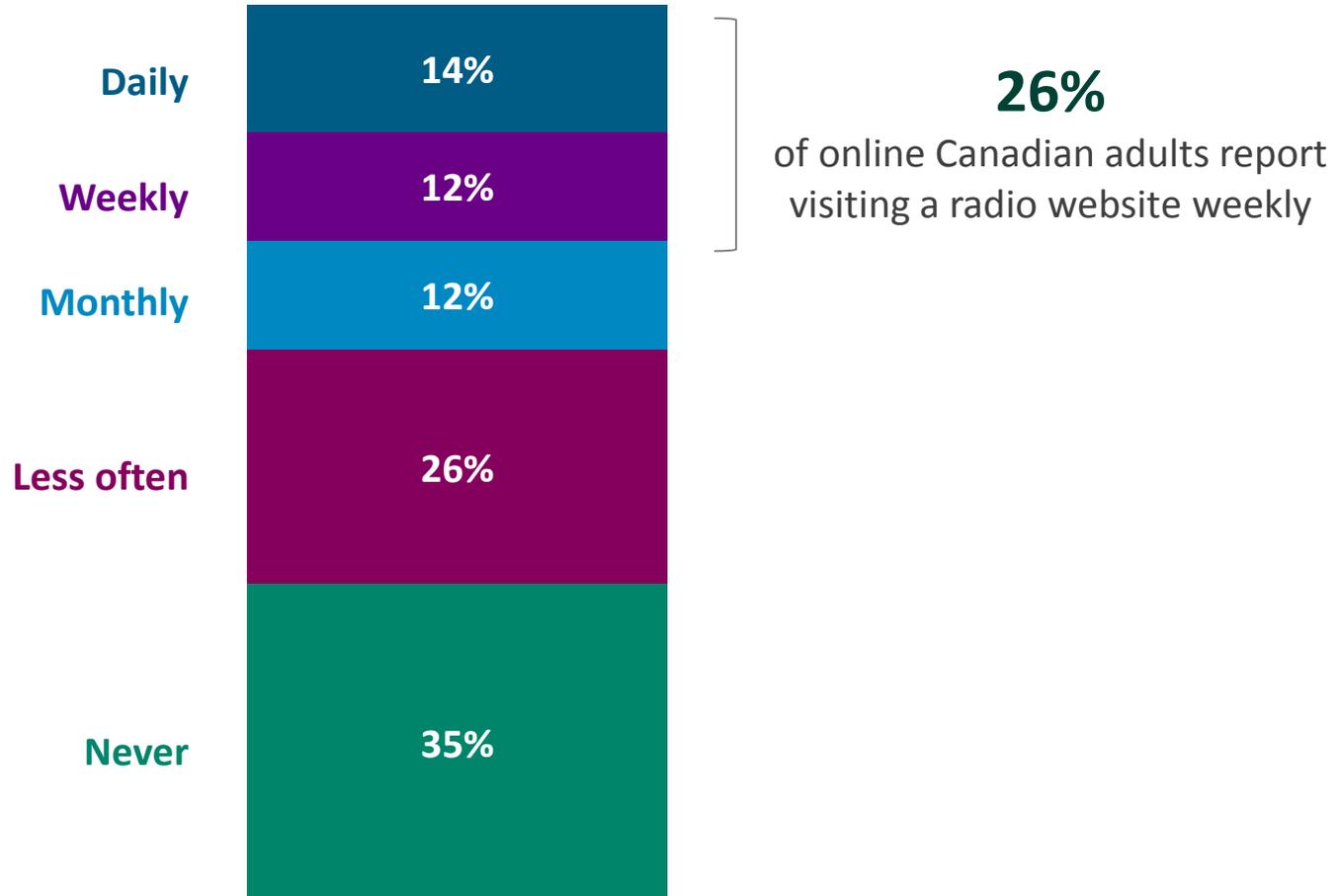
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+ who listen to broadcast radio
B6. Thinking of the past month, have you listened to the following on these devices?
Laptop designed by Sam Ahmed, Smartphone designed by George Agpoon, Tablet designed by Megan Hillman from The Noun Project

Two-in-three online adults say they at least sometimes listen to radio while online.



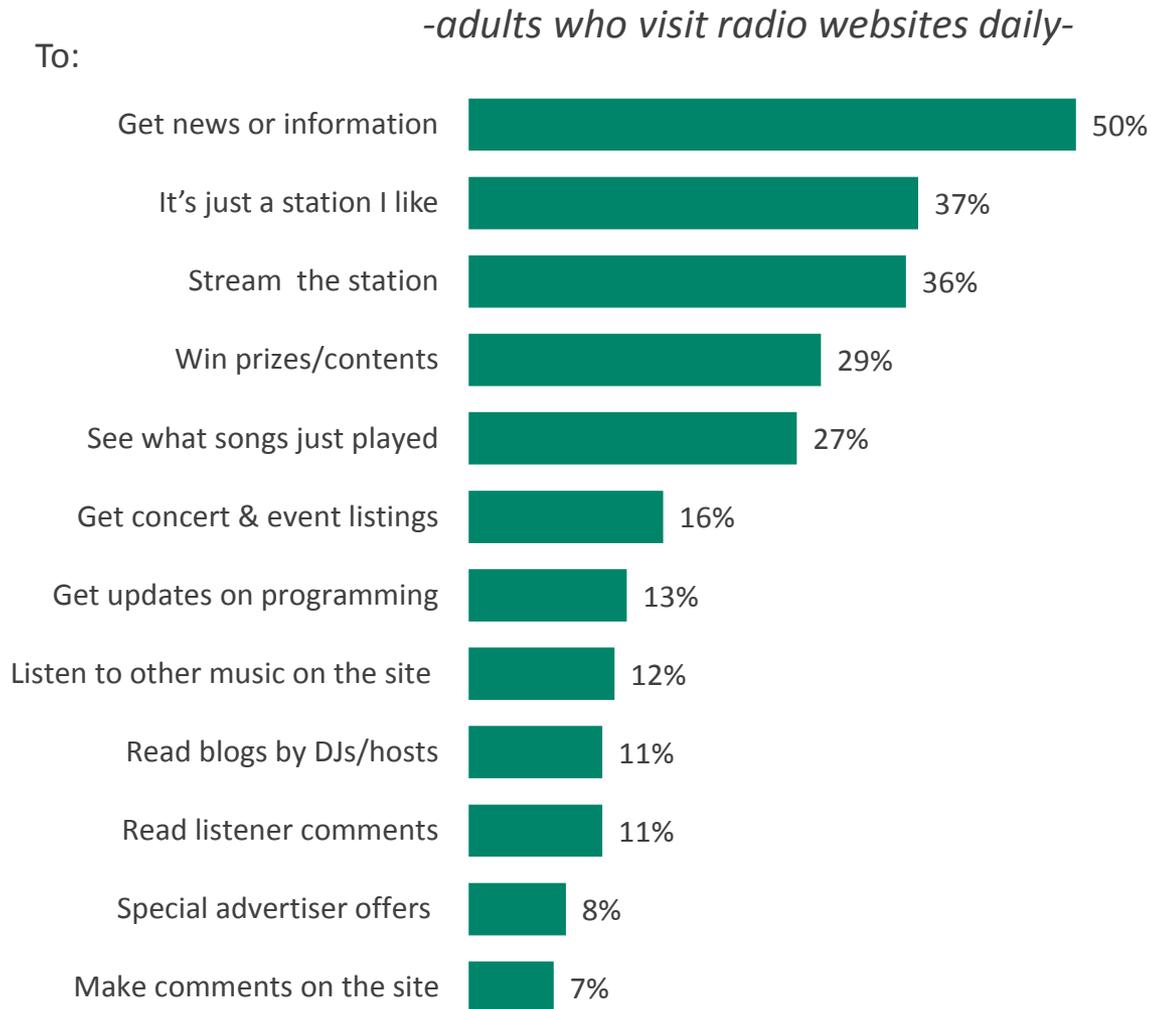
SOURCE: Canadian National Omnibus, Vision Critical for Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+

Radio stations drive to digital.



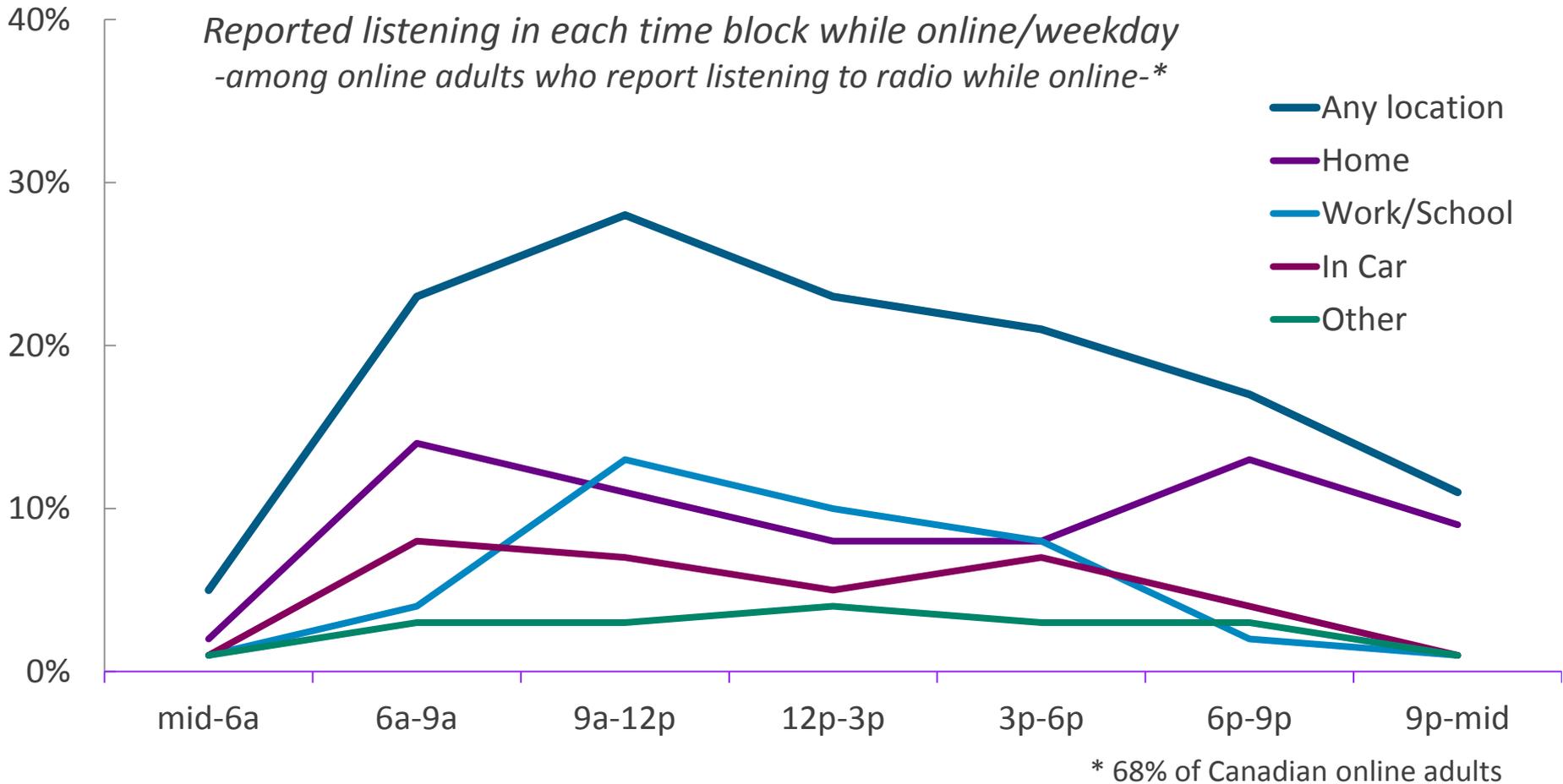
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Canadian online adults, aged 18+
D1. How often, if ever, do you go to FM or AM radio station websites?

Listeners go to radio websites for a wide range of reasons, not just for contests.



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+ who visit radio websites daily
D2. What are the main reasons you visit FM or AM radio station websites?

Radio can throw to digital in any time block—listening to radio while online extends throughout the day.



SOURCE: Canadian National Omnibus, Vision Critical for Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
 Base: Canadian online adults, aged 18+, who listen to broadcast radio while online (68% of online Canadian adults)
 Q2. Thinking now specifically of yesterday, when, if at all did you listen to the radio while you are online ?

Social network users listen to as much radio as other online adults.

% Say listen to AM/FM radio daily

Average hours tuned to radio/week

All online adults



67%

All online adults



18.6
hours

Adults who visit social
networks daily



67%

Adults who visit social
networks daily



18.7
hours

SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: Canadian online adults, aged 18+

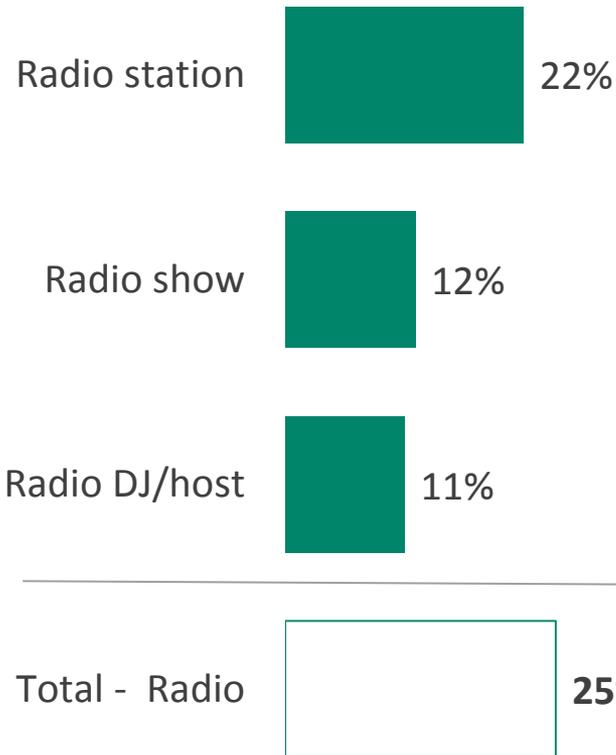
B1. How often, if ever, do you normally read, see, hear or access the following media sources?

B5a On a typical weekday / weekend day, how much time would you say you spend listening to FM or AM radio?

Canadian radio connects with its listeners on social networks—as much or more than Canadian TV does.

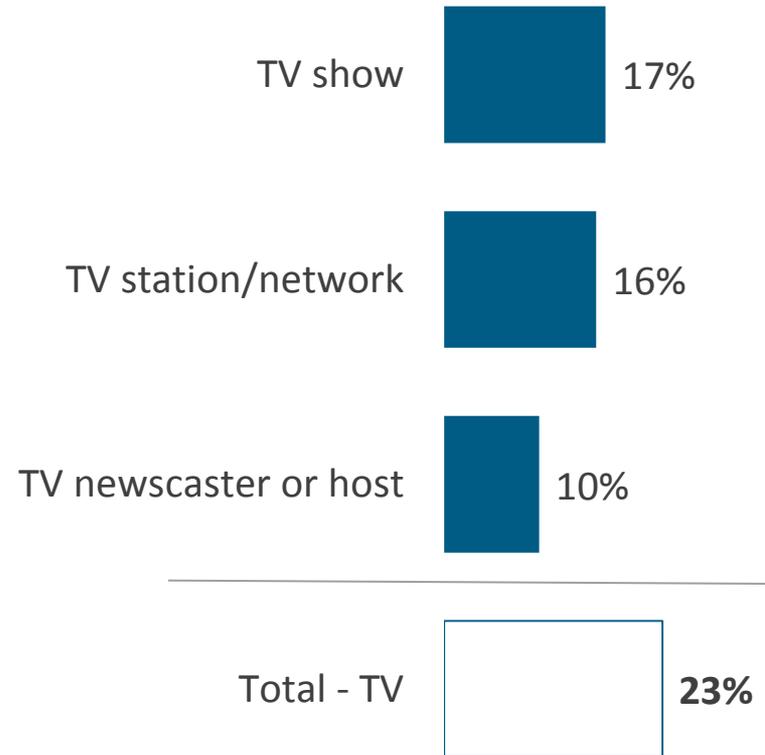
Canadian Radio

Friended, liked or followed on social networks



Canadian TV

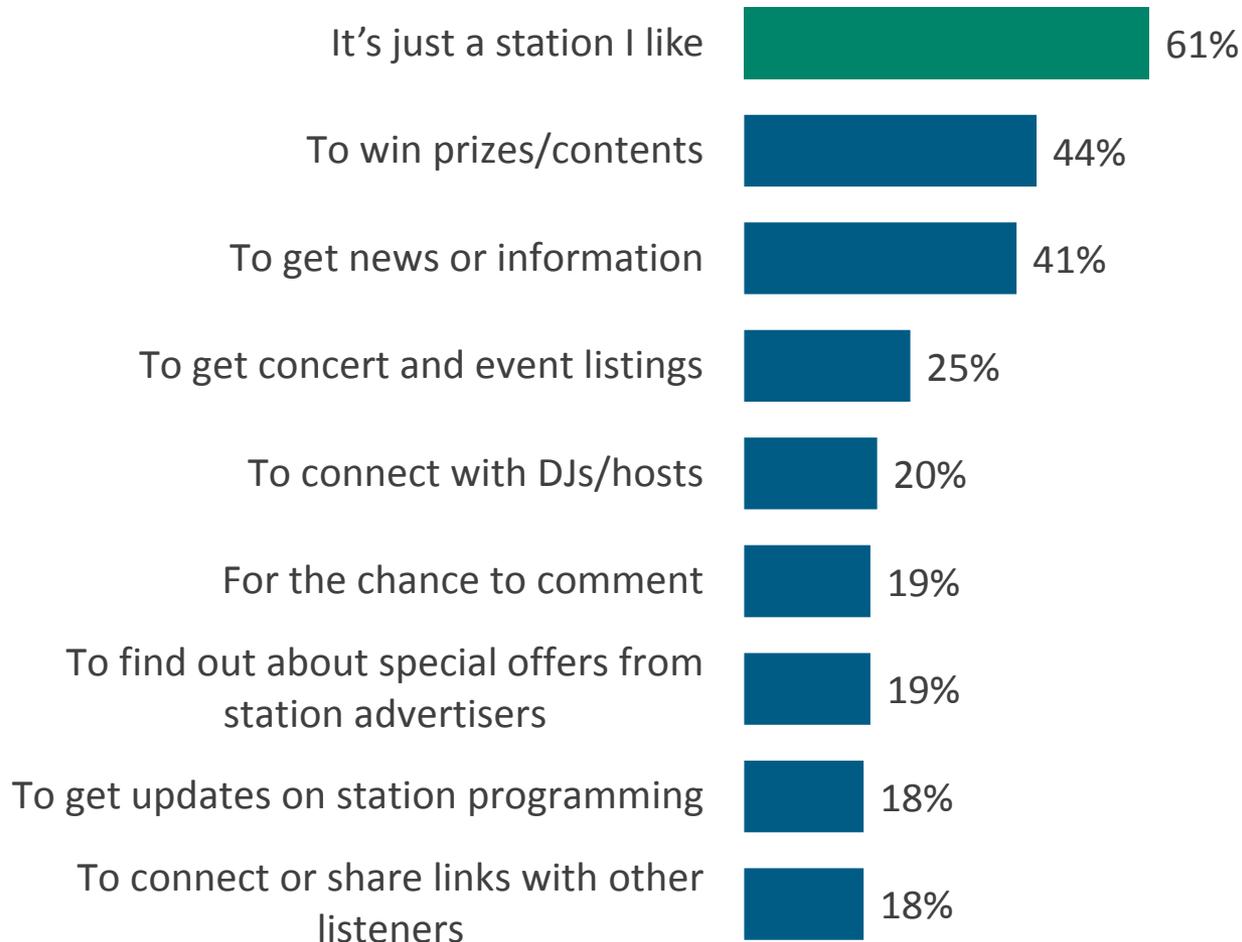
Friended, liked or followed on social networks



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+
D3. Have you Friended, Liked or Followed any of these on social networks (e.g. Facebook, Twitter, etc)?

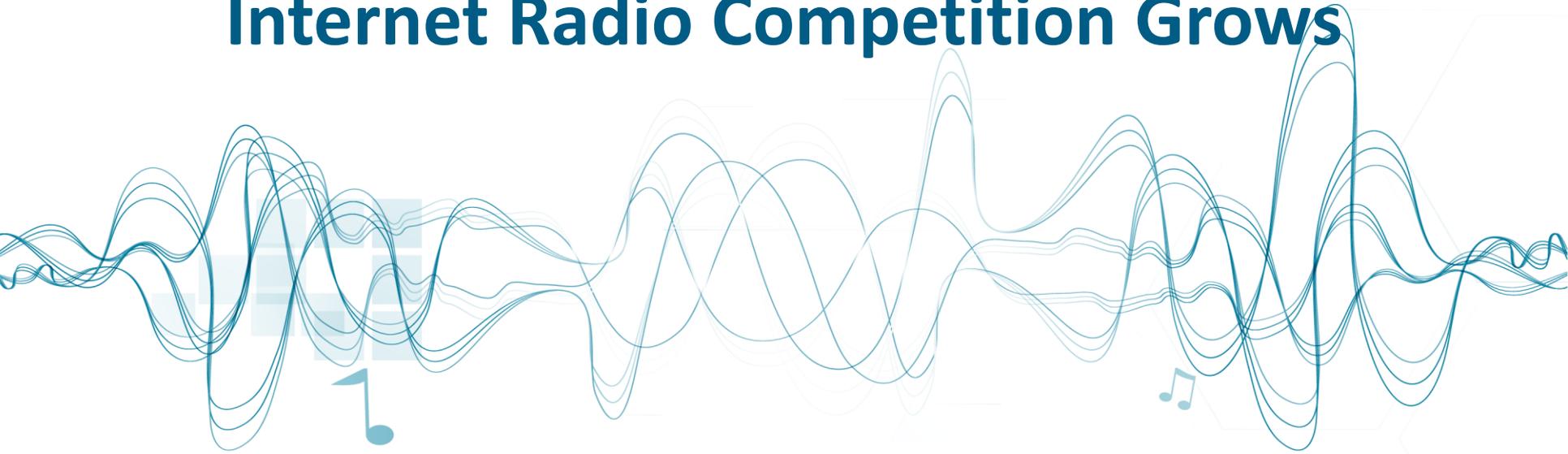
Listeners 'like' radio stations on Facebook because they really LIKE it... and/or to engage with the station.

Main reasons for liking a station on Facebook (by adults who like stations on Facebook)



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+ who report "liking" a Canadian radio station on Facebook
D4b. What are the main reasons you had for liking a station on Facebook?

Prospects for Canadian Radio as Internet Radio Competition Grows



Internet-only radio services are still in their infancy in Canada vs. the U.S.

% report listening to Internet-only audio services daily



18%



4%



Online Canadian adults



Online U.S. adults

SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

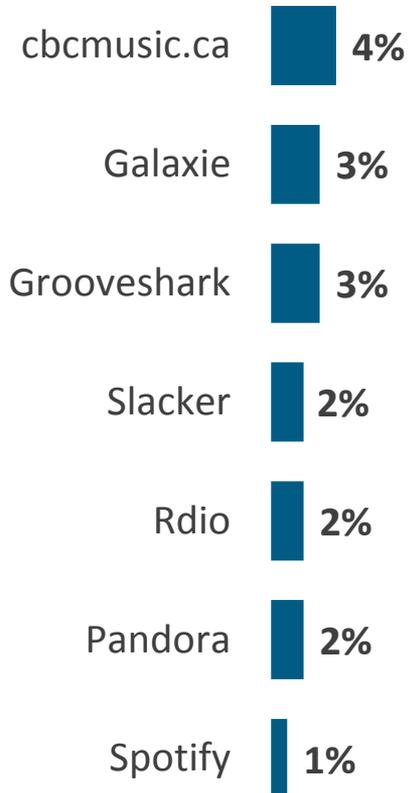
Base: Canadian online adults, aged 18+; US online adults, aged 18+

B7a. How often, if ever, do you listen to Internet-only audio services (like Pandora, cbc.music.ca, Grooveshark, etc.)?

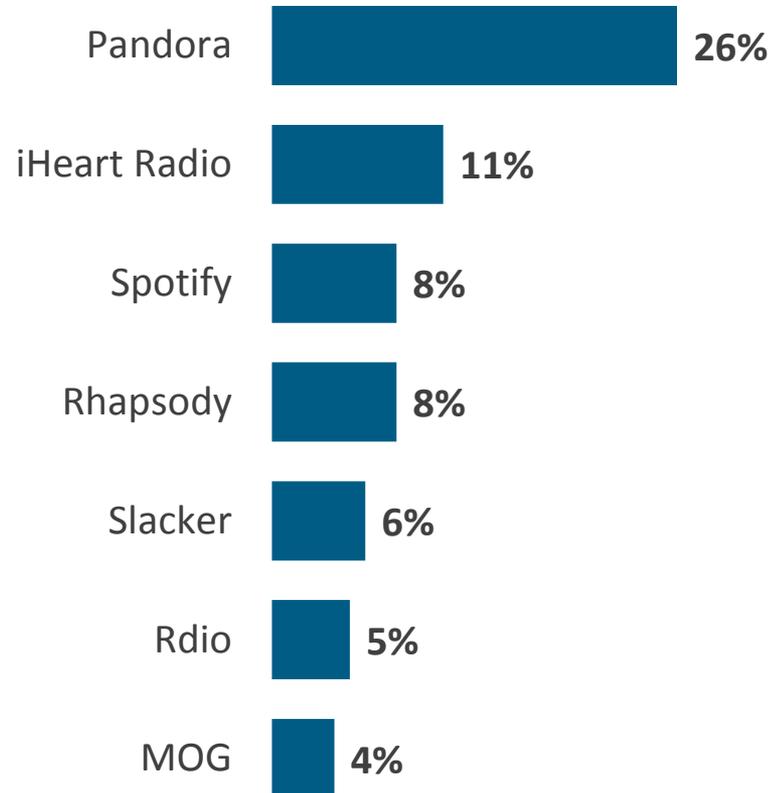
The BIG difference in the U.S. is Pandora.



% Report Listening Weekly...

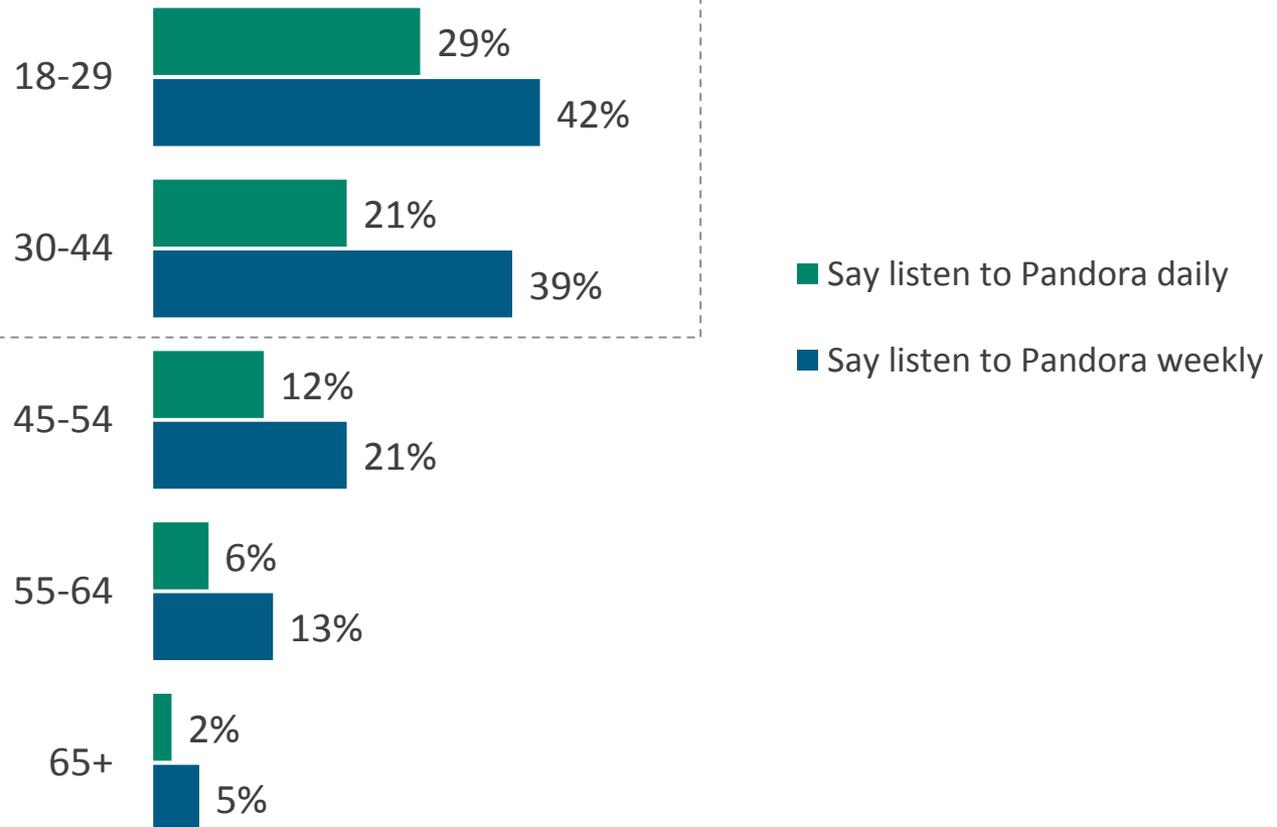


% Report Listening Weekly...



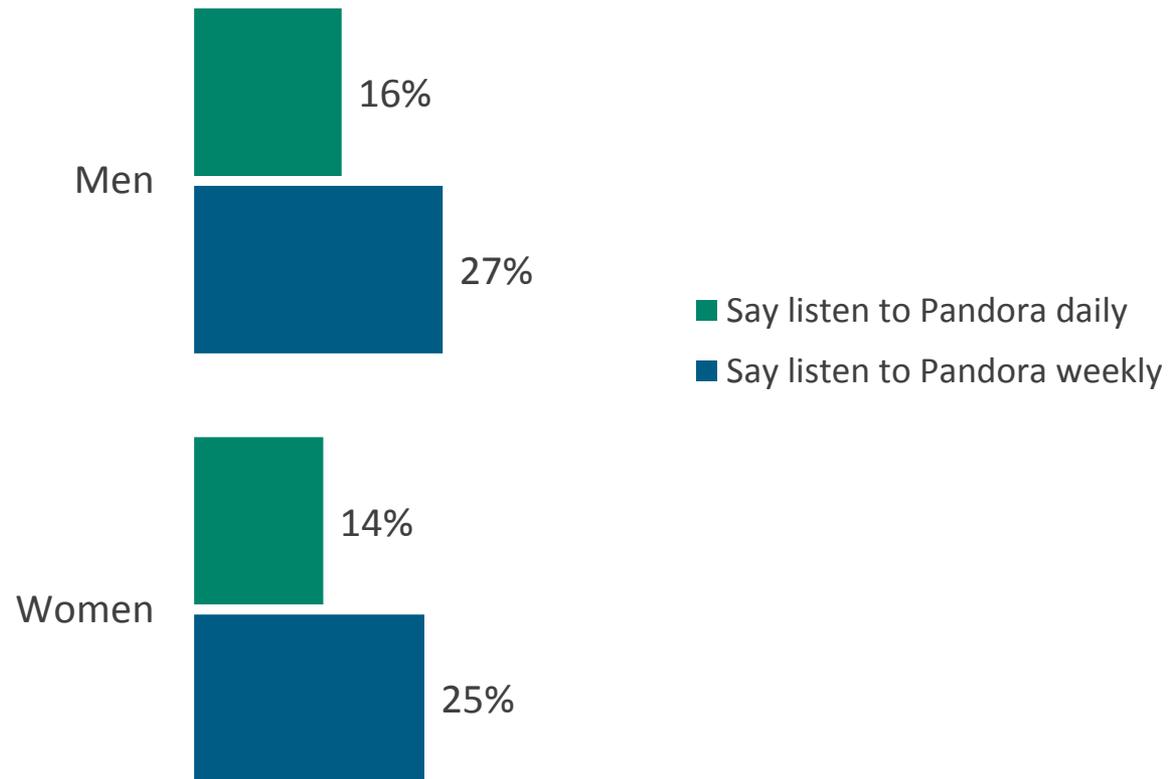
SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: Canadian online adults, aged 18+; US online adults, aged 18+
B7b. How often, if ever, do you listen to each of these Internet-only audio services?

Pandora listeners in the U.S. skew towards Millennials and Gen X.



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: American online adults, aged 18+
B7b. How often, if ever, do you listen to each of these Internet-only audio services?

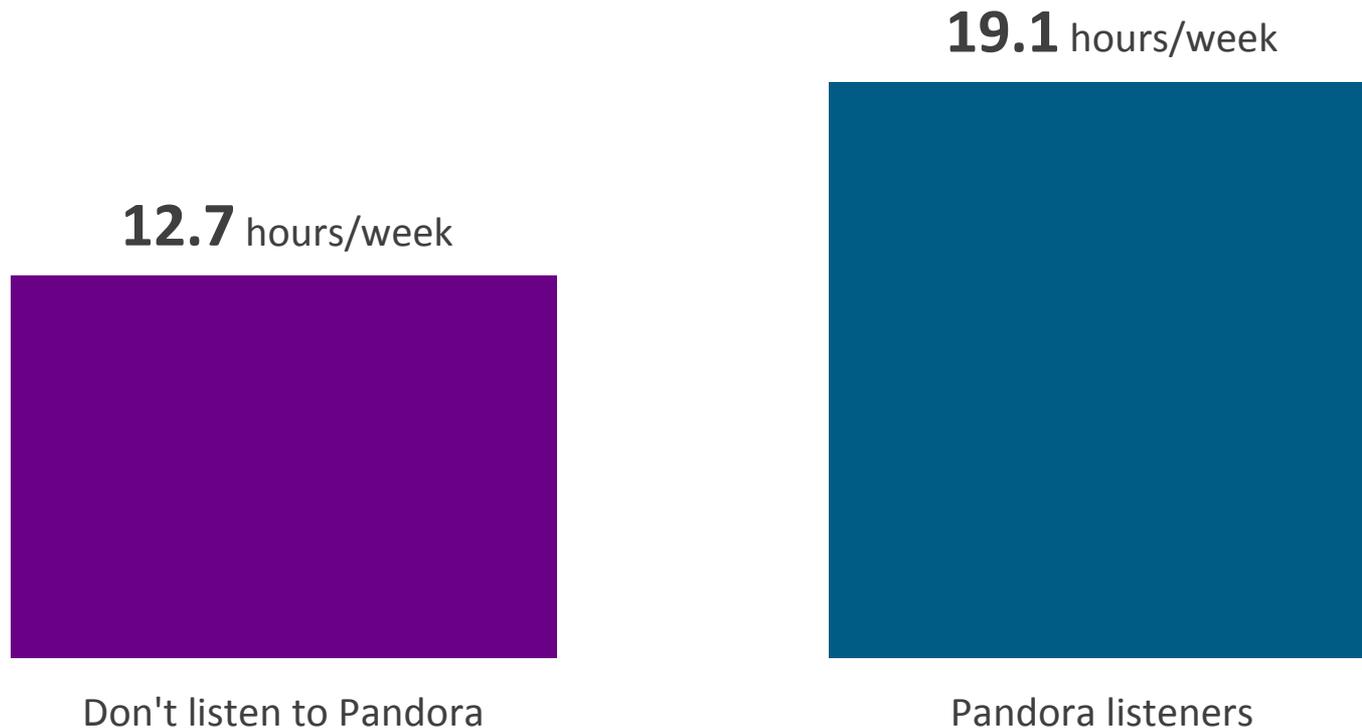
American men and women are equally likely to report listening to Pandora.



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: American online adults, aged 18+
B7b. How often, if ever, do you listen to each of these Internet-only audio services?

Pandora listeners in the U.S. report spending more time with AM/FM radio than non-Pandora listeners do.

Average reported tuning to AM/FM radio



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: American online adults, aged 18+

B5a. On a typical weekday, how much time would you say you spend... listening to AM/FM radio?

B5b. And what about on the weekend? How much time would you say you spend on a typical weekend day... listening to AM/FM radio?

Overall, Pandora users report spending slightly *more* time listening to AM/FM now than they did 2 years ago.

Reported change in listening to broadcast radio over past 2 years

22%
Less Time



24%
More Time

Net Change + 2%

SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

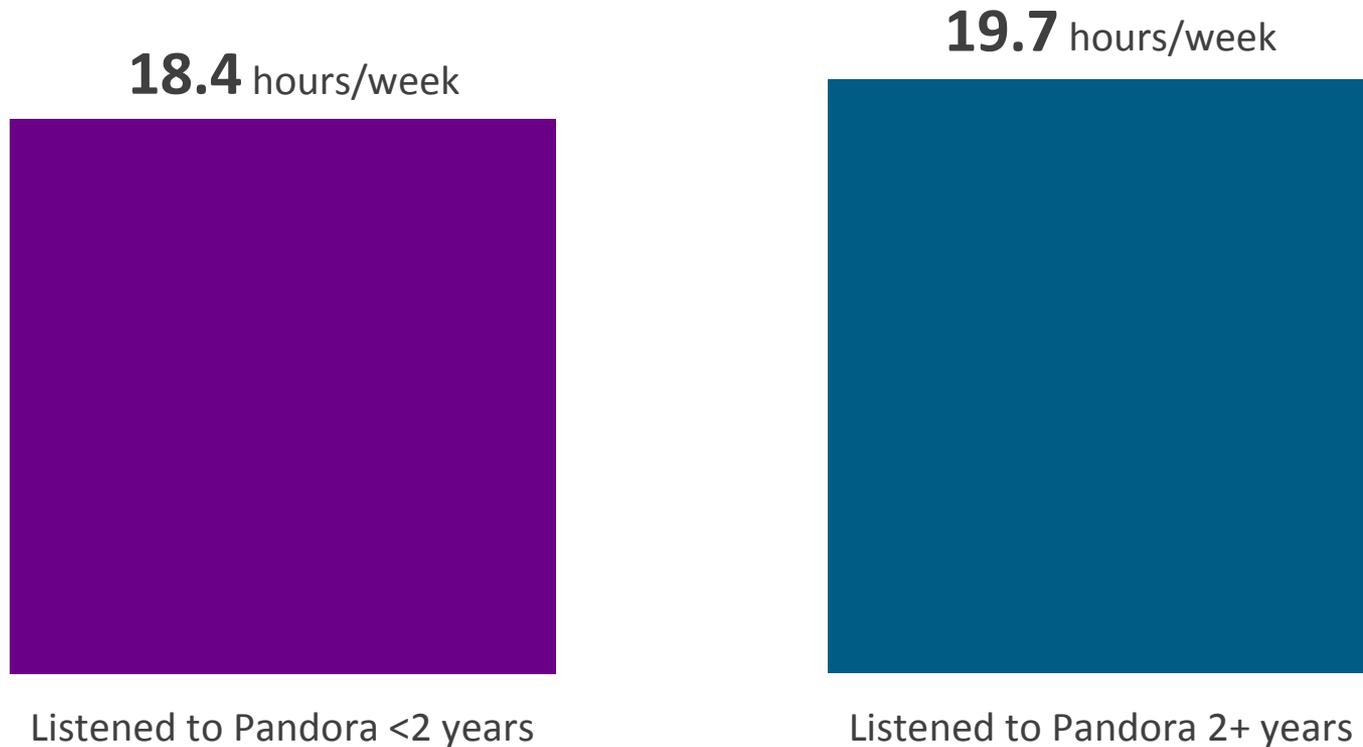
Base: American online adults, aged 18+ who listen to Pandora

B2. Thinking back over the past two years, would you say you are doing more or less of the following... listening to AM/FM radio

Clock designed by Dmitry Baranovskiy from The Noun Project

Tenured and recent Pandora listeners spend about the same amount of time listening to AM/FM radio.

Average reported tuning to AM/FM radio



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

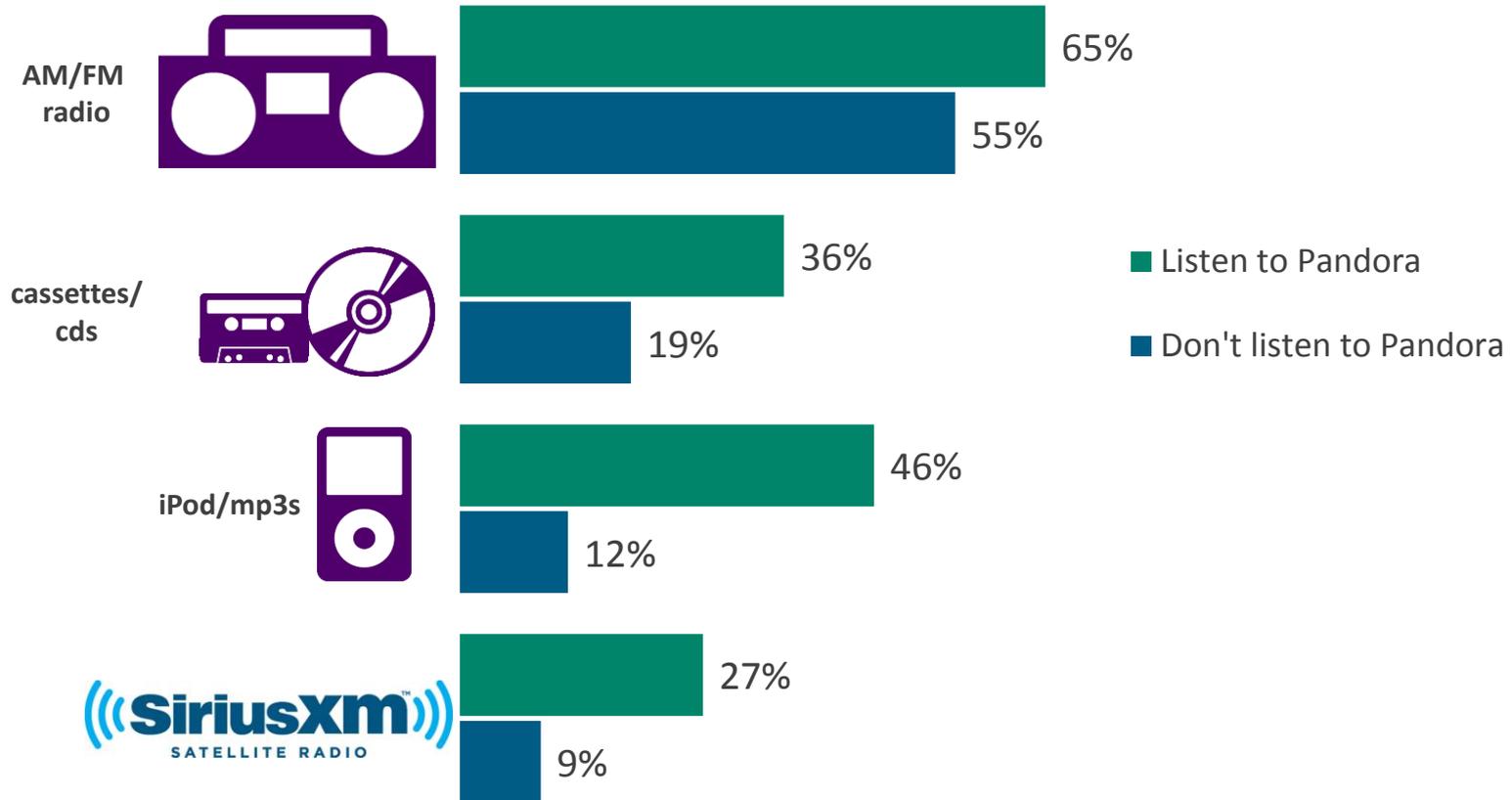
Base: American online adults, aged 18+ who listened to Internet-only audio in past month & ever listen to Pandora

B5a. On a typical weekday, how much time would you say you spend...

B5b. And what about on the weekend? How much time would you say you spend on a typical weekend day...

Pandora listeners are music fans, who devour music across all platforms.

% report listening daily



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

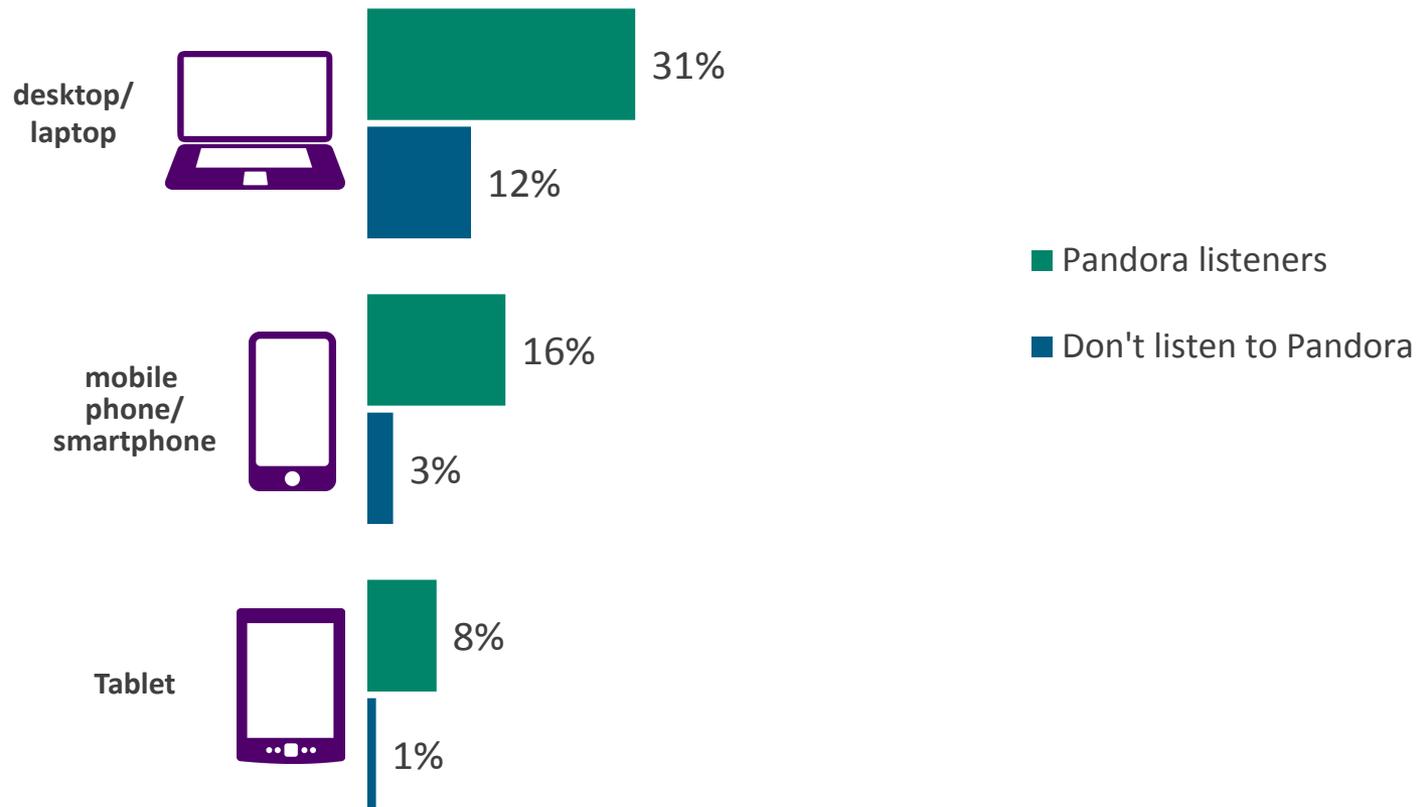
Base: American online adults, aged 18+

B1. How often, if ever, do you normally read, see, hear or access the following media sources?

Cassette designed by Mathies Janssen, CD & iPod from The Noun Project

Pandora listeners are also much more likely than non-Pandora listeners to access AM/FM on digital devices.

% Reported listening to AM/FM radio in the past month on each platform



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: American online adults, aged 18+

B6. Thinking of the past month, have you listened to the following on these devices? [AM/FM radio stations]

Laptop designed by Sam Ahmed, Smartphone designed by George Agpoon, Tablet designed by Megan Hillman from The Noun Project

Most Pandora listeners continue to see AM/FM radio as playing an important role in their life.

■ Totally indispensable ■ Important part of my life ■ Sometimes useful ■ Couldn't care less about it

Importance placed on Pandora - by Pandora listeners



Importance placed on AM/FM - by Pandora listeners



SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012
Base: American online adults, aged 18+; listen to AM/FM radio; listen to Pandora
C1a. Which of these statements best describes how you personally feel about each of the following?

Why Pandora listeners still place value on AM/FM radio:

- **Personal touch**

- *“personalities that entertain” / “banter from real people” / “interactive” / “talk radio” / “call on the phone to have them play a favorite song” / “giveaways and contests”*



“It helps me feel engaged knowing someone normal just like me is speaking their opinion for everyone to hear.” (19 year-old male)

- **Local and live info**

- *“local events, news, and businesses” / “local news/sports” / “local advertising”*
- *“road conditions” / “weather alerts” / “keeps me in touch with the world” / “breaking news and traffic” / “always current” / “updates about contests, concerts, etc.” / “live news as happens”*



“Honestly, the commercials... how I hear about concerts and events going on, things I'd like to do with my friends.” (21 year-old female)

- **Music discovery/curation**

- *“mix of music that you might not have picked out” / “new music, random music” / “hit music that keeps me current”*



“More up to date and gives you information on the newest music and what people are starting to like.” (18 year-old female)

- *“variety of song and genre choices” / “diversity of music” / “variety of old and new music”*

- **Easy/convenient**

- *“easily accessible whether you're in your home or car” / “easy to use while driving”*
- *“listen in the car without worrying about making any technology work....just switch the button on” / “anywhere anytime without logging in” / “don't need to use the data plan on my phone” / “don't have to worry about battery charges”*

SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

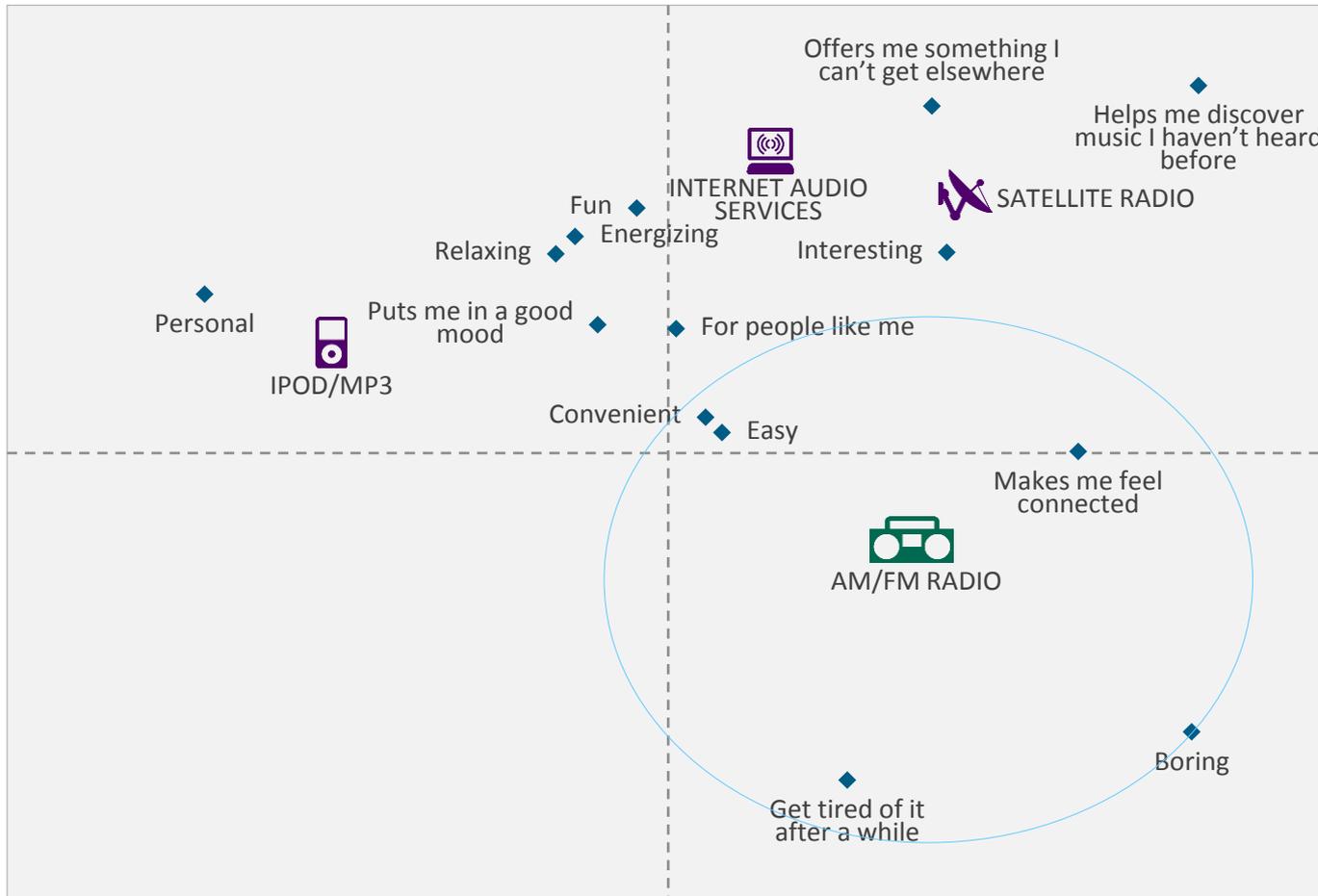
Base: American online adults, aged 18+ who listened to Internet-only audio in past month, listen to Pandora and place at least some value on AM/FM radio

C2. Given all the other audio alternatives that are now available, what are those things about AM or FM radio that set it apart and give it the greatest value

to you personally?

How Pandora Listeners See the Role that AM/FM Radio Plays in the Audio Landscape

This chart shows, based on proximity, those attributes with which each audio medium is most uniquely associated among Pandora listeners—e.g., AM/FM radio is most uniquely associated with being “convenient,” “easy,” “helps me feel connected,” “boring” and “get tired of it after a while.”

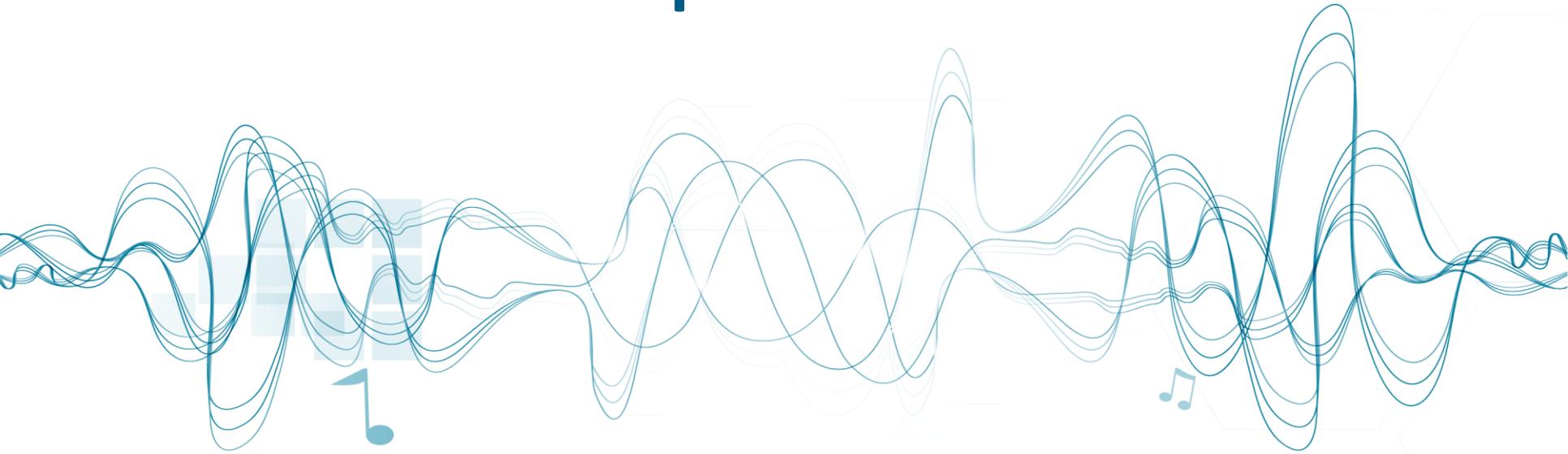


SOURCE: Radio Engagement in Canada, for the Canadian Association of Broadcasters, Fall 2012

Base: US online adults, aged 18+ who listened to Internet-only audio in past month & ever listen to Pandora / listen at least once a month to medium being associated

C3a/b. Which of the following words or phrases, if any, do you associate with each of these?

Implications



- 1. Broadcast radio remains relevant** to the vast majority of Canadians and the advertisers who seek to reach them.
- 2. Most important, radio stations and their advertisers should capitalize on the personal connections** that represent radio's unique strength today and into the future.
 - Radio personalities can act as a particularly effective influence on purchase decisions. Their opinions, comments and recommendations are widely trusted.
- 3. Radio's in-car dominance delivers strong potential for advertisers.**
 - In-car listening represents more than half of all radio tuning.
 - Broadcast radio reaches an engaged, attractive and growing commuter audience.



4. Radio is an increasingly valuable complement to TV advertising.

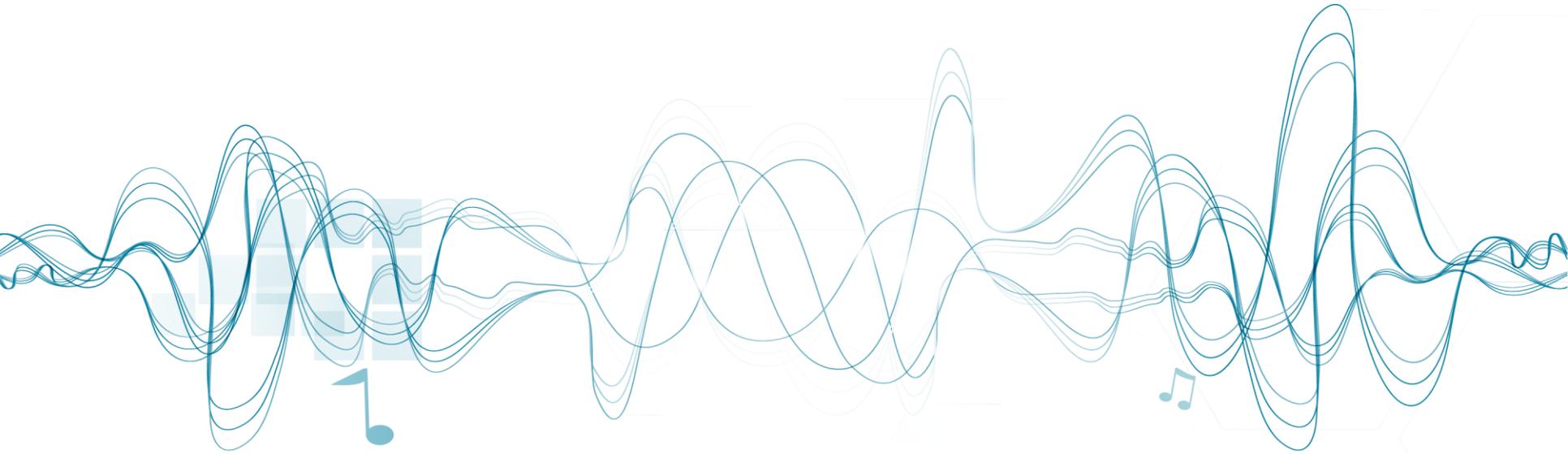
- Radio reaches listeners outside the home—on-the-go and often on their way to shop, eat or entertain themselves.
- As many households with PVRs actively avoid TV ads, radio listeners report much lower levels of ad avoidance to ads on radio.



5. Radio opens the door to digital opportunities for radio and its advertisers.

- Radio listeners are following AM/FM onto digital platforms.
- Many listeners are also multi-tasking—listening to radio while they're online throughout the day and evening, creating an opportunity for advertisers to drive to digital during all day parts, including those where rates are typically lower.

APPENDIX: Additional Resources





Additional Resources

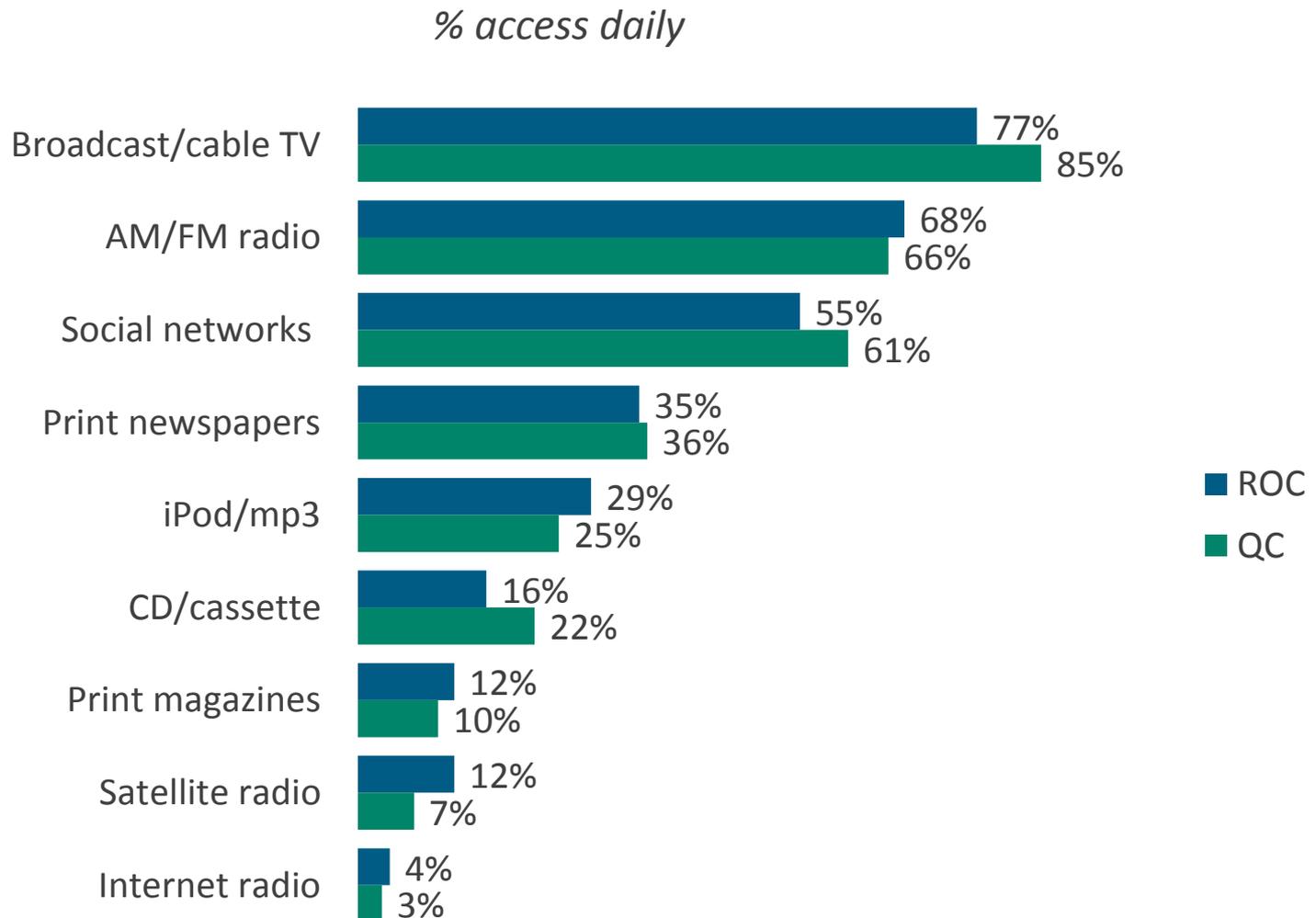
The following studies provide further data on radio's relevance as an advertising medium in today's media landscape:

- [Where Radio Fits](#): Arbitron/ USA TouchPoints; tracking in-the-moment usage of radio and other media among Americans aged 18-64; September 2012
- [Sonic Brand Study](#): Katz Media / Critical Mass Media; demonstrating ability of brief audio signatures to evoke brand recall and brand salience, among Americans aged 18-54; July 2012
- [RADIO: the Emotional Multiplier](#); RAB UK; In-the-moment demonstrating the emotional receptivity of radio listeners to advertising; Spring 2011

APPENDIX: Quebec Findings vs. Rest of Canada (ROC)



Daily media consumption of online adults in Quebec in similar to that of rest of Canada—but more daily TV viewing and CD listening, but less satellite radio.

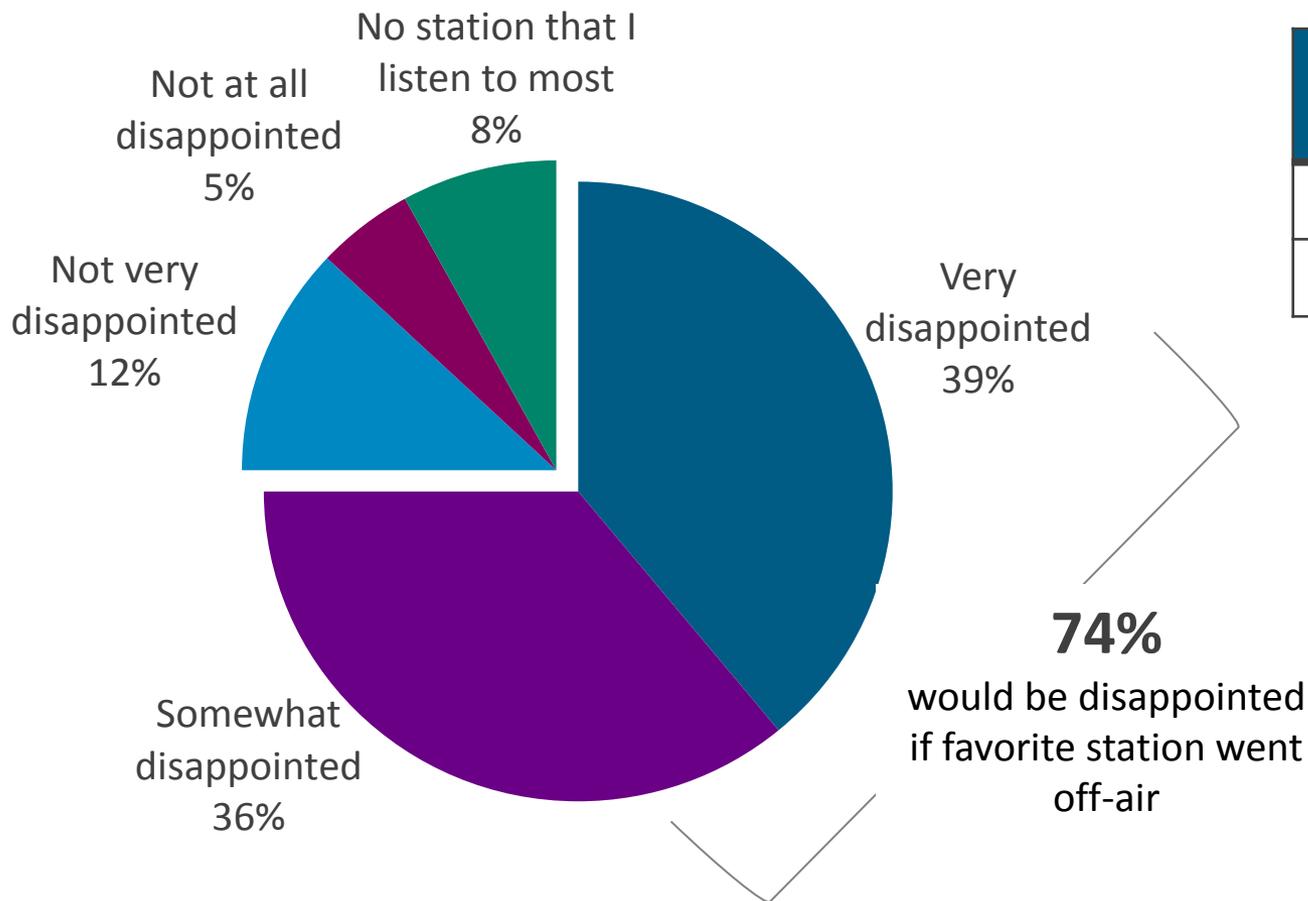


Base: Canadian online adults, aged 18+

B1. How often, if ever, do you normally read, see, hear or access the following media sources?

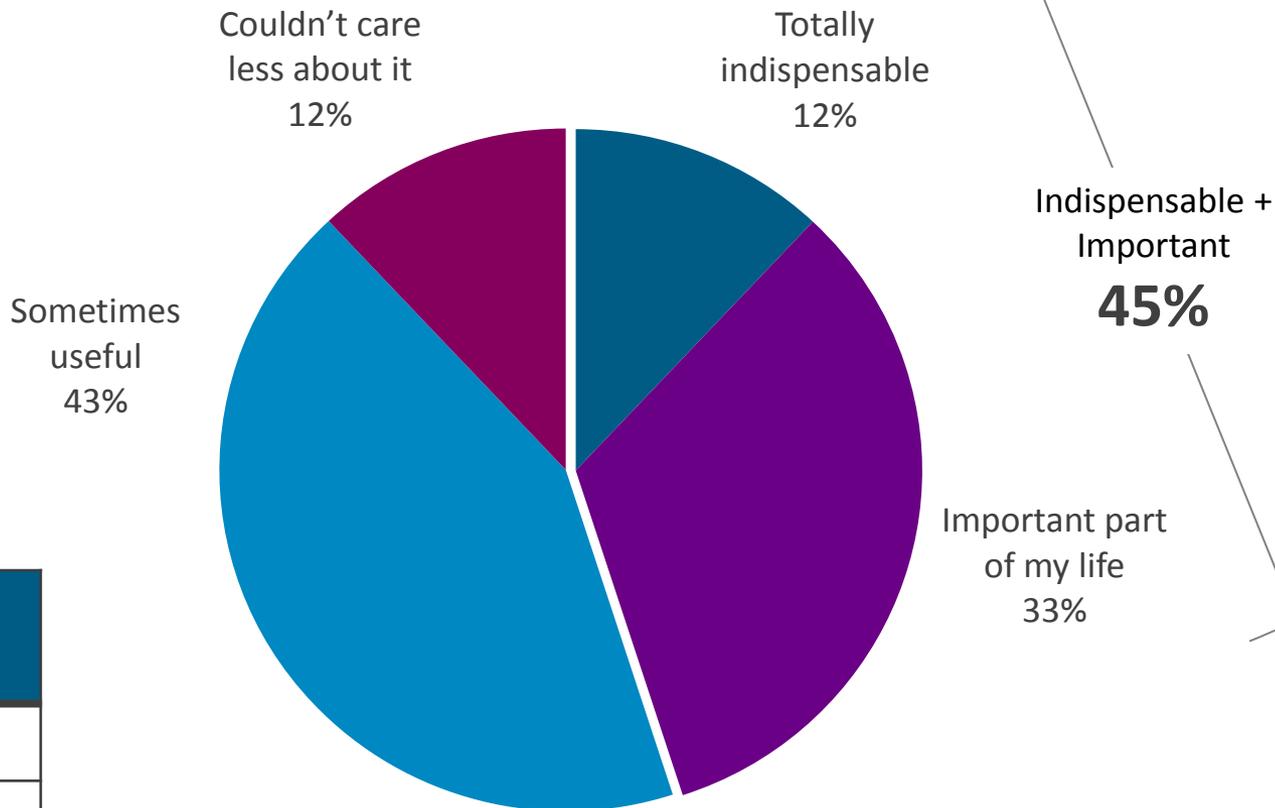
Radio listeners in both Quebec and the rest of Canada have personal, emotional ties to their favourite station.

'If the station you listen to most was no longer available, do you think you would be...'



| % very or somewhat disappointed | |
|---------------------------------|-----|
| ROC | 77% |
| QC | 72% |

Broadcast radio plays a valuable role in most Canadians' lives, with similar importance in Quebec as the rest of Canada.



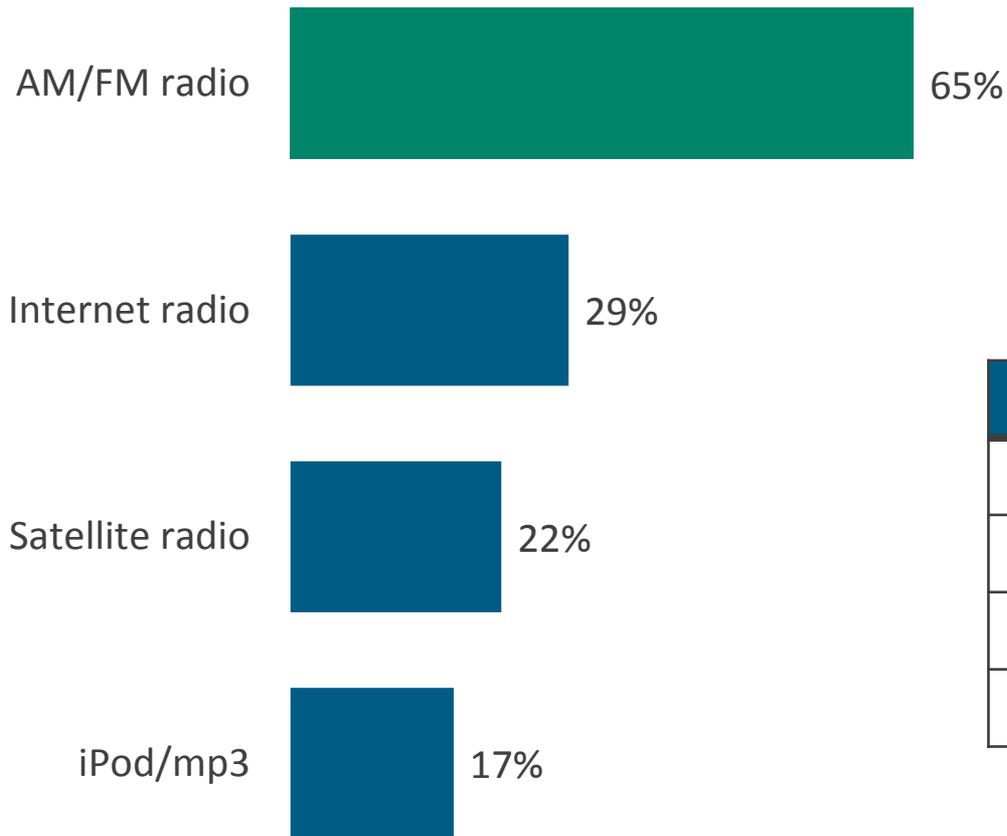
| % indispensable + important | |
|-----------------------------|-----|
| ROC | 45% |
| QC | 47% |

Base: Canadian online adults, aged 18+

C1a. Which of these statements best describes how you personally feel about broadcast radio – that is, those radio stations available on the AM or FM dial?

In Quebec vs. ROC, there is slightly less agreement that AM/FM “makes me feel connected” but radio still offers a greater sense of connection than digital alternatives.

*% Agree that Type of Audio ‘Makes Me Feel Connected’
-Listened to each Type of Audio in Past Month (National)-*

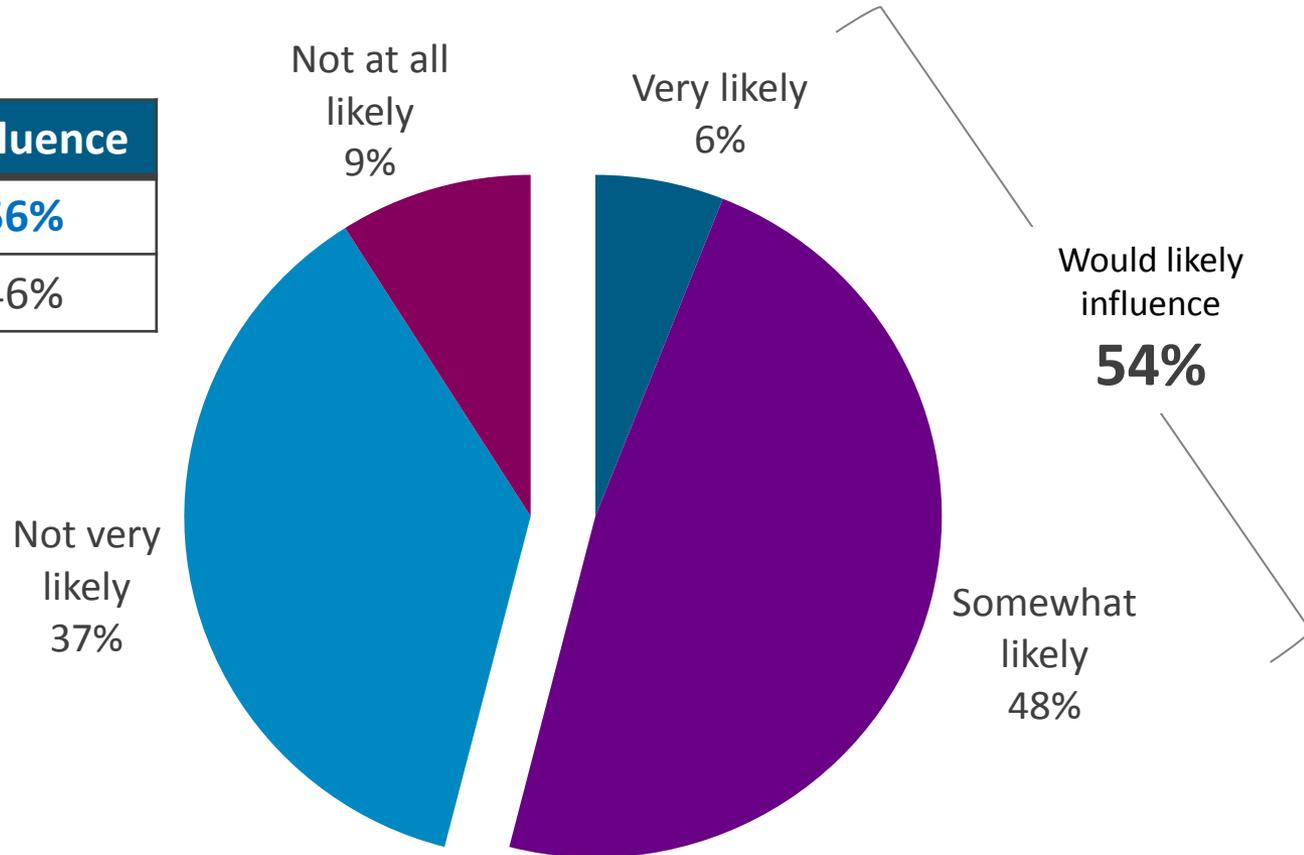


| | ROC | QC |
|----------------|-----|-----|
| AM/FM | 67% | 57% |
| Internet radio | 29% | 30% |
| Satellite | 22% | 20% |
| iPod/mp3 | 15% | 21% |

Radio personalities can help drive purchase, although the degree of influence is slightly lower in Quebec.

"How likely would you be to consider using/purchasing product/service recommended by your favourite DJ/host"

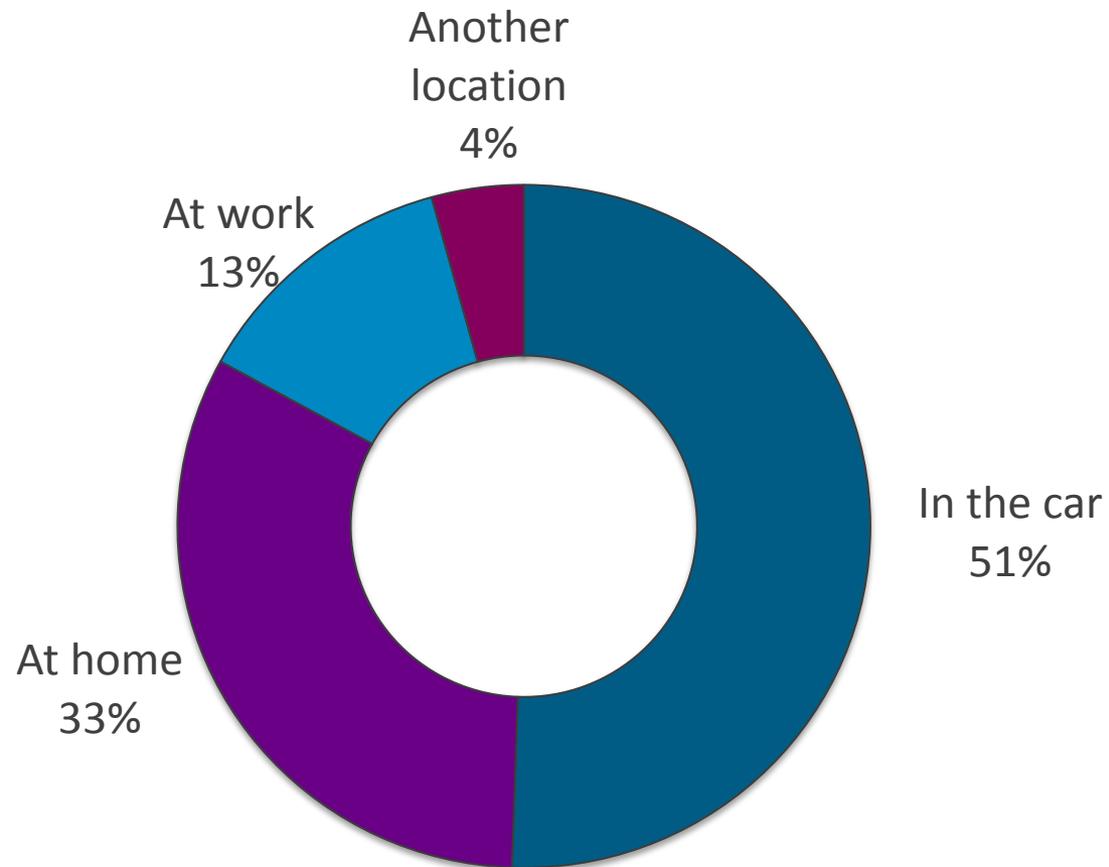
| % would likely influence | |
|--------------------------|------------|
| ROC | 56% |
| QC | 46% |



Almost half of all radio listening in Quebec goes to an on-the-go in-car audience, slightly less than in the rest of Canada.

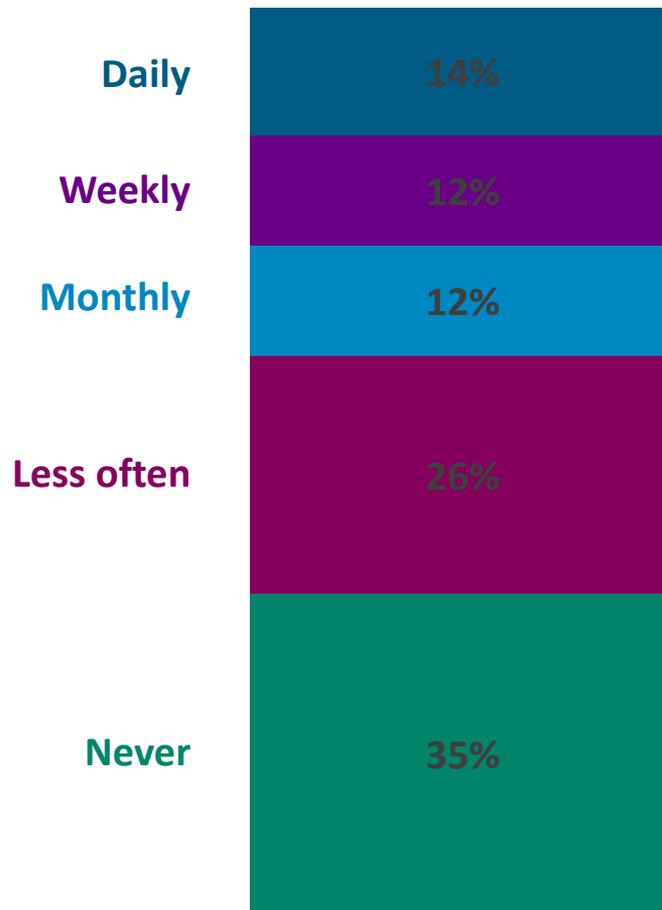
“Of all the time you spend listening to FM or AM radio, what proportion is...”

| | ROC | QC |
|-------|------------|------------|
| Car | 52% | 47% |
| Home | 33% | 32% |
| Work | 12% | 15% |
| Other | 4% | 6% |



Radio stations drive to digital as much in Quebec as they do in the rest of Canada.

"How often do you go to AM/FM radio station websites?"

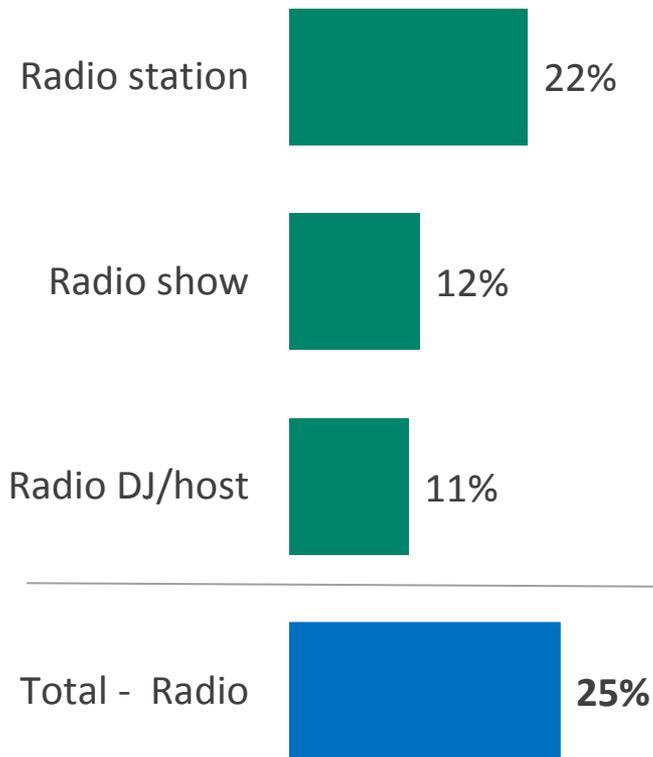


26%
of online Canadians report visiting a
radio website weekly

| % visit radio website weekly | |
|------------------------------|-----|
| ROC | 27% |
| QC | 25% |

Radio connects with its listeners on social networks at similar levels in Quebec and the rest of Canada.

Friended, Liked or Followed on Social Networks - Canadian Radio



| | ROC | QC |
|---------------|------------|------------|
| Radio station | 22% | 22% |
| Radio show | 11% | 14% |
| Radio DJ/host | 10% | 12% |
| TOTAL | 25% | 26% |