

Radio Connects To Business



Radio In The Digital Age



Glossary Of Terms.

Definitions used in this report.



Streamed AM/FM

Broadcast AM/FM radio streamed either through an app or a station's website.



Owned Music

Digital or analog music sources not reliant on a subscription. Examples included CD's purchased MP3's (from iTunes, etc.) or vinyl.



Pureplay music streaming

Streaming of music services available online only, such as Spotify, Apple Music subscription service, and cbcmusic.ca.



YouTube for Music

Using YouTube to listen to music, as opposed to video content such as comedy, DIY, or long-form programming. Not to be confused with YouTube premium.

Paid ad-free

Paid subscriptions to pureplay services that allow on-demand access with no advertising (e.g., Spotify Premium).

Ad-supported

Pureplay service options that include advertisements, but do not have a subscription fee.



Podcasts

Pre-recorded digital audio programs, usually spoken word, that can be subscribed to in a feed and/or download to listen to later.

Research.

Sourcscited in this presentation.



Share of Ear Canada

(2017) Asking over 1200 Canadians about their audio habits.



RC2C

(2018) Panel of 5000 Canadians focused on their interaction with media.



Radio On The Move

(2018) 3500 Canadians' audio behaviours profiled in and out of the automobile.



Numeris and others

(2016-2019) MTM, RTS, PPM and Diary data and syndicated data from Nielsen, Radiocentre, RAB and Westwood One.

Radio Is Everywhere



Now More Than Ever, Canadians Are
Connected To Audio Anywhere And
Everywhere.



Radio Is Digital

Radio connects to over 27 million people each week. It is the number 1 commercial audio platform for advertisers to reach consumers at home, in the car and at work.

More Than Tactical Activation.

Radio has the power to build brands and influence consumers.



Good For Business

Radio is known for building activation with quick to air capabilities and frequency building schedules.

Good For Brands

Radio also builds brands with its high reach combined with its mood enhancing effect on listeners whenever and wherever they listen.

Good For Performance

When paired with an effective creative strategy, strategic use of radio generates positive results in terms of overall advertising campaign performance.

Proven Performer.

Radio works.

Sarah Thompson (She/Her) CSO- Mindshare Canada:

“Audio is pervasive in the media consumption habits of Canadians. The day is filled with Audio. It gives a message reach, it generates brand building, especially with how voice, language and branded audio signals come into play, and it drives action, for your promotion of the moment ... we need to really consider this is a place to breakthrough and connect with Canadians.”

Benjamin Jankowski, Senior Vice President Media, Mastercard

“In the complex media world, audio continues to be a powerful media vehicle. The ability to leverage trusted spokespeople and local experiences helps us drive consumer engagement which drives our business.”

Andre Humbert, Brand and CVP Manager, Shell

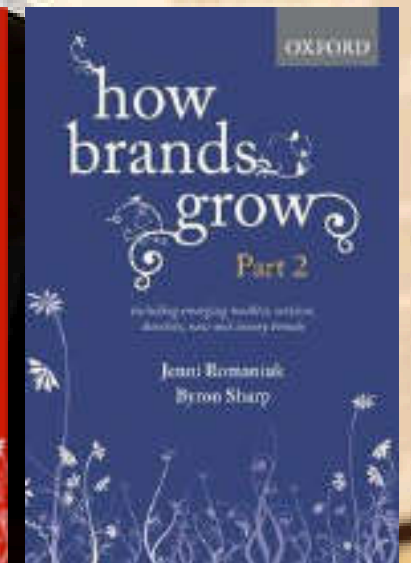
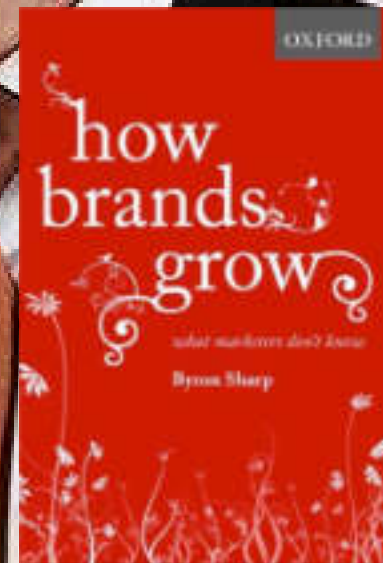
“We are using radio as well for product information campaigns, and for sales promotion. Only radio gives us the possibility to reach the right target group just before the purchase decision.”

Alessandro Ronco, Media manager Italia, Ferrero

“For Ferrero radio has always been a strategic medium. In the past, before TV audience fragmentation, it was used as a bridge between a TV flight and another with the realised purpose to keep the brand advertising awareness high. Even more so today radio continues to be strategic for us: radio media is planned simultaneously and in complementarity with TV flights to increase the already high reach achieved by TV of as many as 10-15 points according to the target.”

“The most effective campaign talk to everyone in the market...In most cases, the market is, in fact, all buyers in the category. Markets are much less segmented than most marketers believe, and successful niche brands, in the true sense of the word, are relatively rare.”

Dr. Byron Sharp, Director of the Ehrenberg-Bass Institute (Australia)



Target The Whole Market To Grow Your Brand.

4 key marketing principles from Byron Sharp's books.

Market
Penetration

— ● —
The most
important KPI
for sales
growth

Mental
Availability

— ● —
Drives buying
decisions

Market to
Light and
Non-Buyers

— ● —
Sales growth
comes from all
sectors

Effective
Reach

— ● —
Is imperative



Radio Delivers.

Reach A Wide Audience

Radio builds brand awareness that feeds the purchase funnel. In order for a consumer to take action, they first have to notice, remember and trust the brand.

Make An Emotional Connection

There is a direct correlation between mood, happiness, trust and openness to advertising messages. The happier we are, the better mood we are in, the more likely we are to process advertising messages in an emotional and instinctive way.

Create Brand Fame

Radio's authenticity and ability to create a theatre of the mind helps listeners to generate ideas and prompts call to action.

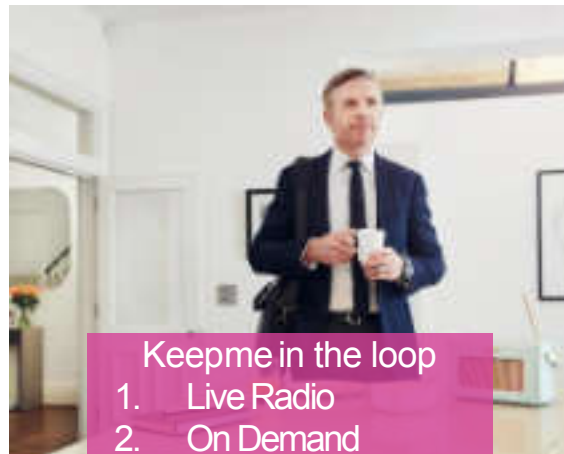
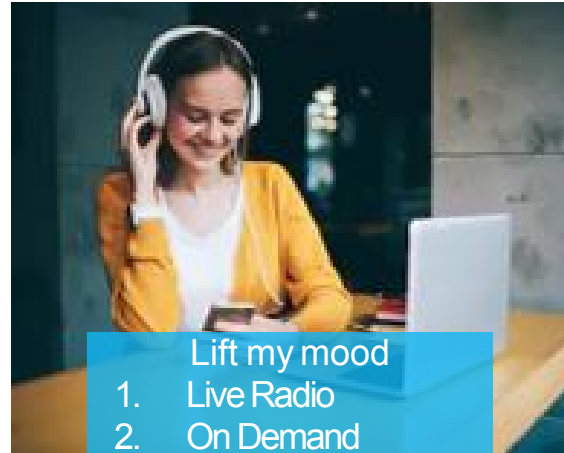
The Role Of Live Radio.

Liveradio fulfills more need states for audio.

The different characteristics of live radio and on-demand audio are suited to different need states:

On-demand fulfills the need to feel in control.

Live radio fits when people are looking for local information or looking to change their mood.



SOURCE:RC2C2018| Radiocentre.org/Audio Now| The Sound Source

Canadian Consumers Connect With Radio For Specific Reasons.

Radio more than any other medium, makes people feel good and that helps brands connect.

87% Of Canadians Find Radio Interesting And Enjoyable.

Radio plays an important role in helping people feel more energetic and happier, and therefore creates a very positive environment to enhance commercial messages.

74%
To Keep Me
Company



76%
To Listen To
News

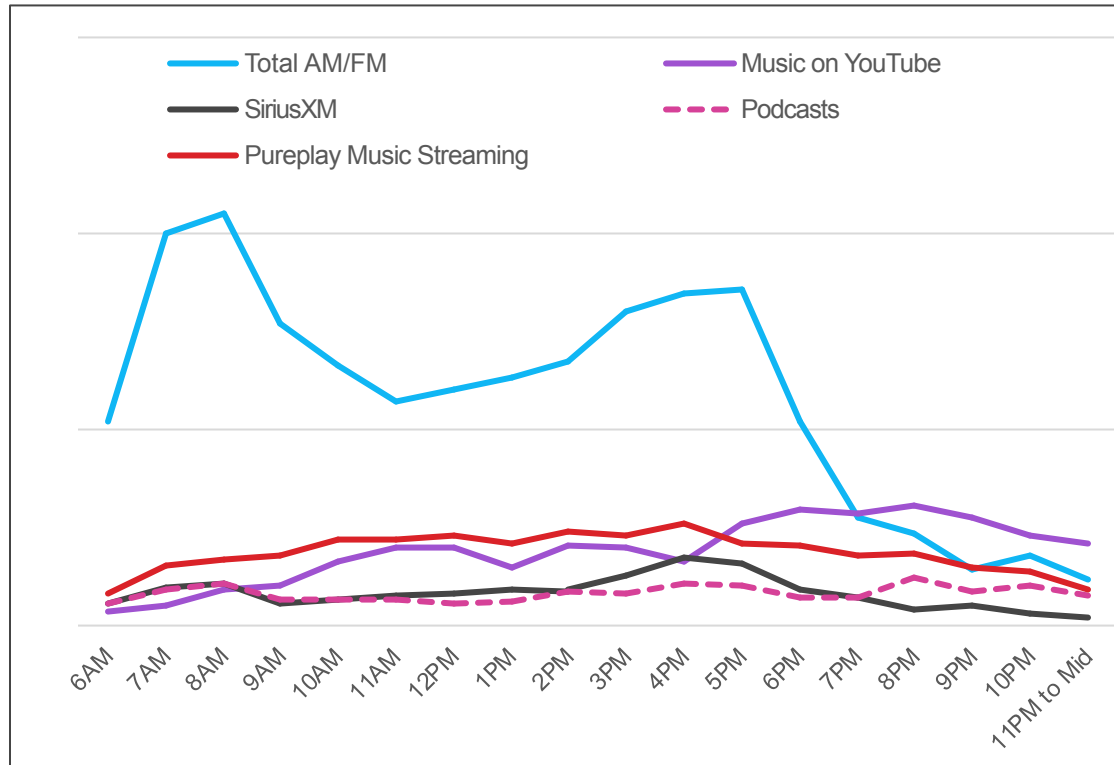


58%
To Listen For
Weather

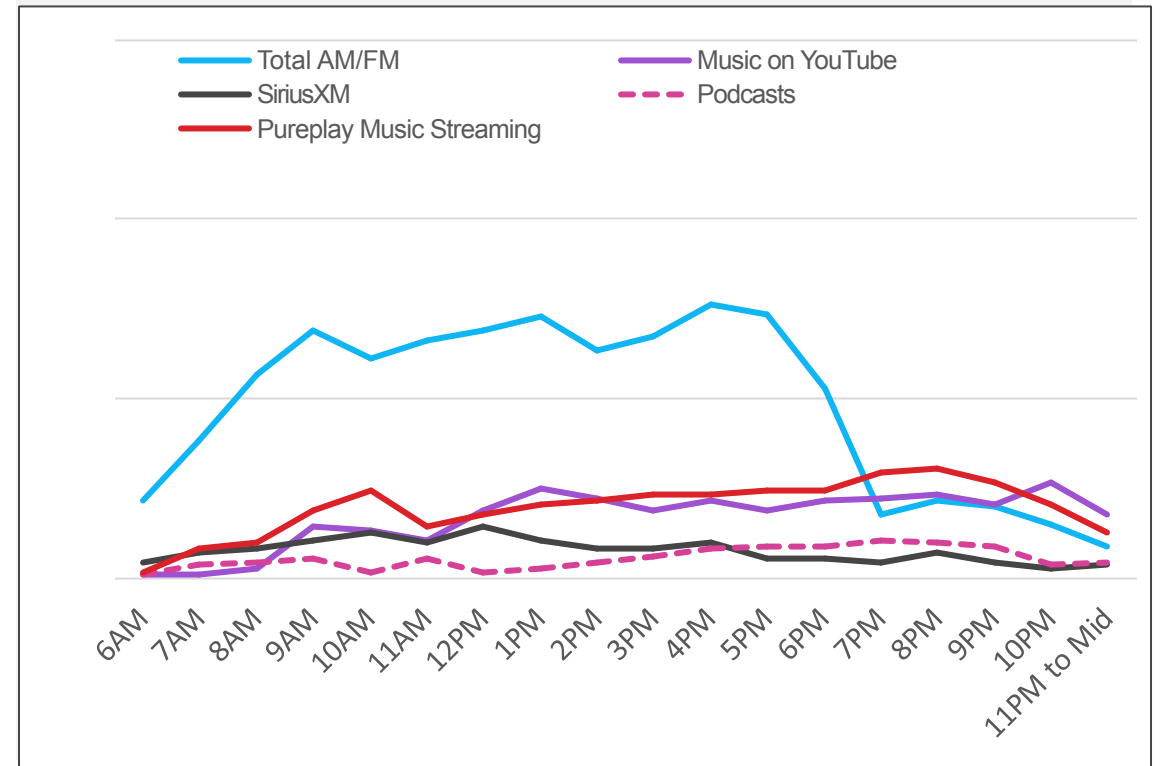


Radio Is On Even When Screens Are Not

Radioreaches listeners at key purchase-relevant and unique touchpoints during the day.



WEEKDAYS— MONDAY TO FRIDAY



WEEKEND – SATURDAY TO SUNDAY

Active Or Passive Listening, Consumer's Pay Attention.

Brands that advertise on radio are remembered and can influence purchase decisions.

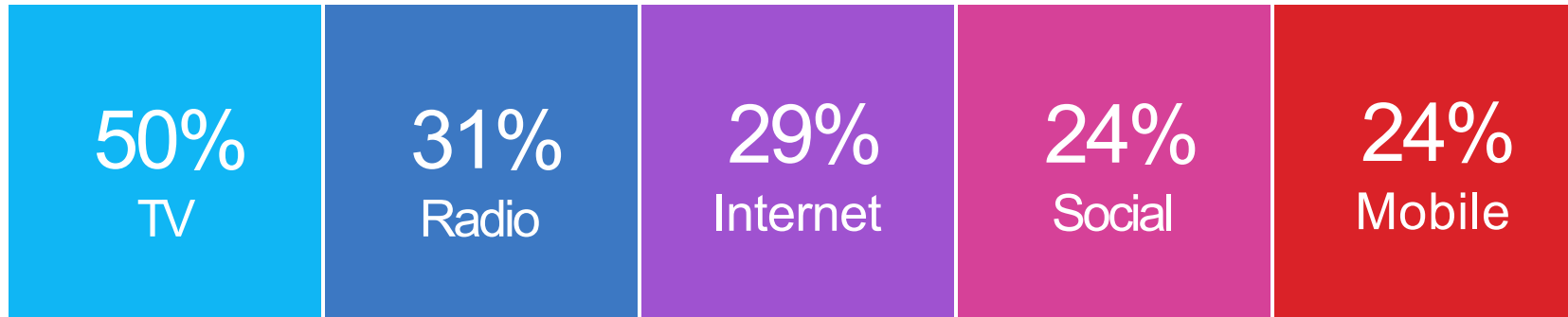
Unaided Recall Is 5X Greater Than Those Not Advertising On Radio.

Audio ads work effectively in two modes, both when they are at the forefront of the listener's attention and when they are heard in the background.





Internet Gets The Credit, But Mass Media Gets Brands NOTICED.



When consumers are asked about which of the media channels does the best job of getting them to NOTICE an ad – It's mass media.



Internet Gets The Credit, But Mass Media Gets Brands REMEMBERED.

38%
TV

28%
Radio

23%
Internet

16%
Social

12%
Mobile

When consumers are asked about which of the media channels does the best job of getting them to REMEMBER an ad – It's mass media.



In A Time Of “Fakeness”, Mass Media Is The Most TRUSTED.

57%
None

16%
TV

12%
Radio

12%
Internet

7%
Mobile

6%
Social

Mass Media Most Trusted Source Amongst All Canadians.

Maturing and Milestone Millennials trust advertisers on radio more than on social and mobile.

Trust name product of advertiser –
Maturing Millennials - Radio (14% | 117)
Mobile (8% | 133), Social (12% | 171) |
Milestone Millennials – Radio
(13% | 108), Mobile (8% | 133), Social
(10% | 143)

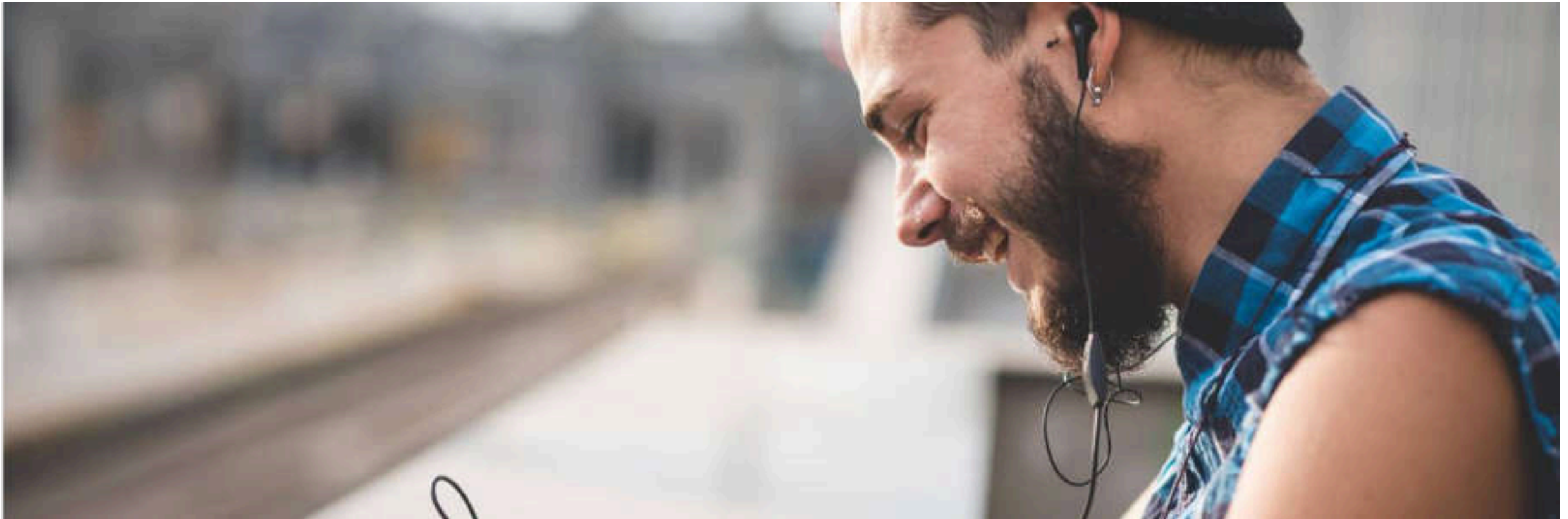
Amongst Gen X'ers, television and radio have highest trust factors.

Trust name or product of advertiser –
Advancing Gen X'ers TV (18% | 113),
Radio (13% | 108), Established Gen X'ers
– TV (19% | 119), Radio (13% | 108)

Boomer Canadians trust digital platforms the least and have highest awareness and recall with mass media.

Trust name or product of advertiser –
Freedom 55+ Boomers Internet (1% | 8),
Social Media (5% | 71), OAS Boomers –
Internet (9% | 75), Social Media (4% | 57)

SOURCE: RC2C2018 Base: Canadians listen to Audio past 7 days aged 18+ (n=5000)



Radio Amplifies Other Media.

Radio and TV

70%

Boost In Purchase
Consideration

Radio and Online

228%

Uplift In
Sales

Adding radio to the media mix
enhances campaigns.



Radio Boosts The Memorability Of TV Campaigns.

TV Ad Recall

40%

Didn't Hear The Radio Ad

TV Ad Recall

54%

Among Those Who Heard The
Radio Ad

Consumers who heard radio ad
had 25% higher awareness of the
same ad on TV.



Radio Reaches The Light TV Viewer.

WHO: LIGHT TV VIEWERS

36%

Of Ad 25-54
Canadians Are Light
TV Viewers

DIFFICULT TO REACH

17%

Represent 17% of
Total Time Spent
Viewing

AM/FM RADIO REACHES

88%

Of Ad 25-54 Light TV
Viewers

Adults 25-54 who don't watch a lot of TV can be reached with radio.

AM/FM Radio Provides The Soundtrack For The Last Mile In The Path To Purchase.

Listened to AM/FM Radiowhile going to, or doing this – in the past 24 hrs:



79%

Stopped at the drug store or pharmacy



78%

Went to a movie



77%

Visited a car or truck dealership



76%

Went to the bank



76%

Visited a hardware or home improvement store



76%

Serviced car or truck



75%

Picked up groceries



74%

Went to a shopping mall or plaza



74%

Visited a fast food / drive thru



74%

Stopped for wine, beer, liquor



73%

Pickup lottery tickets















67%

Stopped at a coffee shop

SOURCE: ROTM Fall 2018. C5e. Were you listening to AM/FM radio in the car while doing or going to this yesterday?

AM/FM Radio Has Positive Impact On Product Sales.

Nielsen Catalina 3 year study to evaluate ROI found on average for each \$1 invested, radio advertising yields a \$10 return on advertising spend (R.O.A.S.).

					
\$23	\$21	\$17	\$15	\$14	\$9
Grocery	Autos and Aftercare	Department stores	Retail/ Mass merchandisers	Telco	Home improvement
					
\$6	\$4	\$3	\$3	\$2	\$2
Snacks	Beer	Candy/ Chocolate	Quick service restaurants	Soft Drinks	Breakfast bars

SOURCE: Nielsen studies 2014-2016

Radio Is Everywhere.

The Number 1 Commercial Audio Platform.

Radiocconnects to over 27 million people each week. It is the number 1 commercial audio platform for advertisers to reach consumers at home, in the car and at work.

445,661,000
Hours
Cdns. 12+ spent
with radio in 1 week



35%
Cdns. 18+ spent
listening during the
day



16.3 Hrs/wk
Canadians 12+
spent listening at
work.



M18+ 17.2
Hrs./Wk
WM 18+ 16.6
Hrs/wk



Radio Is Constant, And Consistent.

AM/FM reaches consumers during key purchase times all day, every day, throughout the year.



Canadians Are Disconnecting From Spotify Ads.

The most desirable targets are not being reached by ads

Daily Spotify Listeners Who Choose Paid Ad-free Vs. Ad-supported Spotify Subscription



63%

A18+

66%

A18-34

66%

Tor. | Mtl. | Van.

70%

Homes with HHI \$100K+

62%

University Grads

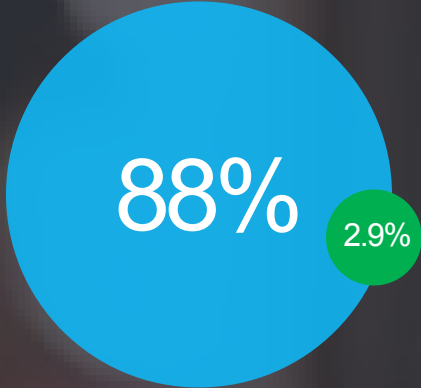
Spotify Listeners Are AM/FM Listeners.

Adults 18+

88% of Adults 18+ listen to some radio on an average day.

Only 2.9% listened to Ad-Supported Spotify.

Exclusive reach of Spotify is less than 0.1%

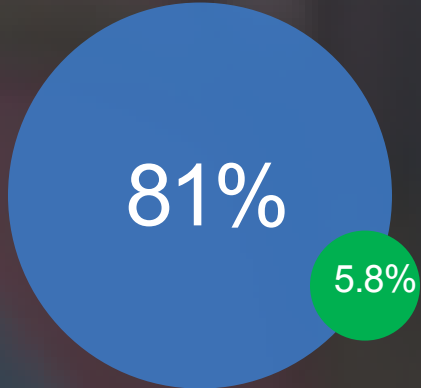


Adults 18-34

81% of Adults 18-34 listen to some radio on an average day.

Only 5.8% listened to Ad-Supported Spotify.

Exclusive reach of Spotify is less than 0.4%



Source: ROTM Fall 2018. QE1. Thinking of all the time you may listen at home, in the car, or at work, how much time in total do you spend listening to AM or FM radio stations during a typical weekday? Base: Canadians 18+ (n=3,505) and 18-34 (n=1,078), Daily listeners to ad-supported Spotify 18+ (n=98), and 18-34 (n=48)



Digital Platforms And D2C Brands Use Radio To Drive Business.



Digital platforms and services like Google, Amazon, TripAdvisor and Trivago as well as D2C businesses like Wayfair, SkipTheDishes and Hello Fresh, repeatedly use mass media, including radio, as part of their communication plans. Their marketing teams know radio can create the brand fame needed to drive results. They also know when people hear ads on the radio, they take action online.

Radio Builds Brands And Drives Business.

Radioworks.

Market Penetration

The number one commercial audio platforms that reaches over 27 million Canadians a week.

Mental Availability

Radio engages listeners and makes them feel good. It also boosts the impact of other media campaigns.

Market to Light and Non-Buyers

Everyone listens to radio, even Millennials and they trust radio more than other media.






Effective Reach

AM/FM reaches consumers during key purchase times all day, every day, throughout the year.

Thank You



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