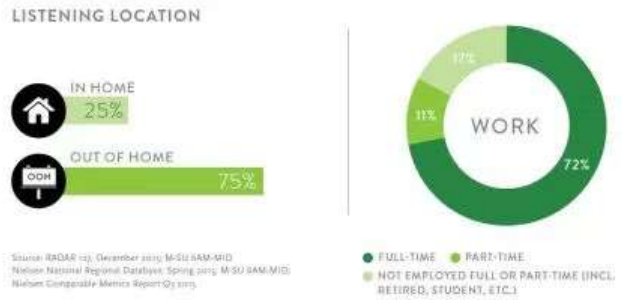
AM/FM Radio: Audio Dominance in a Mobile World

October 29, 2017

In the decade since the iPhone debuted, the world has been transformed by mobile devices. Despite this ubiquitous adoption of smartphones, AM/FM radio sustains its overall dominance in the audio space.

What makes AM/FM radio's continued strength in a mobile age possible? In a single word: Employment.



(https://endresult.files.wordpress.com/2017/10/at-work.jpg)

Each month, adults in the U.S. (18+) consume 700 BILLION more minutes of AM/FM radio than pure-play streams. That's an advantage of 50 BILLION quarter hours, based on national audience data from Nielsen Audio's Comparative Metrics Report, Q1 2017.

Everyone in radio can recite statistics about reach, but that's only part of the story. **The ongoing power of radio rests with our employed audience, which consumes enormous amounts of AM/FM radio in the car and at-work.** Best of all for advertisers, this audience has money to spend.

When economic headlines mention 5% unemployment rate, the obvious assumption is that 95% of adults are working. By extension, this same logic would indicate that every advertising platform is equally effective at reaching these most sought after consumers. However, according to (https://www.bls.gov/web/empsit/cpseea01.htm) the Bureau of Labor Statistics, that is simply not the case. 40% of U.S. adults are out of the workforce. That means 150 million Americans work (60%) and 100 million American adults do not.

Heavy listeners of radio are overwhelmingly employed with 85% of consumption among A25-54 being driven by people with jobs. Even on the younger end, among P18-24, approximately 63% of listening across markets and major formats is driven by employed persons.

The reason for this difference in listening isn't due to smart phones or overly simplified theories about listening habits of millennials, who are already the largest generation in the workforce. It is because P18-24 are always less employed than their older counterparts. Decade after decade, this younger demographic has never been the driving force behind radio listening.

As station programming super-serves its employed audience, radio sellers need a more compelling story, not just to win ad dollars from other radio stations, but more importantly away from local TV and print.

The employment angle is compelling, not simply because it's a long held programming fundamental, but because these are the consumers who advertisers want to target and reach, people with a paycheck and money to spend.

As recent natural disasters remind us, radio stations take their unique public service mandate seriously. A similar public interest obligation can be brought to life by the sales team in terms of radio's ongoing impact on the local economy. By putting advertisers in direct contact with employed persons, radio's ability to deliver ROI and help businesses grow, which leads to job creation (and more listening) is enormous.

We recently discussed these employment and consumption insights with Erica Farber, President and CEO of the Radio Advertising Bureau on the Radio on Main Street Podcast (http://www.radioimpactreports.com/index.php/2017/10/25/radio-on-main-street-podcast-featuring-andrew-curran-president-coo-of-dmr-interactive/).

We've also made a slide deck available (http://www.dmrinteractive.com/strength.html) to bring these points to life and empower radio groups and local stations as they advocate AM/FM radio's position of strength in a mobile world .

Whatever challenges might await radio in the future, let's not take our eyes off the prize now. 700 BILLION minutes and an employed audience are two huge chips that radio needs to keep cashing in.

Let's discuss how your station marketing can ensure you **Win the Commute and Own the Workday** in 2018. Send us an email (mailto:acurran@dmrinteractive.com) or call 859-957-1581.

On behalf of Catherine Jung (mailto:catherine@dmrinteractive.com), Doug Smith (mailto:doug@dmrinteractive.com) and everyone at DMR/Interactive, thanks for reading and working to drive radio forward.

– Andrew Curran (mailto:acurran@dmrinteractive.com?subject=End%20Result), President and COO

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Posted by Andrew Curran, DMR/Interactive

Employment: The Key to Unlocking Your Online Strategy

October 1, 2017
There are 2.8 million apps available for download and the average person interacts with their smartphone more than 1,000 times per week.

Despite unlimited access and an infinite choice of options, most interactions with the phone involve just two or three apps, with text messaging and Facebook dominating mobile usage.

(https://endresult.files.wordpress.com/2017/09/keywords.jpg)In addition, nearly 60% of all Google searches are now done on mobile devices. Looking at the most popular searches offers additional insights into what people do with their phones besides catching up with friends.