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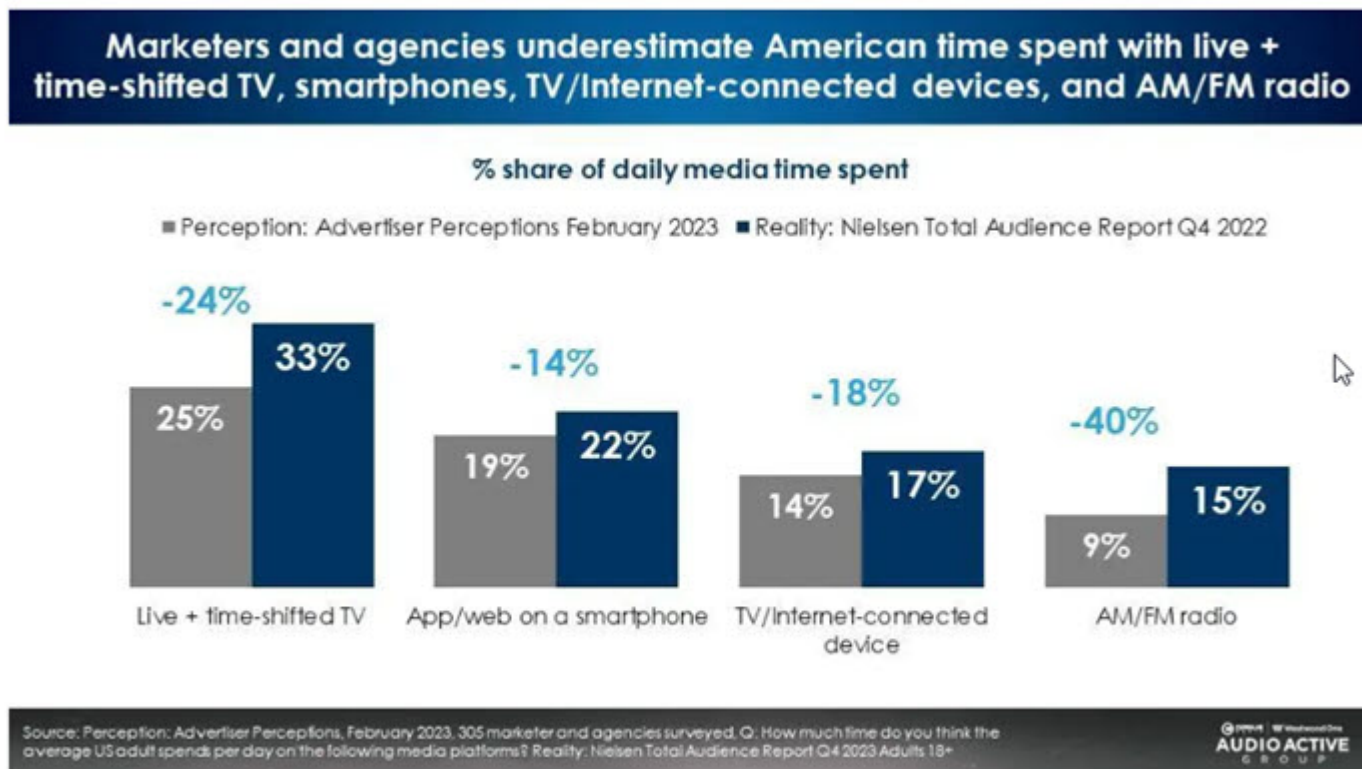
'Major Disconnect' Between Perceived And Actual Time Spent With AM/FM Radio.

Jul 25, 2023



When it comes to what marketers and agencies think about how much time Americans spend with media and devices compared to Nielsen's actual measurements, AM/FM radio continues to get the short end of the stick.

An analysis of two studies – Advertiser Perceptions' February 2023 survey of more than 300 marketers and agencies, and Nielsen's Q4 2022 Total Audience Report – in Westwood One's weekly blog shows that the perception-vs.-reality gap for AM/FM radio is significantly wider than for TV, smartphones, or internet-connected devices. AM/FM's actual share is 40% higher than estimated, vs. 24% for live + time-shifted linear TV, 18% for TV/internet-connected devices, and 14% for app/web on a smartphone.



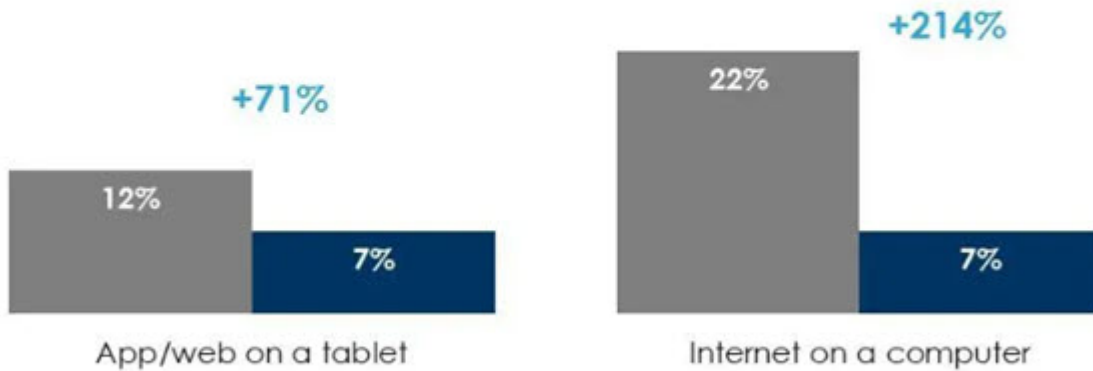
“There is a major disconnect between the amount of time Americans actually spend with media and devices and the perceptions of media time spent among advertisers and agencies,” Cumulus Media/Westwood One Audio Active Group Chief Insights Officer Pierre Bouvard says. “The greatest time spent disconnect between agency/advertiser perception and reality occurs with AM/FM radio, [which] marketers and agencies dramatically underestimate.”

While advertisers low-ball their media time spent estimates, they go higher when it comes to computer and tablet use. Advertiser Perceptions' results show that marketers and agencies overestimate internet use on computers by 214% – 22% of perceived daily time spent, vs. the actual 7% – while overvaluing Americans' daily use of app/web on a tablet by 71% (12% perception vs. 7% reality).

Marketers and agencies overestimate time spent with apps/web on a tablet and the Internet on a computer

% share of daily media time spent

■ Perception: Advertiser Perceptions February 2023 ■ Reality: Nielsen Total Audience Report Q4 2022



Source: Perception: Advertiser Perceptions, February 2023. 305 marketer and agencies surveyed. Q: How much time do you think the average US adult spends per day on the following media platforms? Reality: Nielsen Total Audience Report Q4 2022 Adults 18+

AUDIO ACTIVE GROUP

“Part of this might be that it is the media folks that are doing a lot of time spent on their computer and their tablet, and think everyone in America is just like them,” Bouvard says, “but obviously, that is not the case.”

The blog notes that this advertiser behavior isn't limited to the U.S., citing an Ipsos survey of Canadian marketers and agencies where participants significantly overestimated consumer use of TikTok, Instagram, Spotify, subscription streaming video, and over-the-top TV. “When it comes to video, marketers and media agencies get it wrong across the board,” Bouvard says. “They are spending way less time with TV than real people, [so] their perception of the general public's time spent is way out of sync.”

To help explain the disconnect, Bouvard seeks answers from agency and media executives such as Bob Hoffman, who says “marketers always overestimate the attraction of new things and underestimate the power of traditional consumer behavior,” and former Havas Media North America CEO Colin Kinsella, who notes, “The biggest risk for AM/FM radio is the 26-year-old planner who lives in New York or Chicago and does not commute by car and does not listen to AM/FM radio, and thus does not think anyone else listens to AM/FM radio.”

The major takeaway, says Bouvard, is “This big chasm between perception and reality is prompting many to tell marketers and agencies that you need to take the 'me' out of media.”