

# Welcome

AM/FM Radio COVID-19 Update  
Radio On The Move 2020

**RADIO**  
CONNECTS  
**Signal**   
Insights

# COVID-19 Update

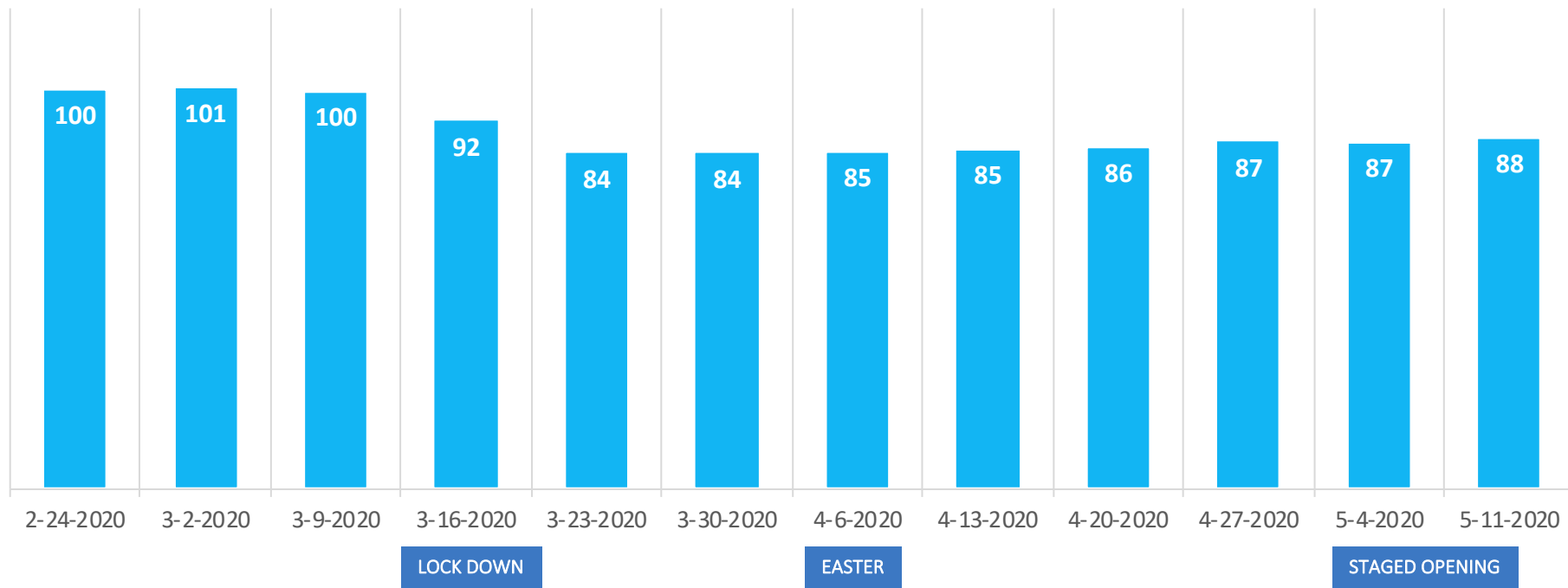
---

May 21, 2020

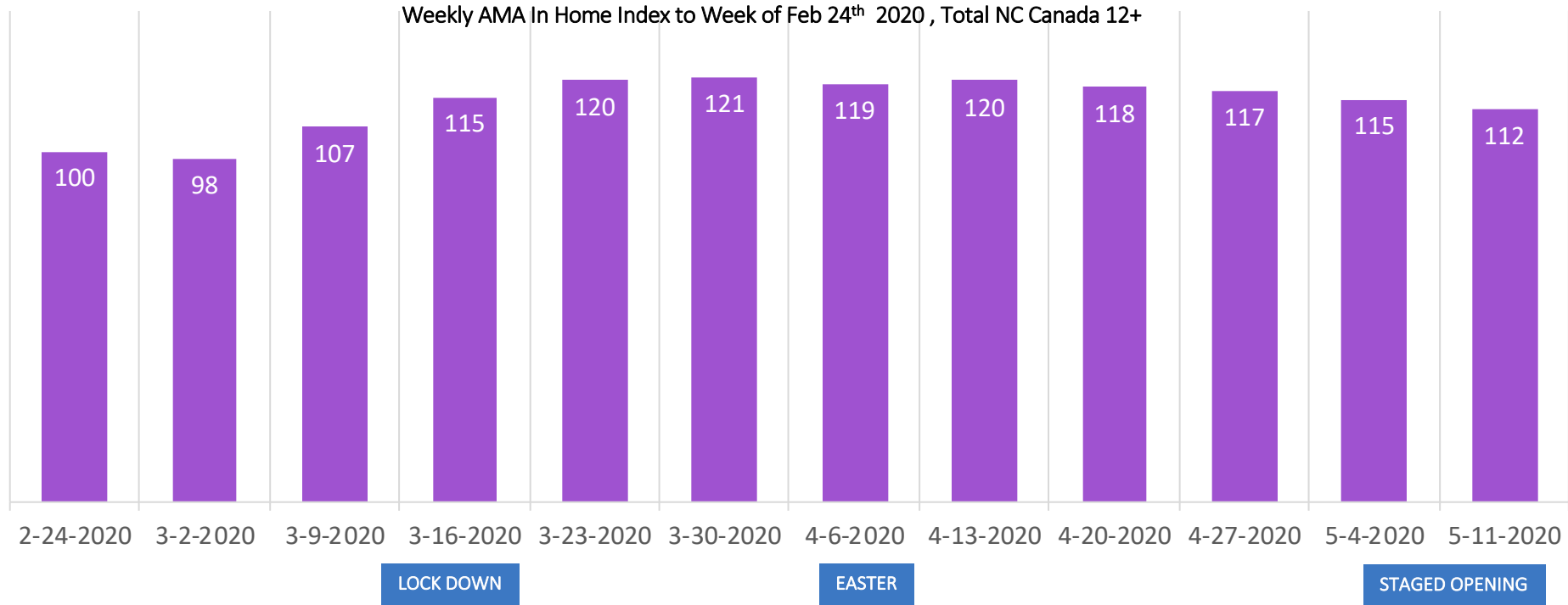


# Radio's reach retention is growing to 'near normal' as Canadians begin to get 'out and about'

Weekly Reach Index to Week of Feb 24<sup>th</sup> 2020 , Total NC Canada 12+



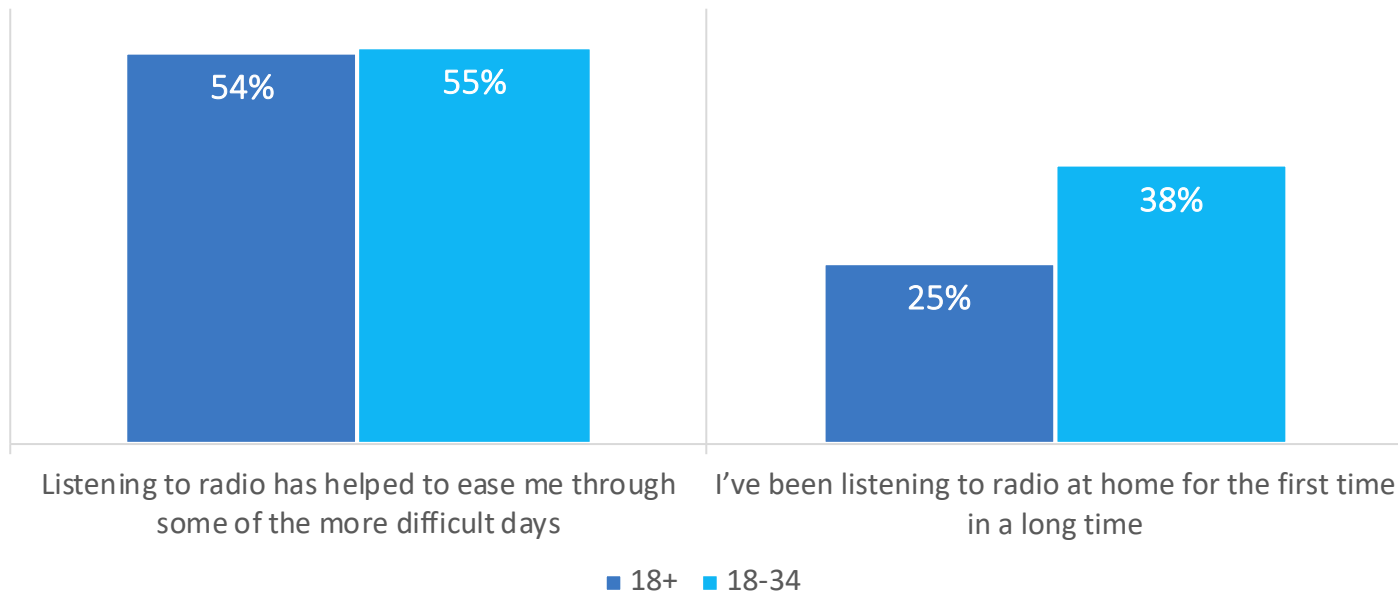
# Canadians are listening more to AM/FM Radio while adjusting to the 'future normal'



# A18-34's are rediscovering AM/FM Radio at home

% Agree Among Canadians Listening to AM/FM Radio During COVID-19

Milestone and Maturing Millennials are rediscovering AM/FM Radio at home and are being comforted by what they are hearing.



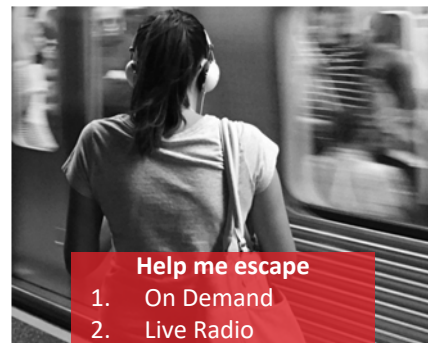
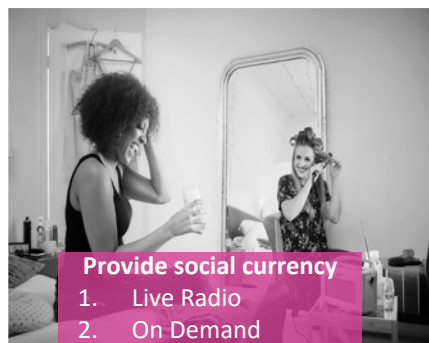
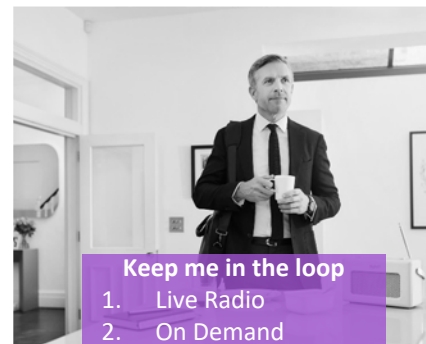
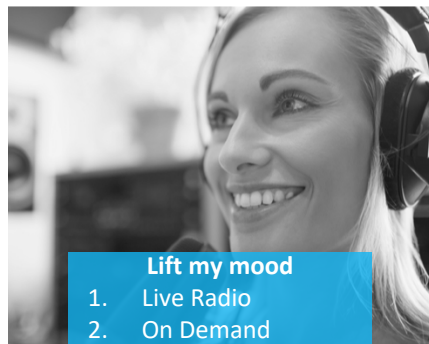
SOURCE: MaruReports COVID-19 Feel Behave Think Tracker Canada, April 23

RC2. Do you agree or disagree with these statements about your experience listening to AM/FM radio during the pandemic? (% strongly/moderately agree)

Base: Canadians 18+ who are listening to AM/FM Radio during the pandemic (n=1,102); 18-34 (n=467)

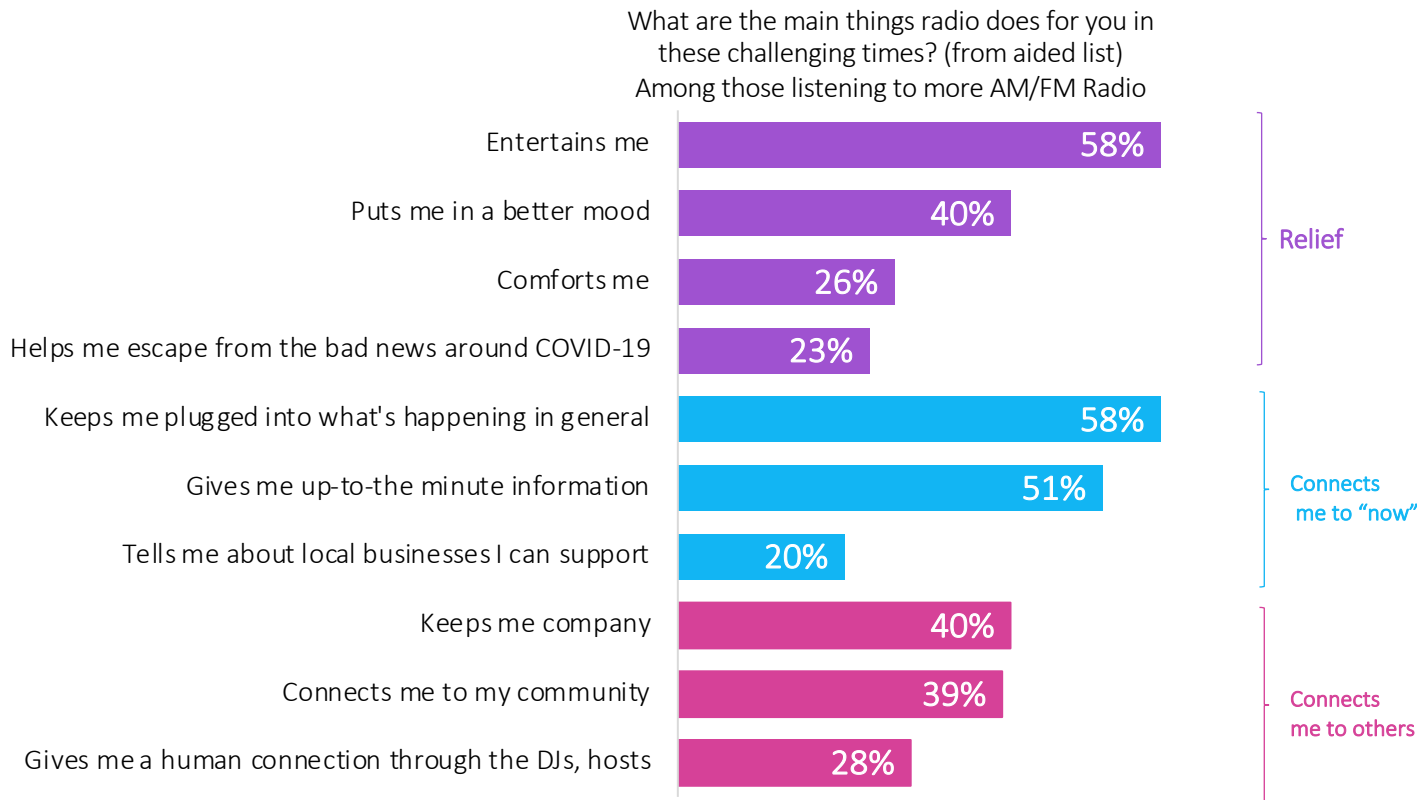
# Live radio effortlessly connects listeners to the outside world

Live radio fulfills more needs states for audio than on-demand audio.\*



# The key benefits of Radio are enhanced during self-isolation

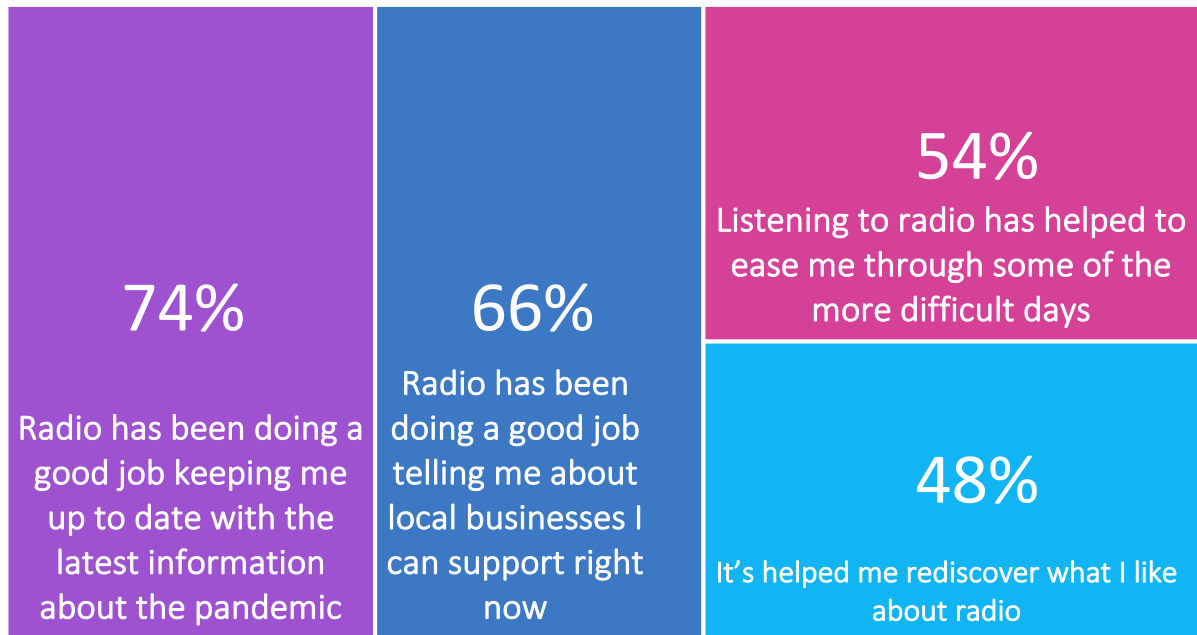
AM/FM Radio delivers on a wide range of listener needs during the crisis, providing relief and connection.



# Radio is keeping Canadians connected and supported, while it helps Canadians support local businesses

% Agree Among Canadians Listening to AM/FM Radio During COVID-19

The COVID-19  
Listener  
Experience—  
timely  
information,  
comfort and,  
for many, a  
rediscovery.



SOURCE: MaruReports COVID-19 Feel Behave Think Tracker Canada, April 23

RC2. Do you agree or disagree with these statements about your experience listening to AM/FM radio during the pandemic? (% strongly/moderately agree)

Base: Canadians 18+ who are listening to AM/FM Radio during the pandemic (n=1,102)



# Canadians want action, not just platitudes.

It's not enough to say, "we're all in this together"—brands need to make a difference, or help consumers navigate the "new normal".

86%

of Canadians said they believe "brands have an enormous platform to do good, while still earning profit"

82%

of Canadians said "Canadian companies that take an active role during this crisis will have gained a loyal customer in me"

78%

of Canadians said "I want to hear about sales, discounts, and reduced shipping on items I frequently purchase"

# Thank You

---

Visit [radioconnects.ca](https://radioconnects.ca) for more  
information on Radio during COVID-19





# RADIO ON THE MOVE 2020

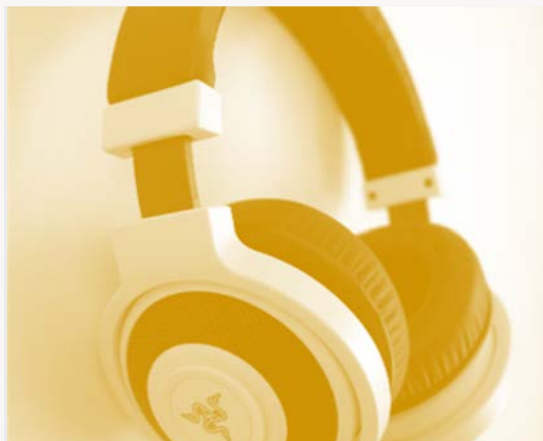
An update on the expanding audio landscape

**RADIO**  
CONNECTS

**Signal**   
Insights



# YEAR 11



**4,000**  
CANADIANS 18+

## ONLINE SURVEY IN FIELD NOV 2019-JAN 2020

A representative sample of 4,000 Canadians 18+ from Maru Voice Canada.

# DEFINITIONS USED IN PRESENTATION



## Streamed AM/FM Radio

Broadcast AM/FM Radio streamed either through an app, a station's website or smart speaker



## Podcasts

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



## Free Ad-Supported Music Streaming

Music streaming services that include ads, but do not have a subscription fee



## Paid Ad-Free Music Streaming

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



## YouTube for Music

Using YouTube to listen to music, as opposed to video content



## Personal Music

CDs, vinyl, and owned digital music files such as .mp3s



## Buyable Audio

Audio that is available to Canadian advertisers

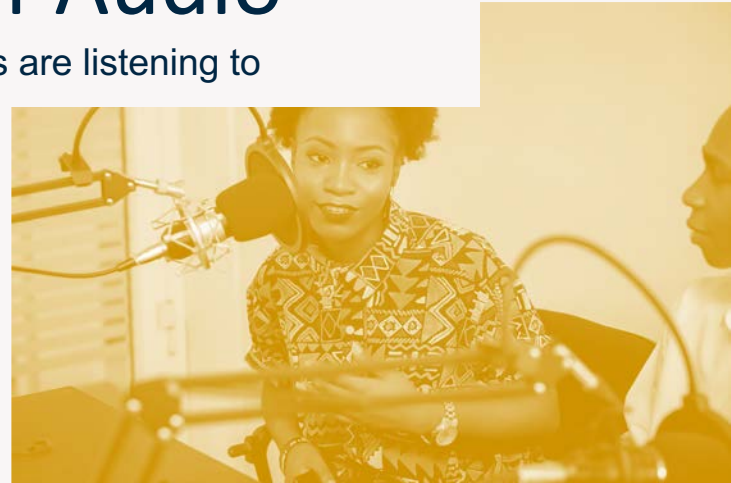






# Share of Audio

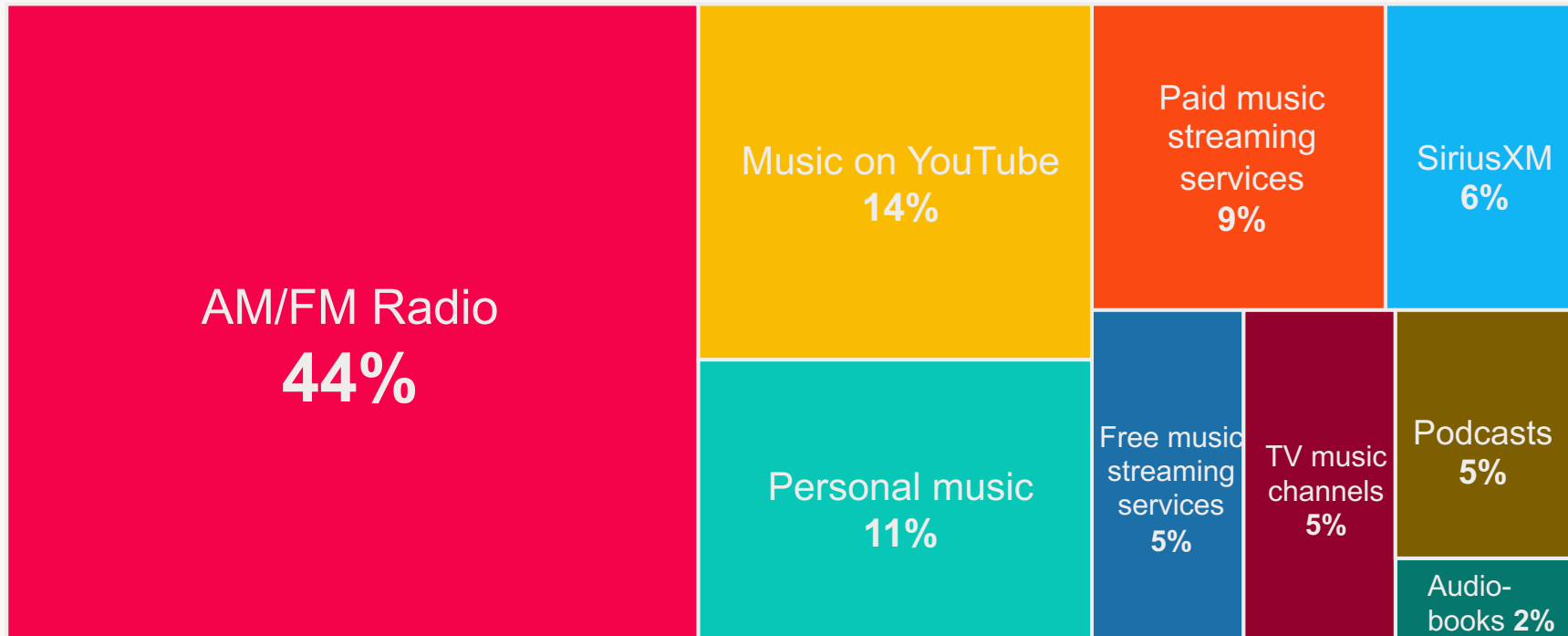
What Canadians are listening to



# AM/FM RADIO HOLDS THE LARGEST SHARE OF ALL AUDIO

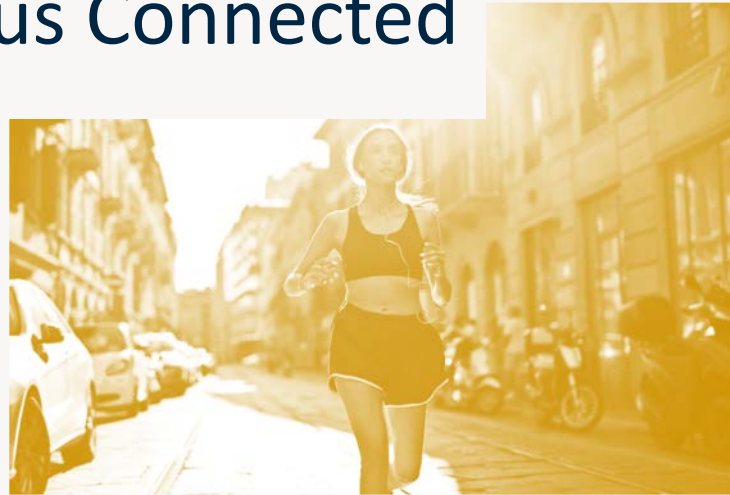
Even with an expanding range of music and spoken word options, AM/FM Radio retains the lion's share of listening.

## A18+ Share of audio time spent





# Radio Keeps us Connected

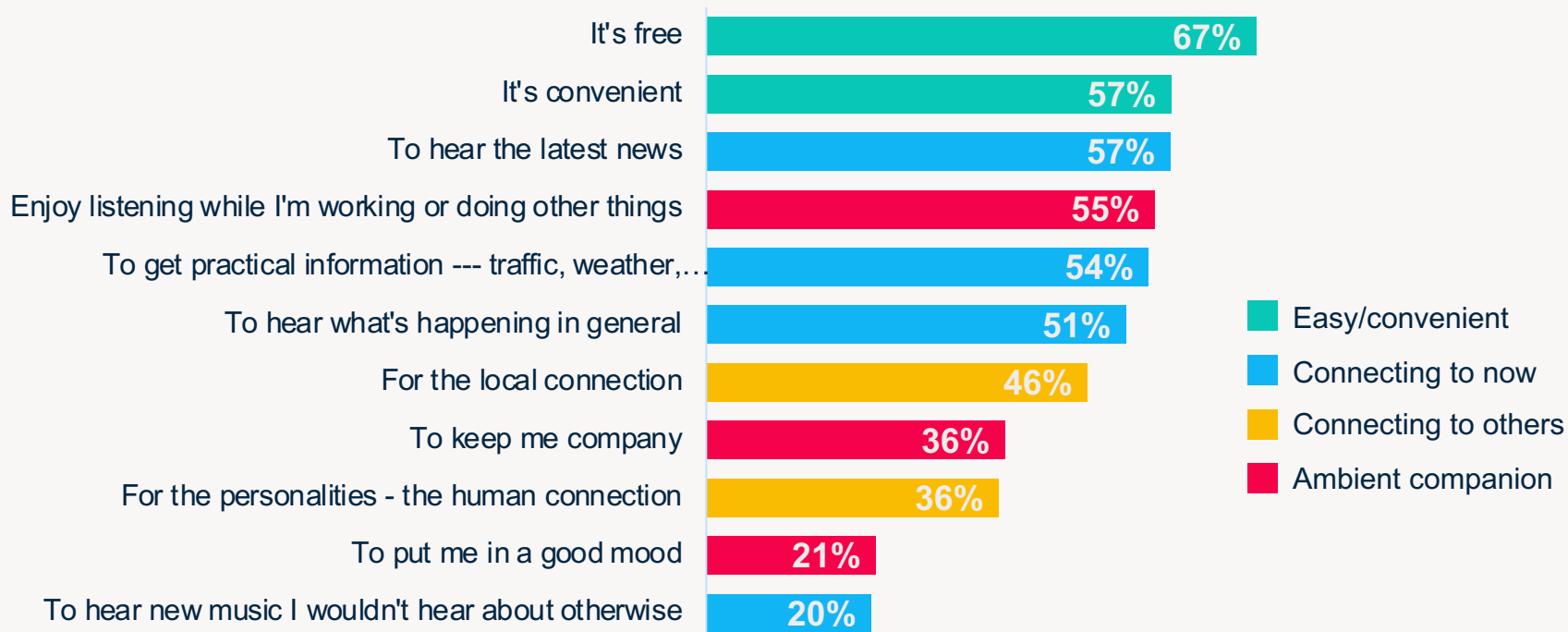




# STREAMERS COME TO RADIO TO CONNECT

AM/FM Radio is an accessible and welcoming companion, connecting Canadians to the moment, their community, and trusted hosts

What makes many music streamers heavy listeners to AM/FM Radio?




F16e. Given all the other ways you have to listen to music, which of the following reasons best describe why you still listen to AM or FM radio?  
Base: Canadians 18+ who listened to music streaming service/YouTube for Music in past month AND listen to 2+ hours of radio on typical weekday (n=638)

# LIVE RADIO & ON-DEMAND AUDIO SERVE COMPLEMENTARY NEEDS

Live AM/FM Radio connects listeners to the outside world. On demand audio disconnects to a personal world (e.g., via their phone).

Devices used for listening to each audio type in the past week (by past week users)



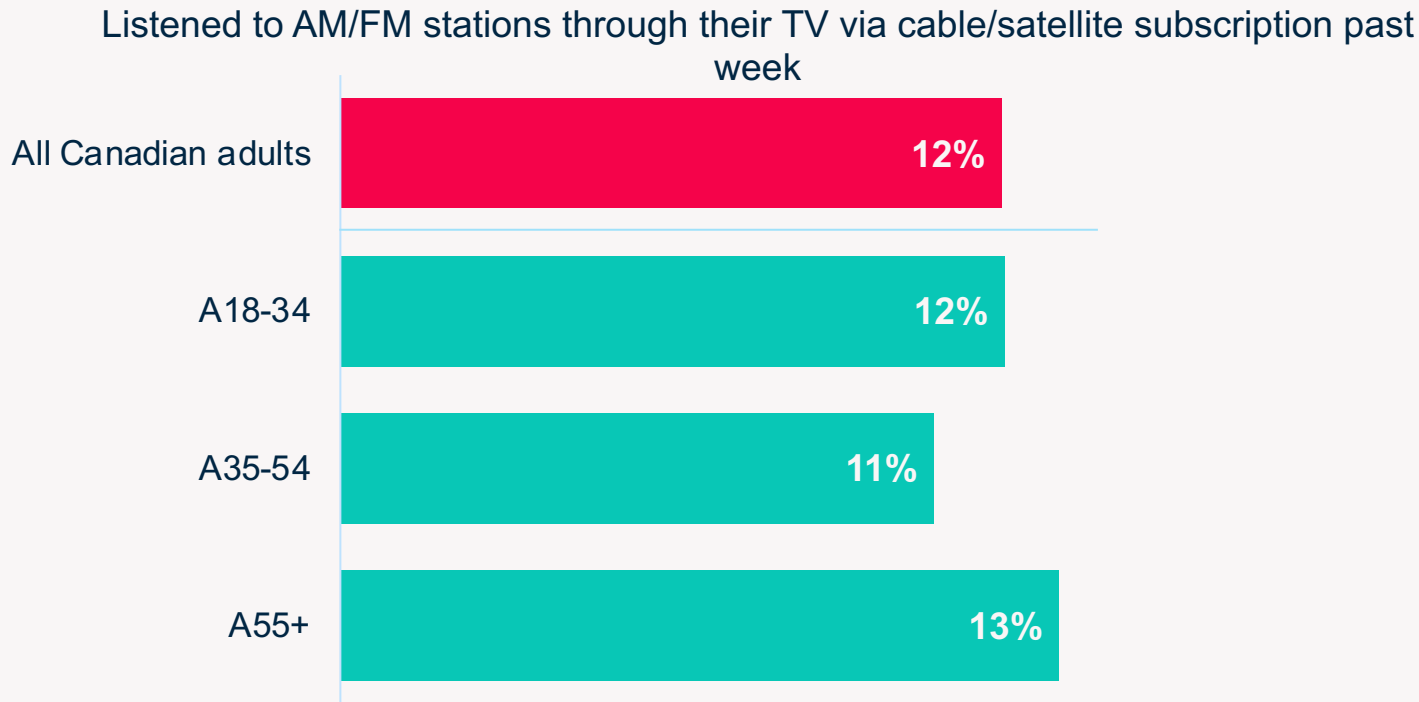
	LIVE RADIO	ON DEMAND AUDIO	
	Streamed AM/FM Radio	Paid ad-free music streaming	Podcasts
SMARTPHONE	33%	65%	54%
LAPTOP/DESKTOP	36%	29%	34%
TABLET	11%	9%	12%
SMART SPEAKER	19%	17%	4%

**How to read:** 36% of those who streamed AM/FM Radio in the past week used their laptop or desktop to do so. Boxes indicate most commonly used device for each media.

B3e. Thinking back to the PAST WEEK, which devices did you use to listen to each of the following media? Base: Canadians 18+, listened to each type of audio in the past week, Podcasts (n=565), Paid music streaming (n=681), Streamed AM/FM (n=548)

# MORE THAN 1-IN-10 CONNECT THROUGH THEIR TV WEEKLY

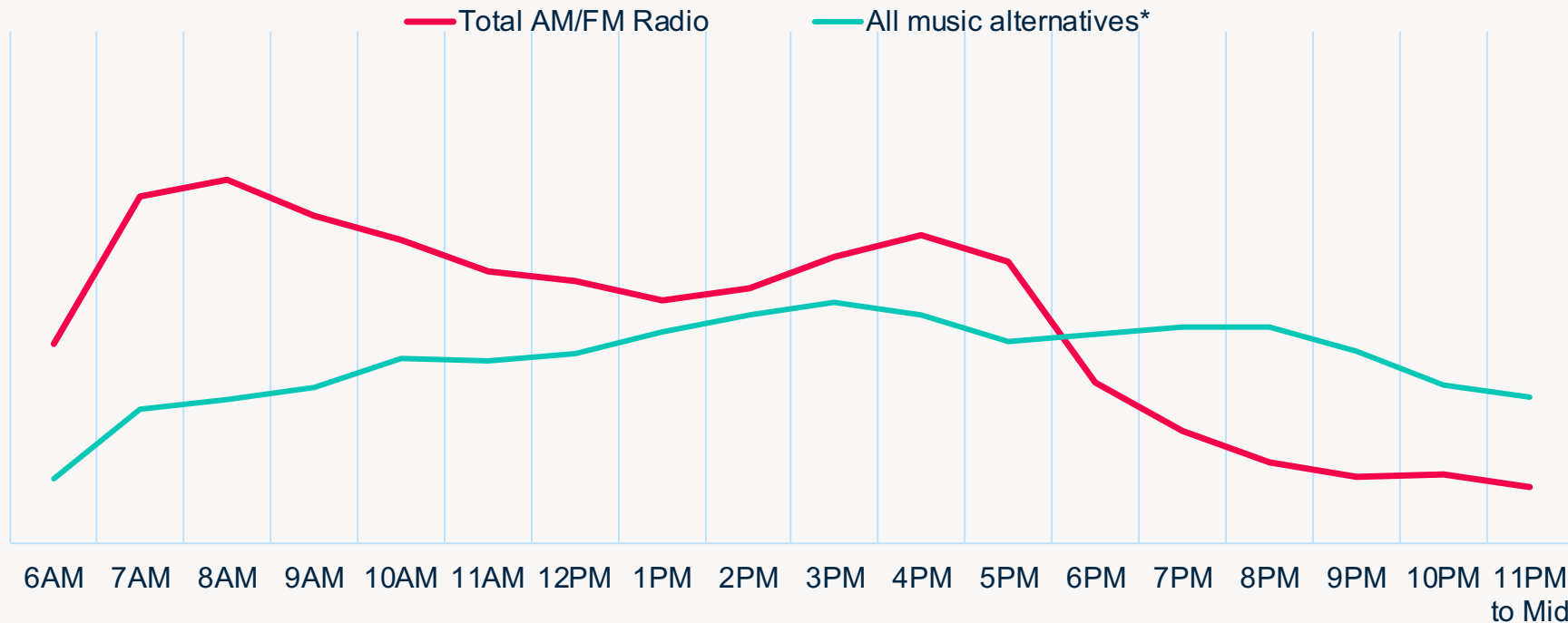
Another way many Canadians bring AM/FM Radio and its connections of into their lives—through their cable/satellite TV subscription



# AM/FM RADIO CONNECTS CANADIANS TO THEIR WORKDAY

Canadians stay connected with AM/FM while working, commuting and shopping— and disconnect later in the day with other music.

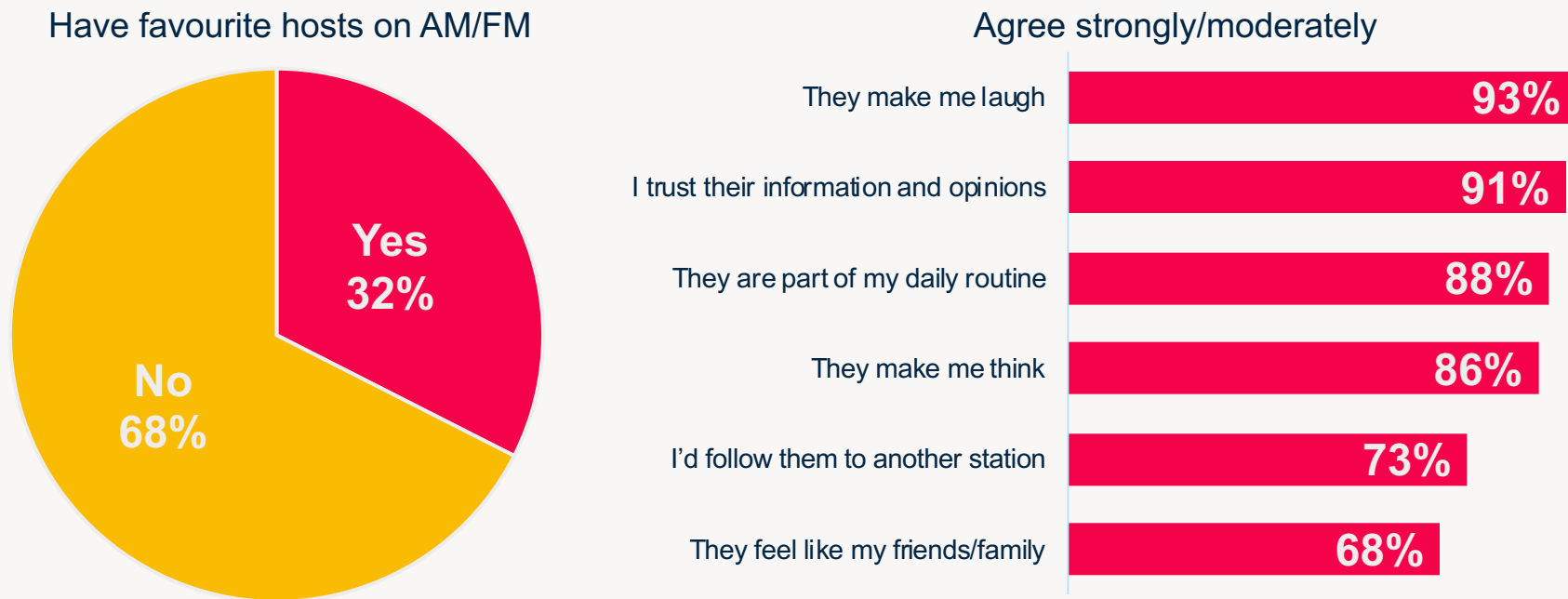
% of A18+ Listening to each audio type in each hour (Weekdays)

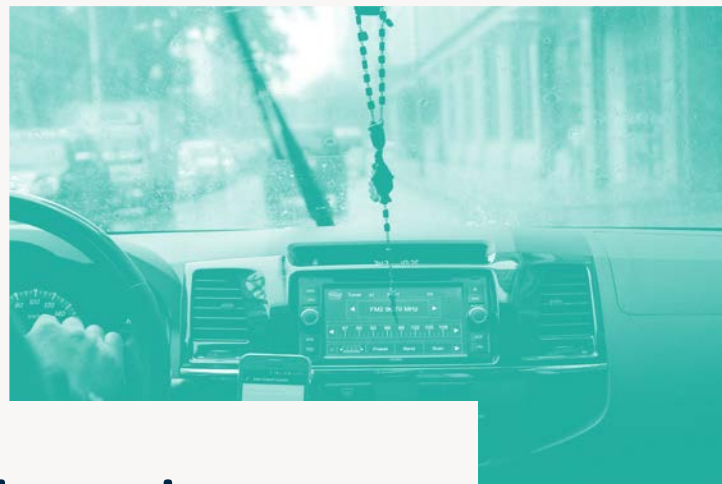


\*All music streaming services, personal music, and music on SiriusXM, YouTube, or TV music channels.

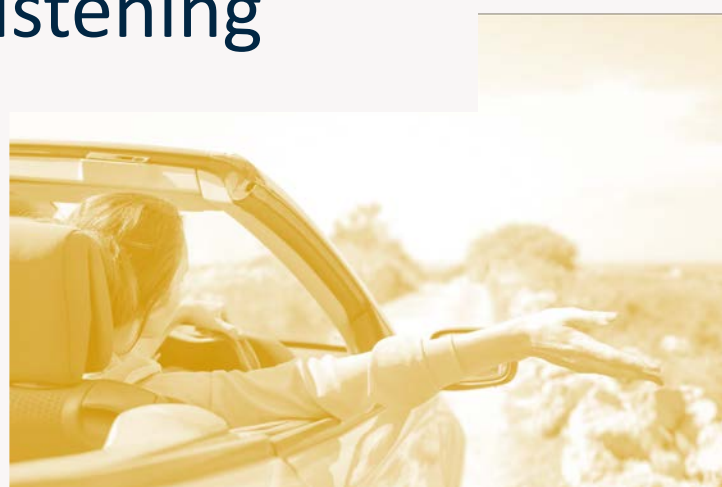
# RADIO LISTENERS CONNECT TO THEIR FAVOURITE HOSTS

Nearly 1-in-3 have favourite hosts. They like their humour, and they trust their information and opinions.





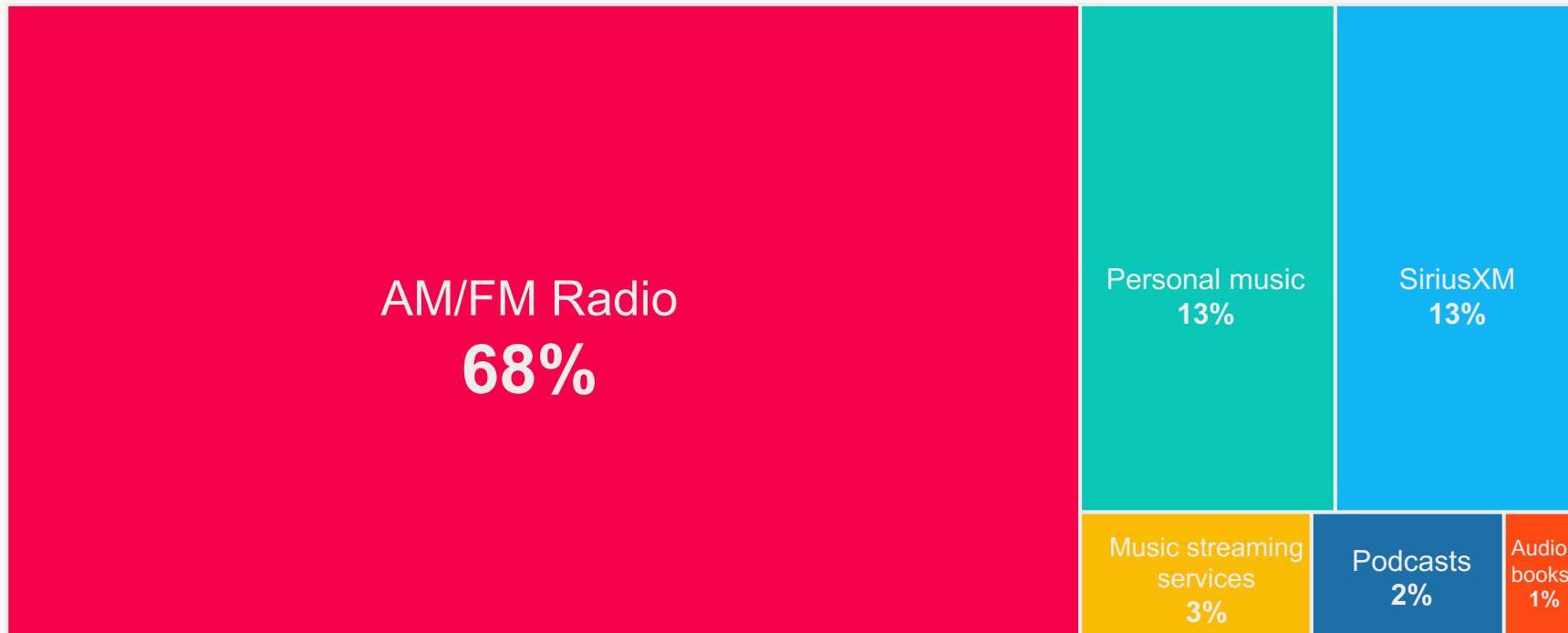
# In-Car Listening



# AM/FM RADIO KING OF IN-CAR AUDIO

AM/FM Radio's share of in-car audio is consistent throughout the week—68.5% on weekdays and 68.1% on weekends.

## Share of in-car audio (Mon-Sun)



# AM/FM ON DURING THE LAST MILE IN THE PATH TO PURCHASE

AM/FM Radio accompanied most Canadians on their shopping trips and errands yesterday.

Listened to AM/FM Radio while going to—or doing this—yesterday



**73%**

Stopped at the drug store or pharmacy



**71%**

Went to a movie



**65%**

Visited a car or truck dealership



**72%**

Went to the bank



**77%**

Visited a hardware or home improvement store



**81%**

Serviced car or truck



**72%**

Picked up groceries



**71%**

Went to a shopping mall or plaza



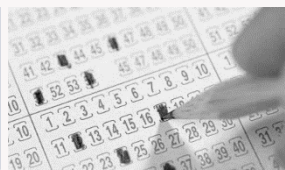
**67%**

Visited a fast food / drive thru



**78%**

Stopped for wine, beer, liquor



**77%**

Pick up lottery tickets



**75%**

Stopped at a coffee shop

C5d. And still thinking about the time you spent in a private vehicle yesterday, did you do any of these things while driving, or use your vehicle to get there? C5e. Were you listening to AM/FM Radio in the car while doing or going to this?  
Base: Canadians, aged 18+, in private vehicle yesterday (n=3,061); Did activity yesterday (base varies)



# AM/FM RADIO SEEN AS MORE IMPORTANT THAN NEW TECH

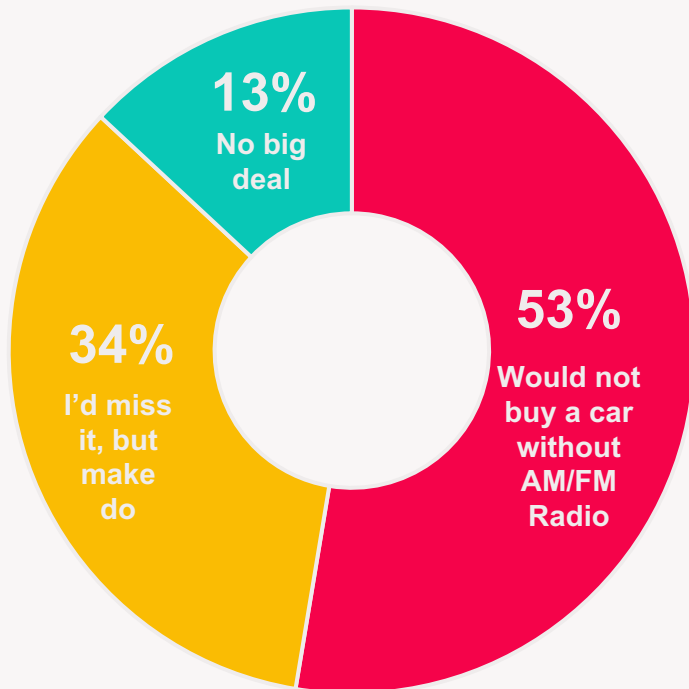
More important than automatic braking, adaptive cruise control or Apple Car Play / Android Auto.

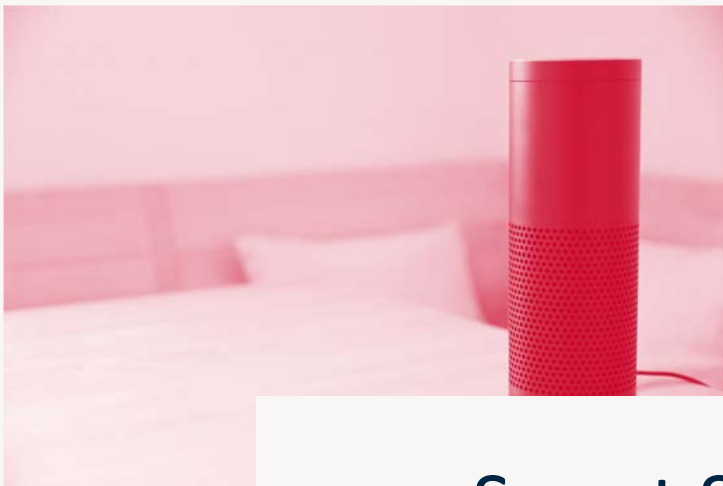
% Who Ranked Each Feature as <u>Most</u> Important in New Car/Truck	iPhone Users	Android Users
AM/FM Radio	27%	30%
Driver assist features (such as automatic braking)	19%	21%
Adaptive cruise control	13%	12%
Apple CarPlay/Android Auto	12%	9%
Automatic parallel parking	10%	10%
Built-in WiFi	10%	9%
Lane centering controls	9%	8%



# AM/FM RADIO A 'MUST HAVE' FOR NEW CAR BUYERS

Most Canadians wouldn't buy a new vehicle if it did not come with an AM/FM Radio.





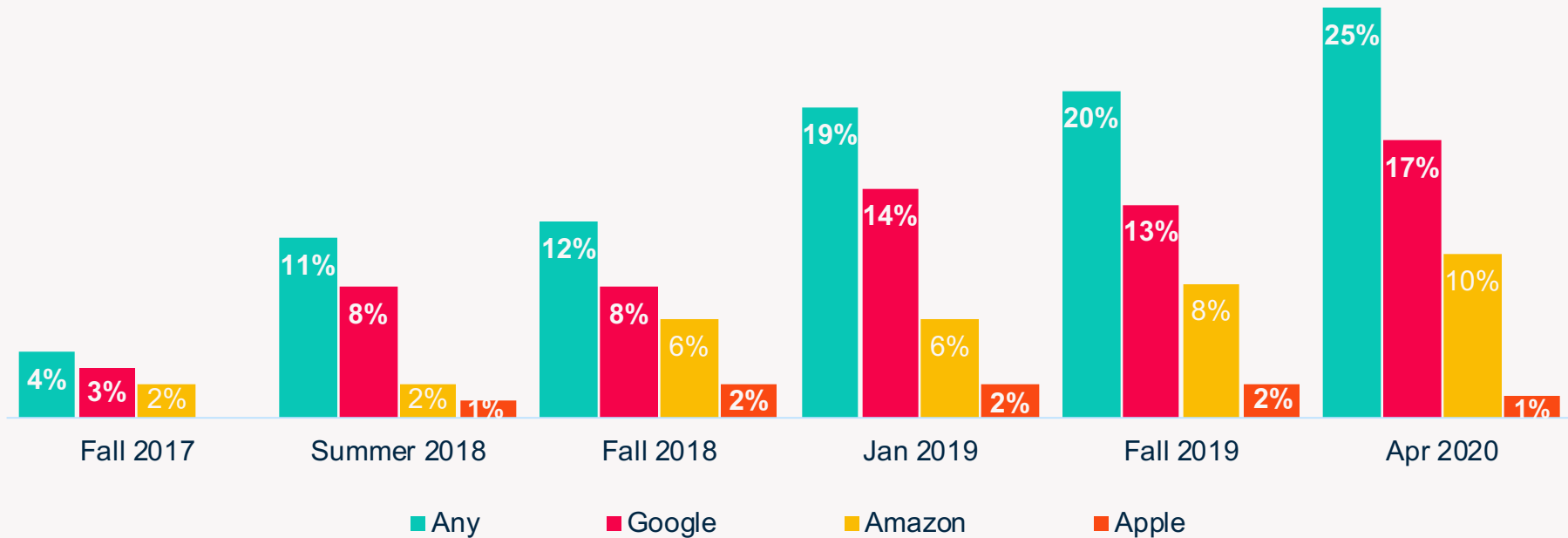
# Smart Speakers



# SMART SPEAKER PENETRATION IN CANADA NOW AT 1-IN-4

Growth continues with another lift in ownership corresponding with the holiday season.

## Smart speaker ownership



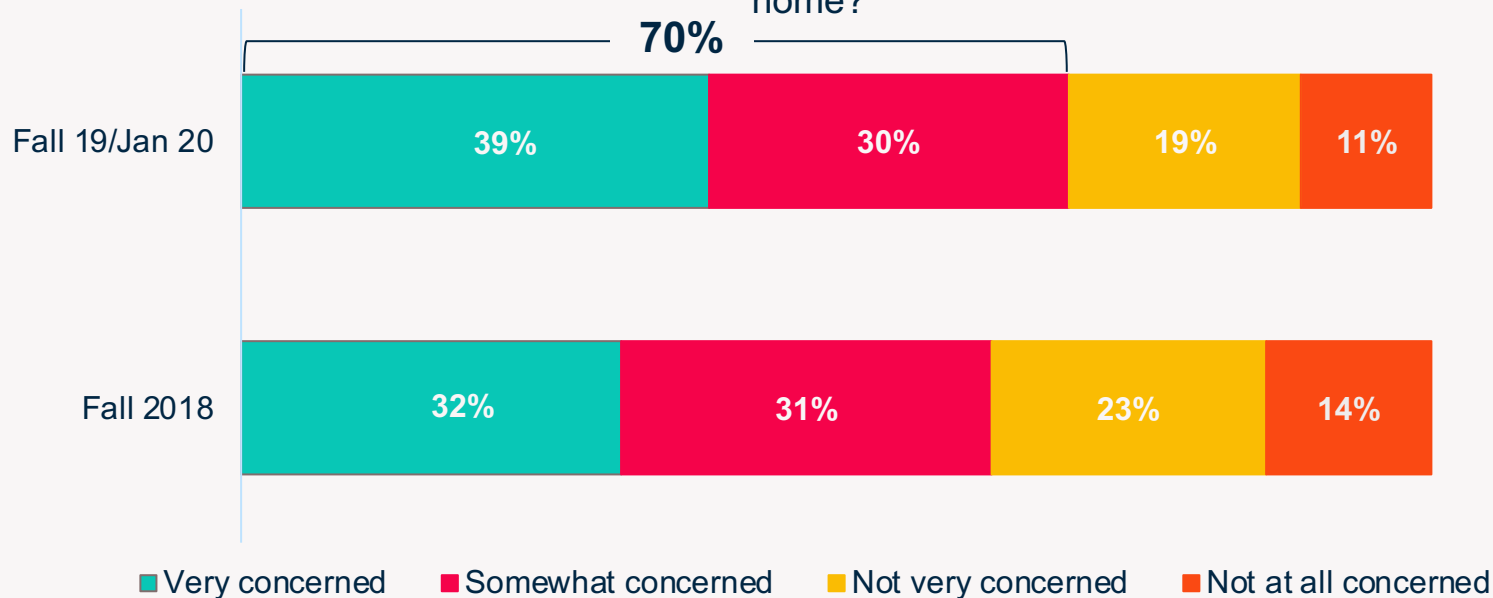
F17. Which of the following would best describe your experience with the Amazon Echo "Alexa", Google Home and Apple HomePod "smart" speakers?

Base: Canadians 18+ (n=1,512), January 2019 / \*Canadians 18+, Radio on the Move, Apr 2020 (n=3,048) Fall 2019 (Nov-Dec only) (n=3,005), Fall 2018 (n=3,505), June 2018 (n=2,035), Fall 2017 (3,470)

# PRIVACY CONCERNS ARE GROWING

Is Alexa/Google listening? Privacy a key barrier to smart speaker adoption.

To what extent, if at all, are you concerned about your privacy by having a 'smart speaker' in your home?



F21\_2. To what extent, if at all, are you concerned about your privacy by having a 'smart speaker' in your home?  
Base: Canadians 18+ (Dec.'19/Jan.'20: n=4,000), who use a voice-activated assistant (n=1,110)

# USE OF SMART SPEAKERS EVOLVING

Podcast listening—popular among early adopters—is giving way to other uses, including AM/FM Radio.

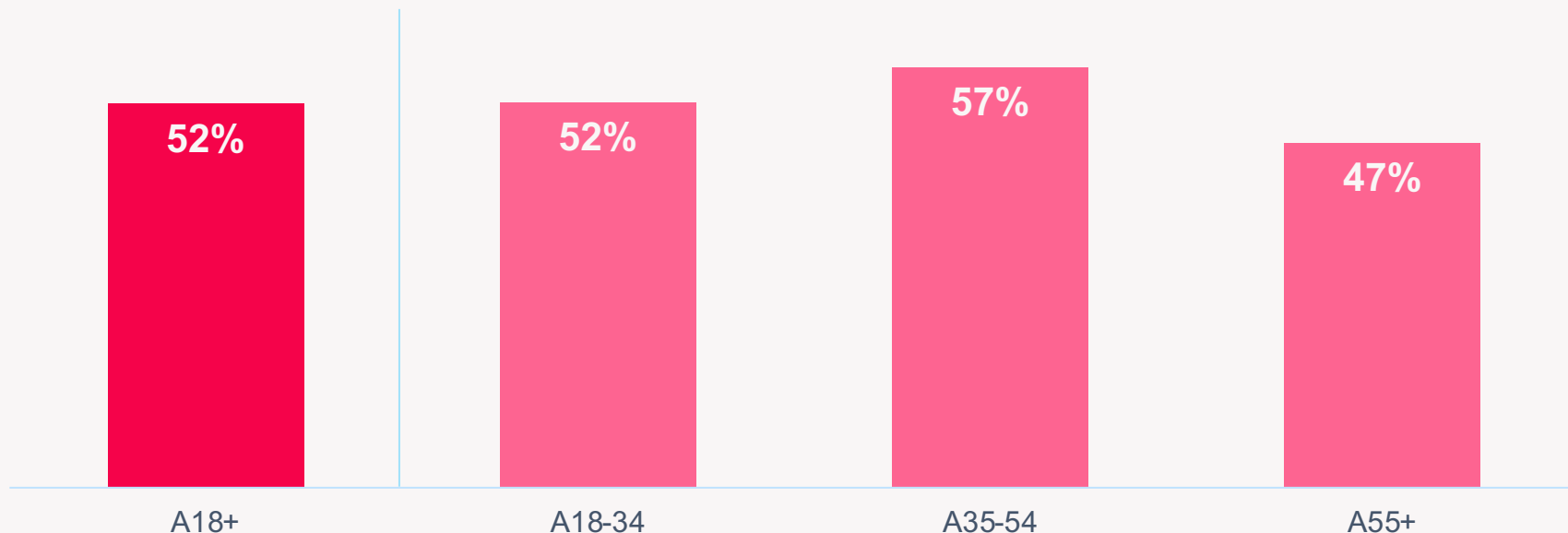
<i>Used smart speaker this way in past week</i>	<b>Fall 2017</b>	<b>Fall 19 /Jan 20</b>
Music	38%	47%↑
Weather info	29%	47%↑
Setting alarms	26%	35%↑
Checking the time	20%	31%↑
AM/FM Radio	24%	27%↑
Wikipedia-style questions	23%	26%↑
Control other smart devices	16%	24%↑
Access to news	21%	22%↑
Making shopping / to-do lists	16%	14%↓
Sports scores / schedules	17%	12%↓
Traffic info	14%	12%↓
Podcasts	20%	8% ↓
Stock market info	13%	7% ↓



F20. In which of the following ways have you used your 'smart speaker' in the past week?  
BASE: Owned A Google Home Or Amazon Echo Or Apple Homepod (Fall 2017n=110); (Fall 19/Jan20n=854)

## MORE THAN ½ OF SMART SPEAKER OWNERS USE THEM FOR AM/FM

% of smart speaker owners using them to listen to AM/FM Radio



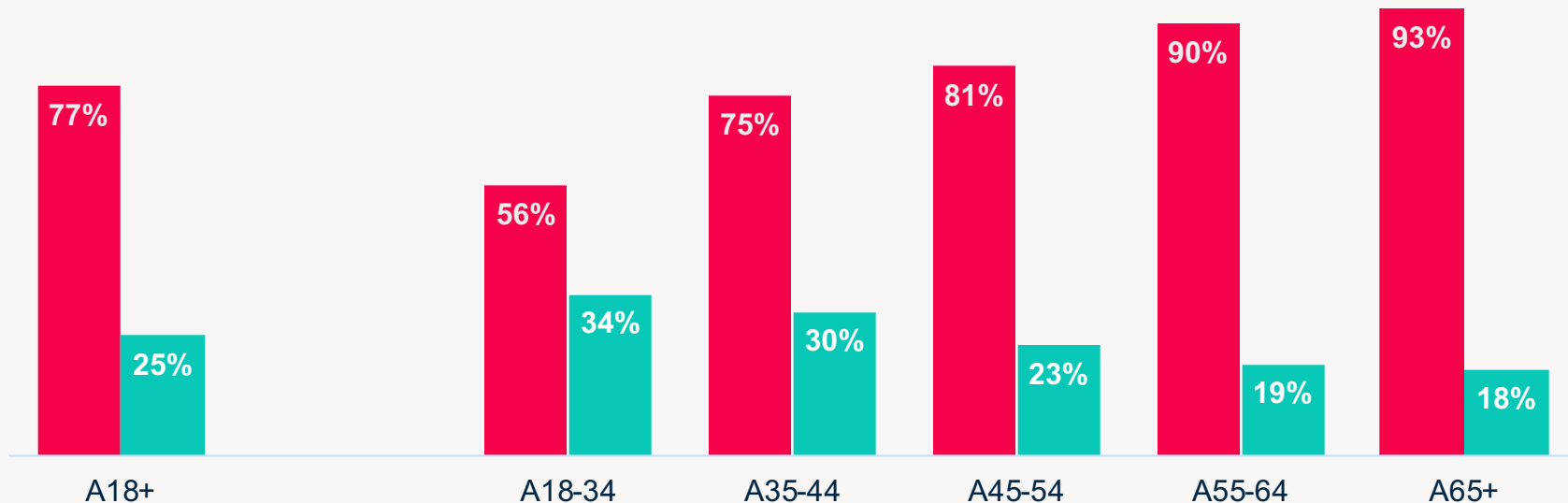
P2. Which of the following best describes your experience, if any, in trying to listen to your favourite local FM or AM stations on your smart speaker(s)?  
P3. How, if at all, has your listening to FM or AM radio on smart speakers changed since the government asked people to stay-at-home during the COVID-19 pandemic?  
Base: Smart speaker owner, April 2020 (n=750). A18-34 (n=228), 35-54 (n=395), 55+ (n=227)

# SMART SPEAKERS THE NEW IN-HOME 'RADIO' FOR YOUNGER DEMOS?

Canadians under 35 are less likely to own a 'regular' radio devices but over-index on smart speaker ownership.

One or more devices in household

■ "Regular" radio ■ Smart Speaker

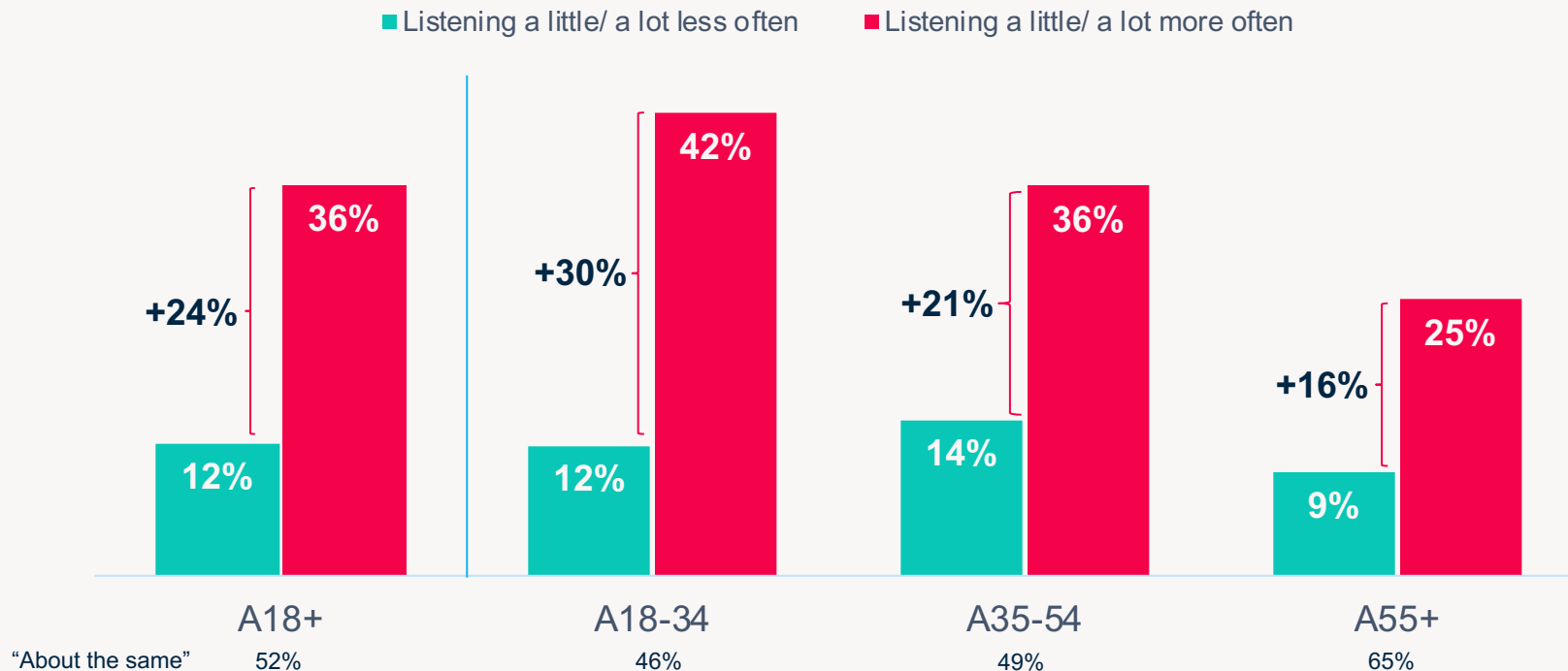




# LISTENING ON SMART SPEAKERS UP DURING COVID-19

More Canadians—especially 18-34 year-olds—listening to AM/FM radio on smart speakers say they are now listening more often.

## Impact of COVID-19 isolation on AM/FM radio tuning on smart speaker

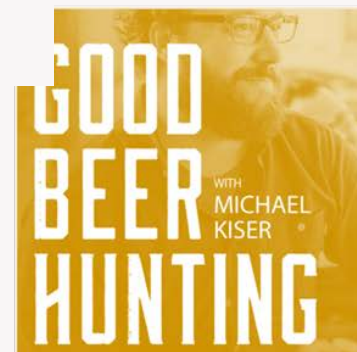


P3. How, if at all, has your listening to FM or AM radio on smart speakers changed since the government asked people to stay-at-home during the COVID-19 pandemic?

Base: Smart speaker owners who listen to AM/FM on their smart speakers April 2020 (n=469), A18-34 (n=138), 35-54 (n=198), 55+ (n=133)

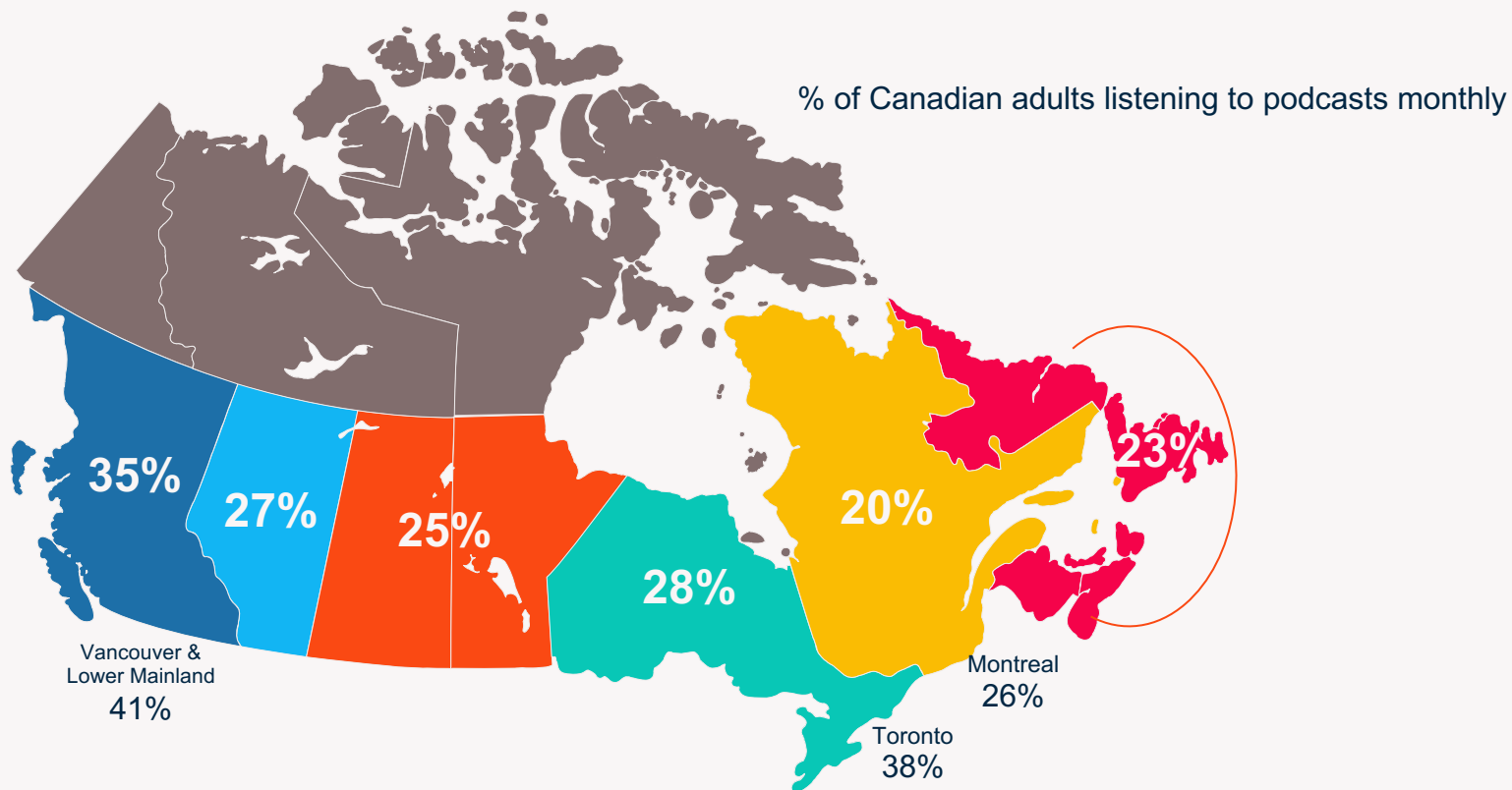


## Podcasts



# PODCAST LISTENING SKEWS TOWARDS URBAN AREAS

More than 1-in-4 Canadians (26%) listen to podcasts monthly, skewing to major cities.

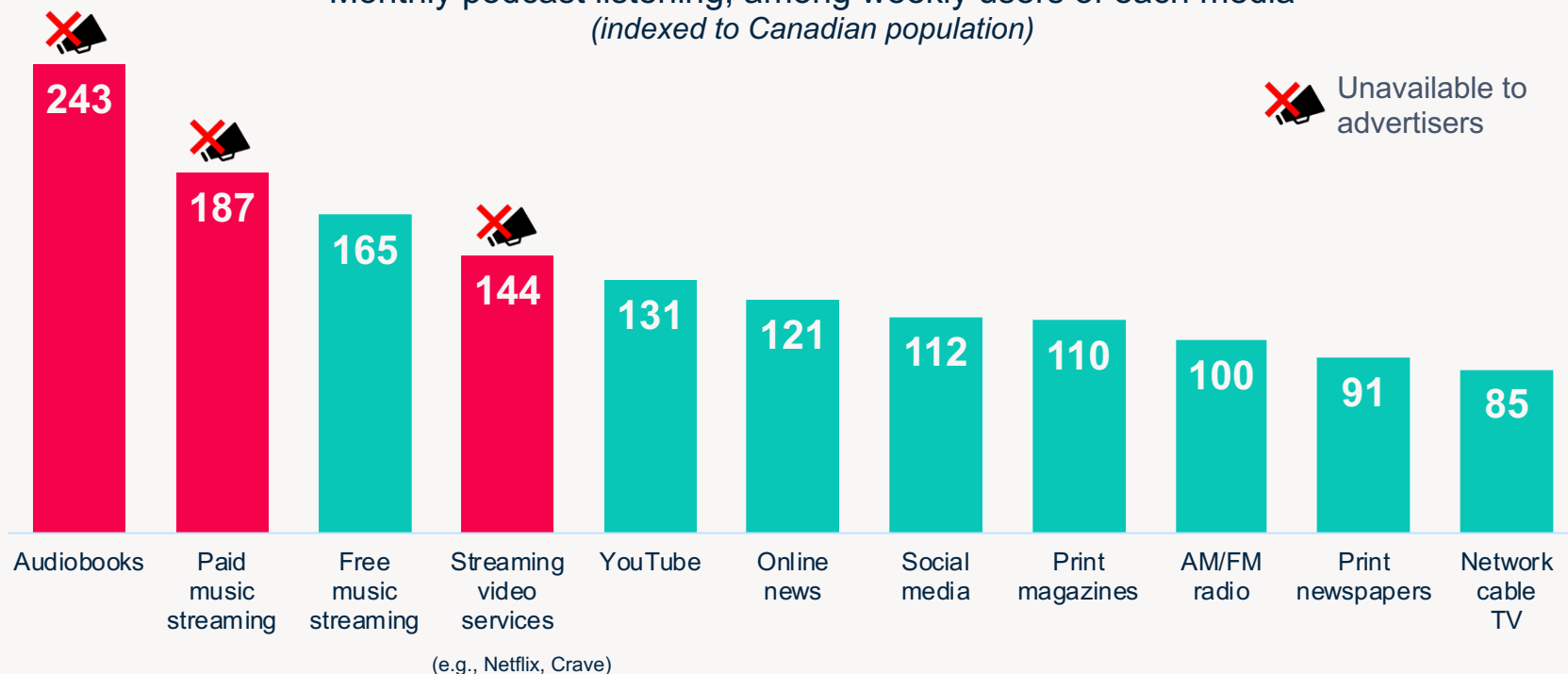


Source: The Canadian Podcast Listener 2019 – Calibration Study / Which of the following best describes your most recent experience with podcasts / How often do you listen to podcasts? (Monthly = Listened in past year & listen 1+ x/month) Base: Canadians, aged 18+ (n=3,040)

# PODCASTS REACH USERS OF ON-DEMAND MEDIA

Podcasts over-index among Canadians who consume ad-free on-demand platforms.

Monthly podcast listening, among weekly users of each media  
(indexed to Canadian population)

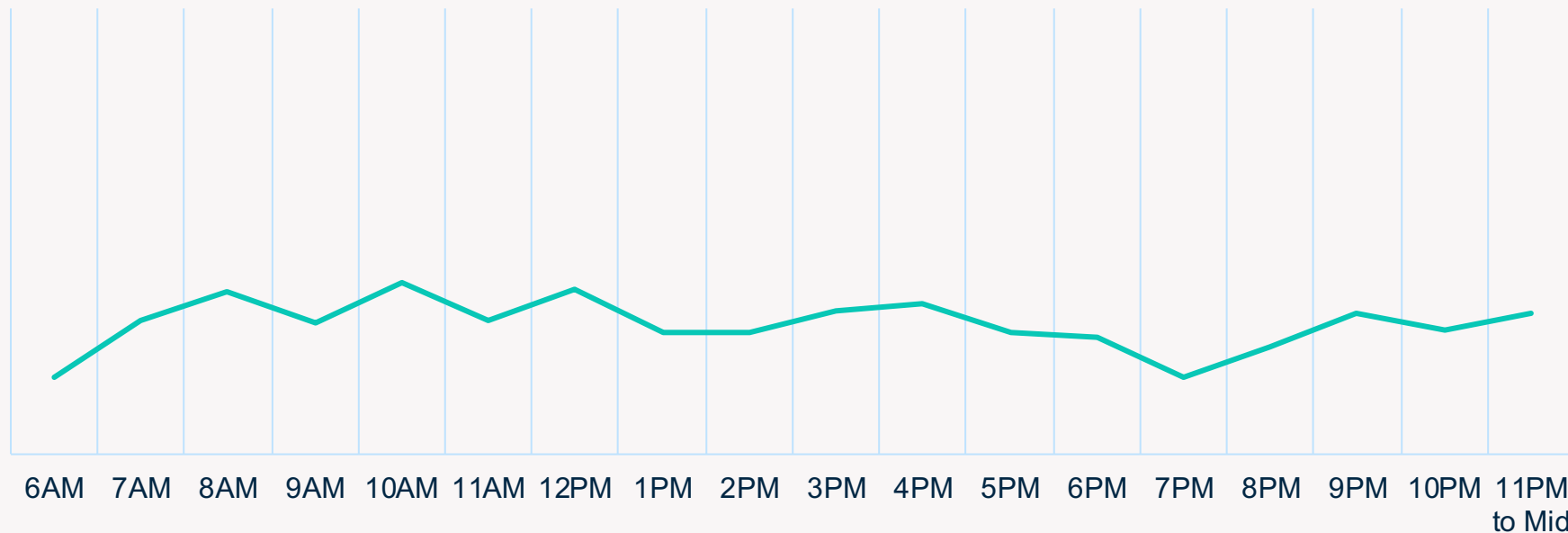


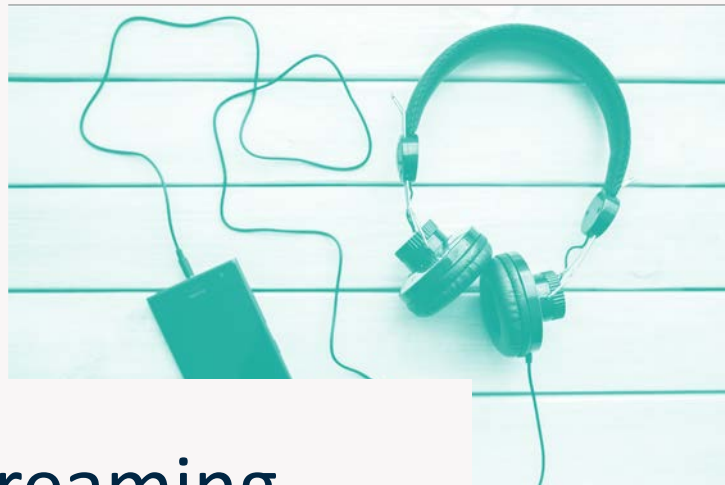
Source: The Canadian Podcast Listener 2019 – Calibration Study / How often do you listen to audio podcasts? Base: Canadians, aged 18+, weekly users of Audiobooks (n=298), Paid Music Streaming (n=762), Free Music Streaming (n=1,006), Streaming Video Services (n=1,760), YouTube (n=2,043), Online News (n=2,146), Social Media (n=2,457), Print Magazines (n=695), AM/FM (n=2,392), Print Newspapers (n=1,370), Network/Cable TV (2,319)

# PODCAST LISTENING STEADY THROUGHOUT THE DAY

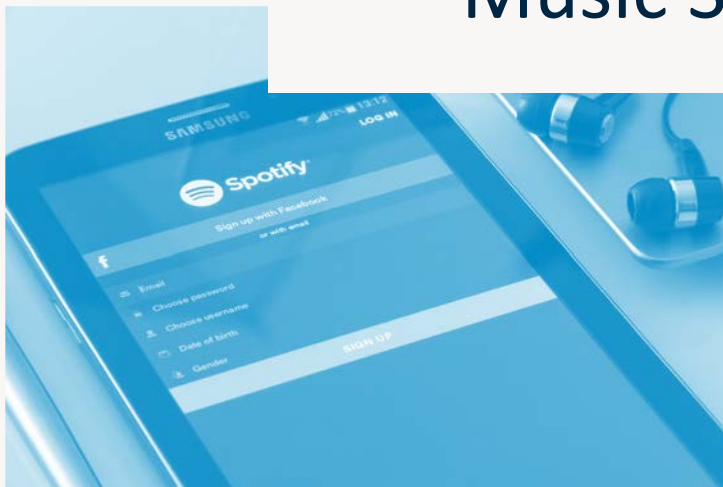
Between 1% and 1.5% of Canadian adults are listening to a podcast in any given hour.

% of A18+ listening to podcasts in each hour (weekdays)





# Music Streaming

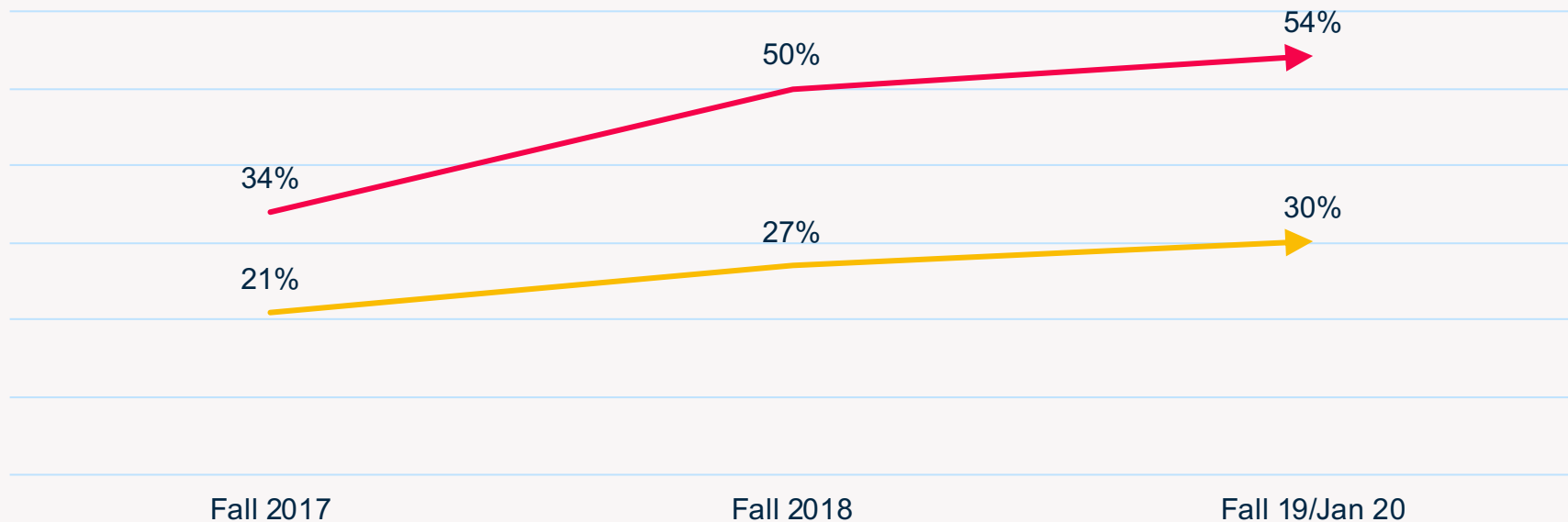


# GROWTH OF MUSIC STREAMERS BEGINNING TO PLATEAU

The number of Canadians using pureplay music streaming services is growing, but rate of growth is slowing.

## Use of online music streaming services

→ Ever → Past Week

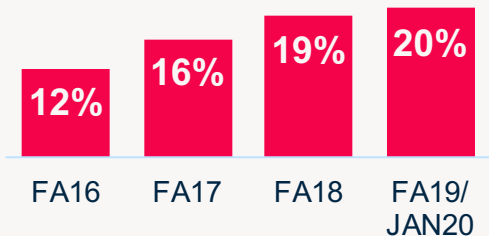


# GROWTH OF MUSIC STREAMING SERVICES SLOWING

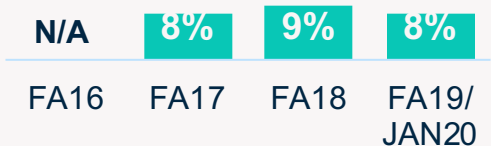
Spotify and Google Play notch modest growth in weekly and daily users while Apple is flat.

## Weekly and daily use among A18+

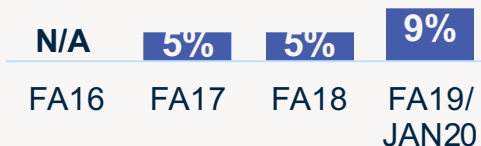
### SPOTIFY WEEKLY YOY



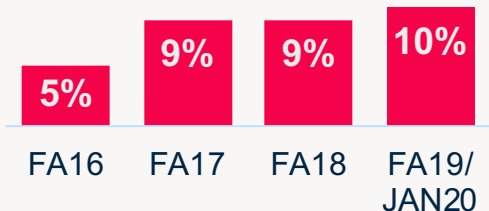
### APPLE MUSIC WEEKLY YOY



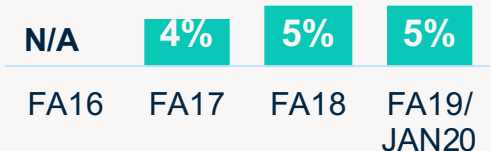
### GOOGLE PLAY MUSIC WKLY YOY



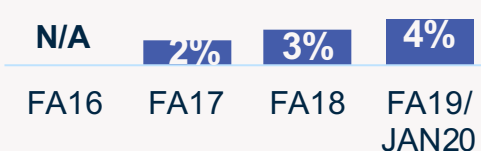
### SPOTIFY DAILY YOY



### APPLE MUSIC DAILY YOY



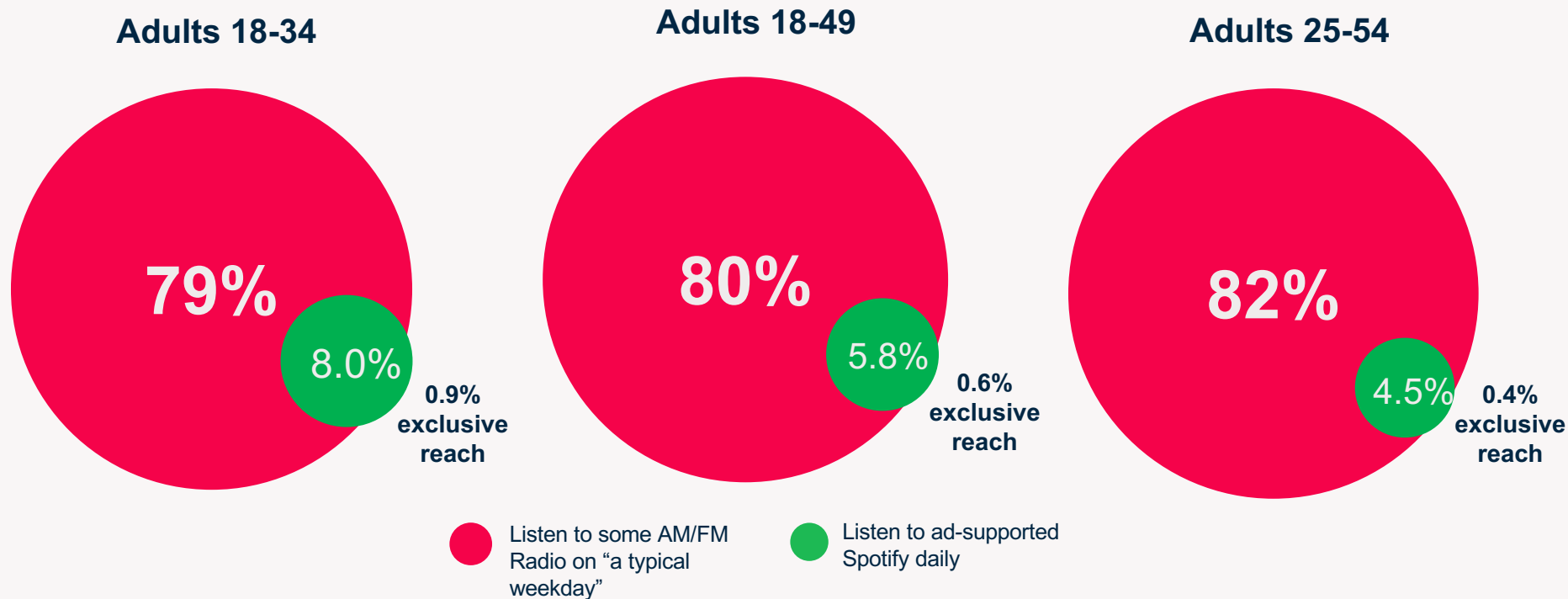
### GOOGLE PLAY MUSIC DAILY YOY





# SPOTIFY DELIVERS ADVERTISERS LITTLE EXCLUSIVE REACH

Most daily listeners to ad-supported Spotify say that they listen to AM/FM Radio on a typical weekday.



E1. 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=4,000) and 18-34 (n=1,128), Daily listeners to ad-supported Spotify 18-34 (n=86); 18-34 (n=86); 18-49 (n=110); 25-54 (n=99)

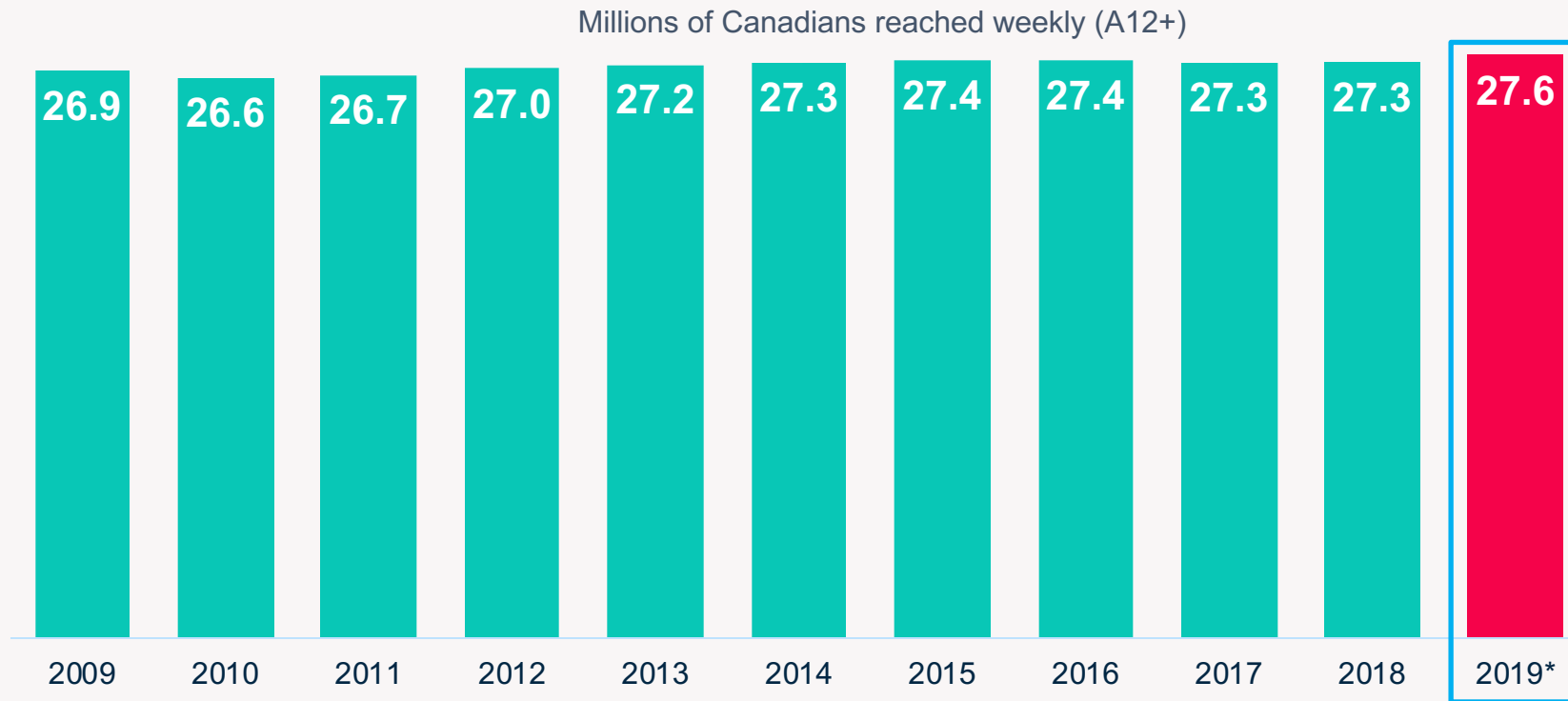


# Radio Connects Advertisers to Canadians



# RADIO REACHES 28 MILLION CANADIANS WEEKLY

The number of Canadians listening to radio each week is on par with a decade ago.



\* Bridged data combining sweep measurement from Spring 2019 and continuous measurement starting in late August 2019

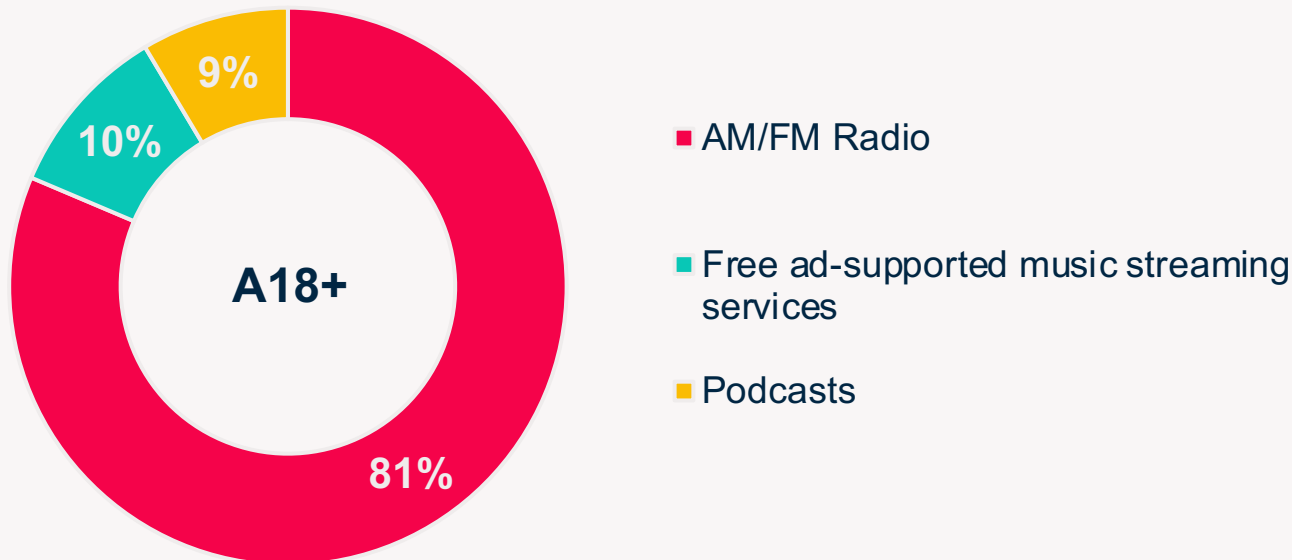
Source: Numeris Radio Diary, Fall Surveys, Mo-Sun 5a-1a, A12+. Note: Fall 2016 ORD introduced.

\*FA 2019 represents a bridge in methodology between sweep and continuous measurement.

# AM/FM RADIO DOMINATES SHARE OF BUYABLE AUDIO

AM/FM Radio accounts for more than 80% of the audio consumption available to Canadian advertisers.

## Share of Buyable Audio

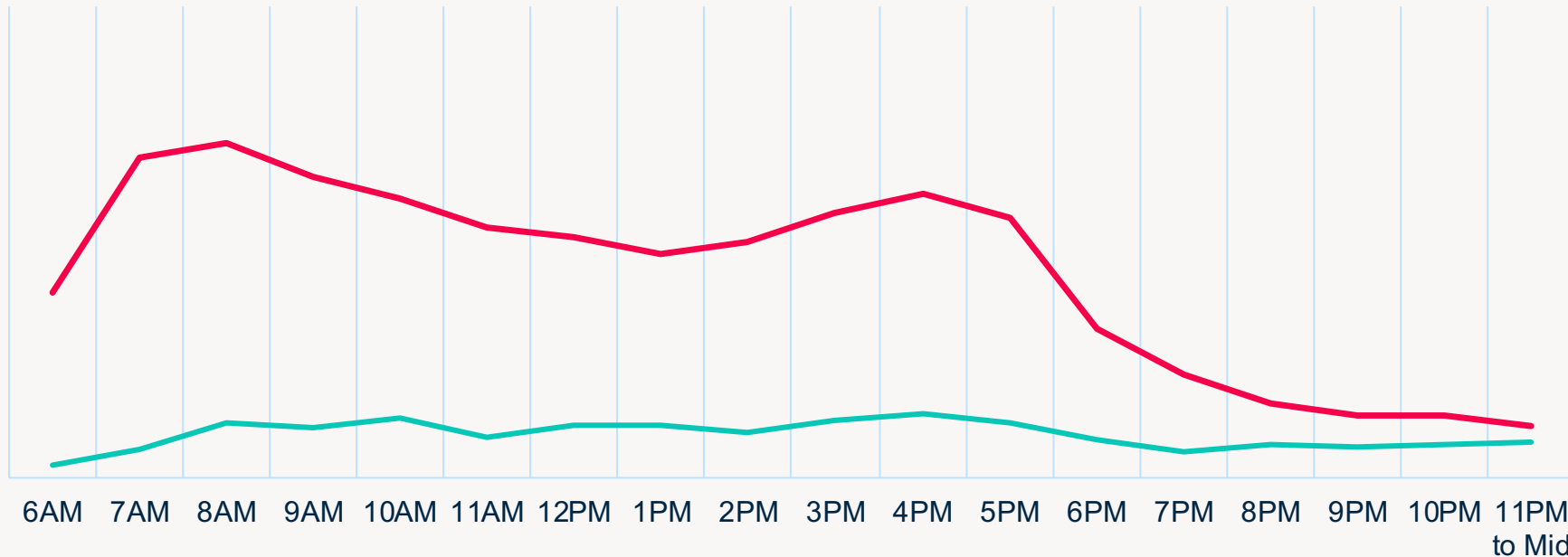


# AM/FM RADIO DOMINATES OTHER BUYABLE AUDIO ALL DAY

Canadians listen to AM/FM Radio while they are working, commuting and shopping, shifting to other audio in the evenings.

% of A18+ Listening to each audio type in each hour (Weekdays)

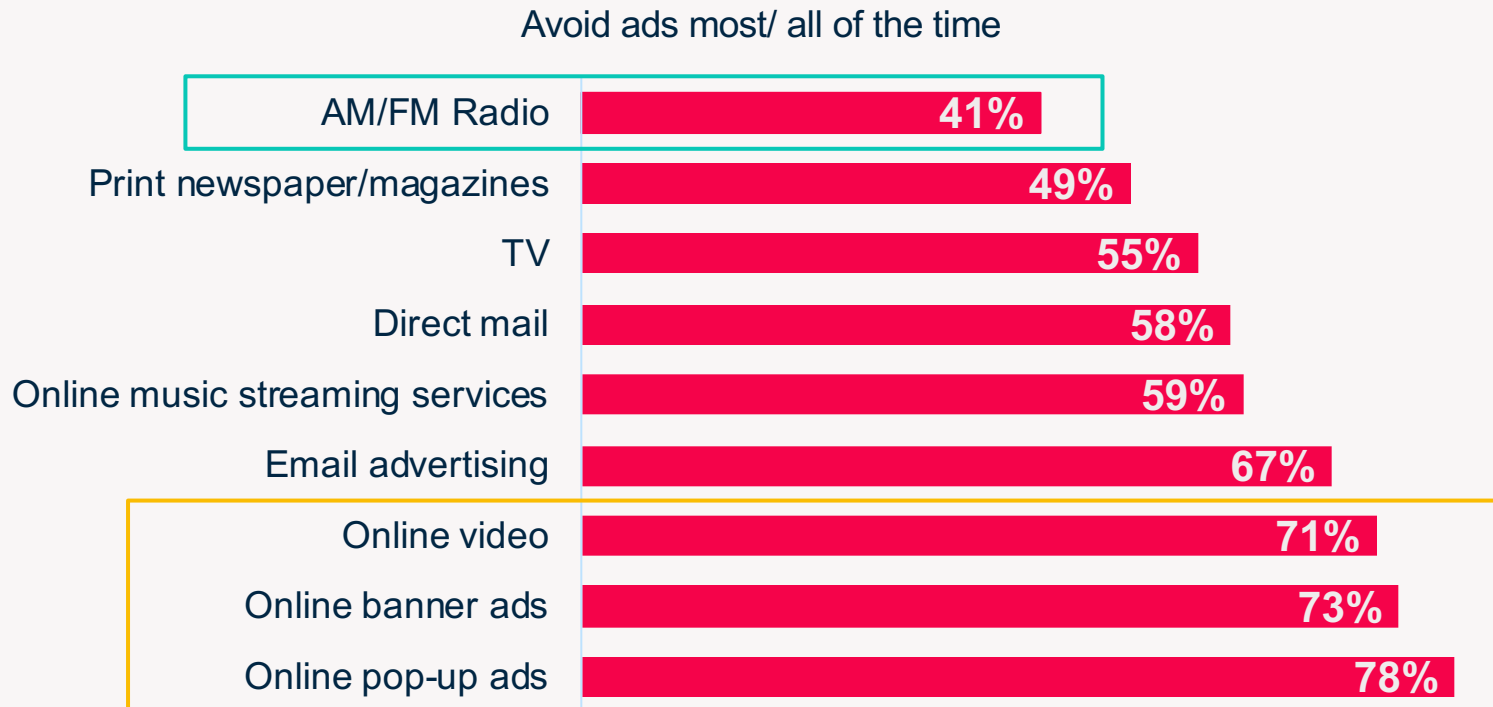
— Total AM/FM Radio — Other buyable audio\*



\*Free ad-supported music streaming services and podcasts

# ADS ON AM/FM RADIO ARE THE LEAST-AVOIDED

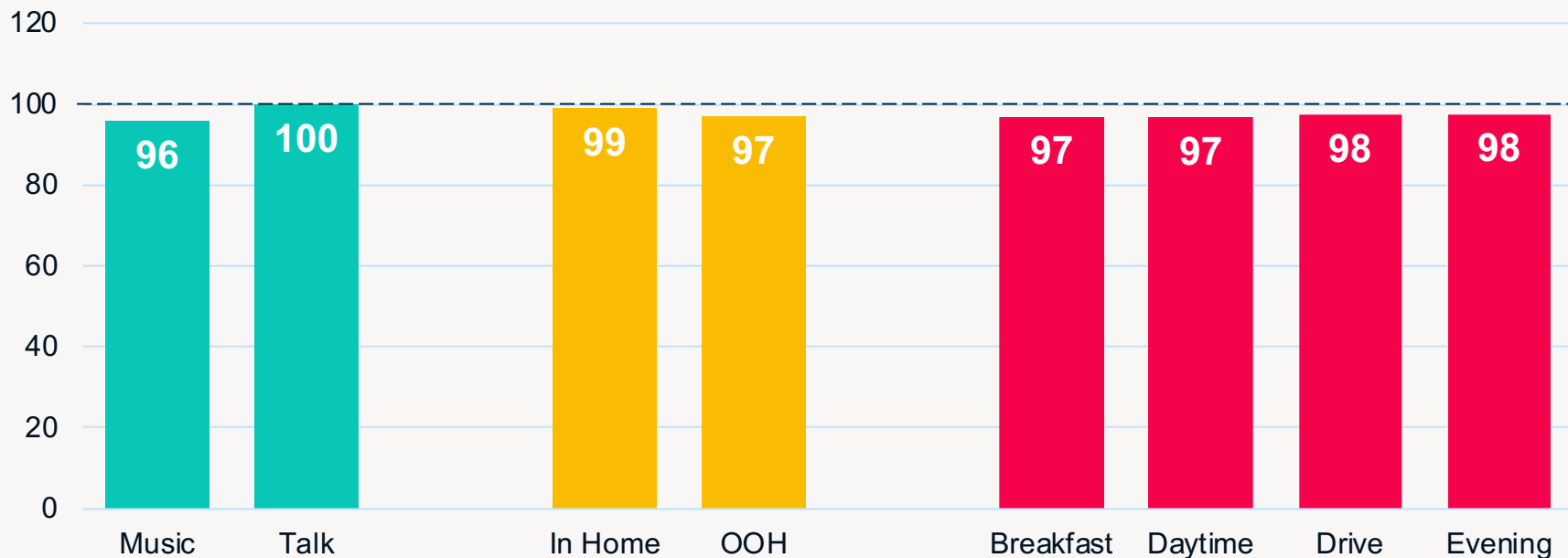
Canadians most commonly avoid online video, banner, and pop-ups ads.



# INDEPENDENT STUDY: AM/FM LISTENERS STAY TUNED IN AD BREAKS

Confirmed by an analysis of four months of Vancouver PPM data (2016) by Australia's Ehrenberg-Bass Institute for Marketing Science

Commercial break audience indexed to program audience



Source: Michelin, A., S. Bellman, M. Faulkner, J. Cohen, and J. Bruwer: "A new benchmark for mechanical avoidance of radio advertising: Why radio advertising is a sound investment" Journal of Advertising Research, March 2020  
Base: PPM panel members 12+ in Vancouver, BC. (N ≈ 800), Oct 2015, Jan 2016, Apr 2016, Jul 2016

**Journal of  
Advertising  
Research**

# TAKEAWAYS

---

- AM/FM Radio grabs the largest share of audio among Canadians.
- Radio's unique value proposition: connection, companionship, convenience.
- AM/FM Radio dominates buyable share of audio, accounting for 81% of 18+ listening available to advertisers.
- AM/FM remains king of in-car audio.
- Canadians now listen to AM/FM Radio on multiple devices, streaming on mobile, computers, tablets and increasingly on smart speakers. Many also listen on their TVs.
- For many younger Canadians, smart speakers are taking the place of regular radios in home.
- Pureplay music streaming services continue to grow, but now at a slower pace.
- Podcasts offer advertisers a unique opportunity to reach the on-demand consumer.
- Low ad avoidance gives AM/FM Radio an action advantage over frequently ignored or blocked digital media.





# Thank You

**RADIO**  
CONNECTS

**Signal**   
Insights