

Welcome

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



COVID-19 Update

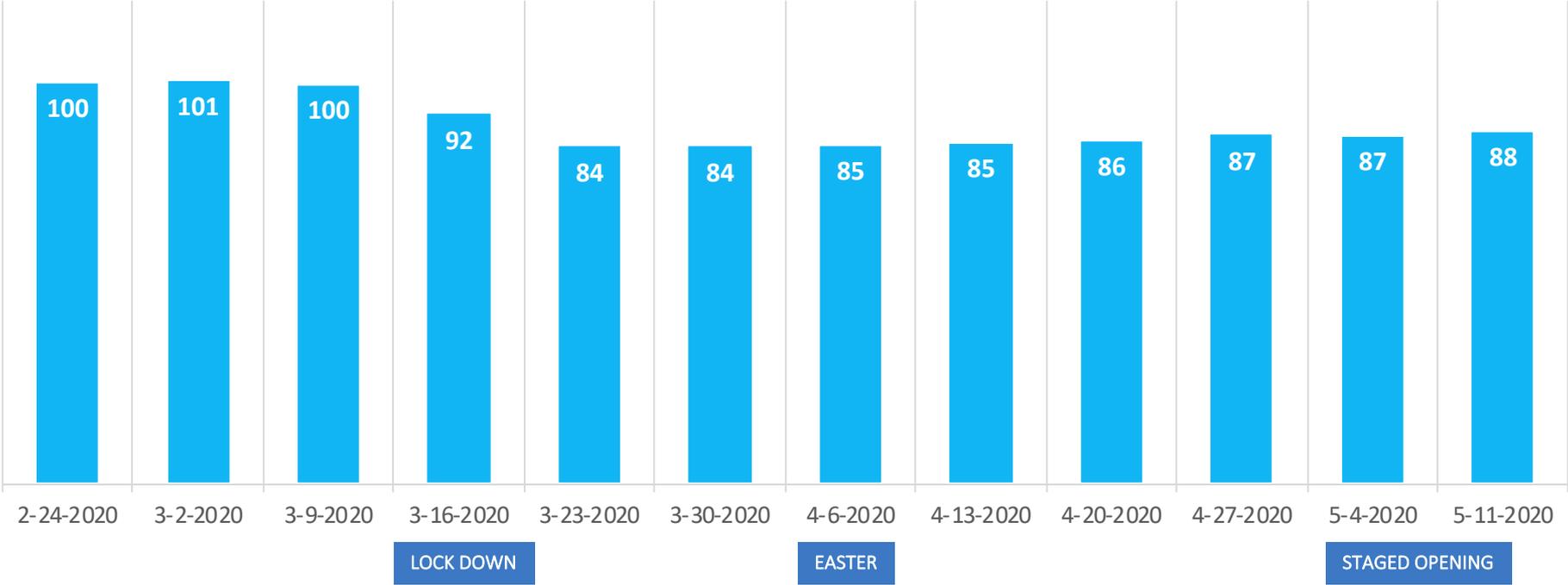
May 21, 2020

RADIO
CONNECTS



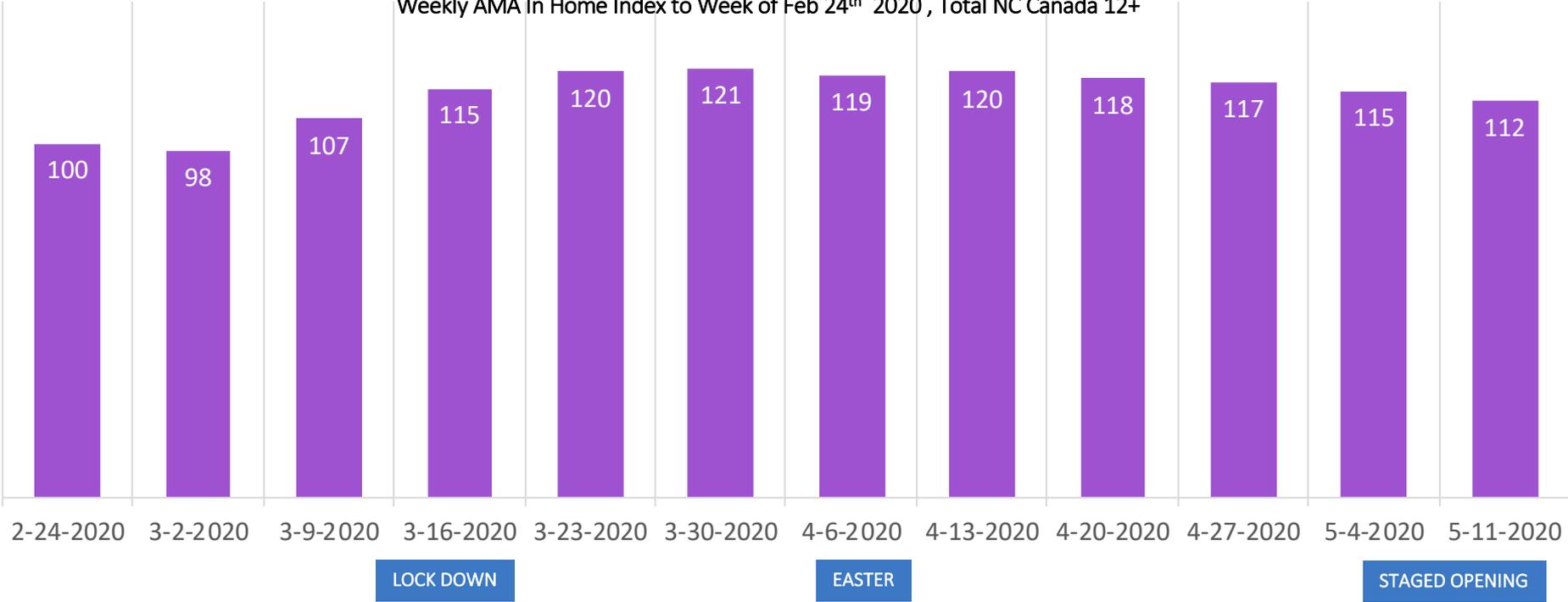
Radio's reach retention is growing to 'near normal' as Canadians begin to get 'out and about'

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



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

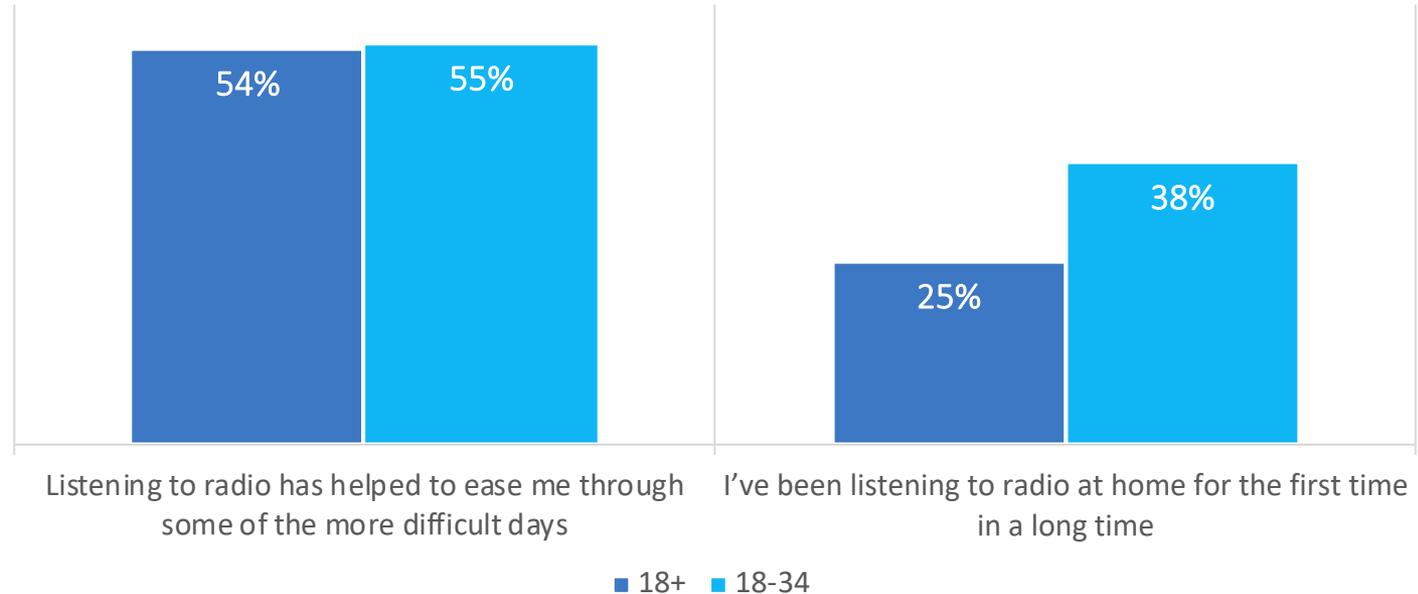
Weekly AMA In Home Index to Week of Feb 24th 2020 , Total NC Canada 12+



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

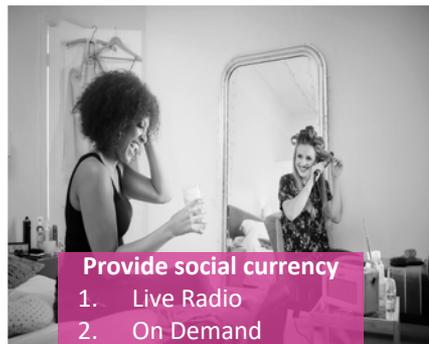
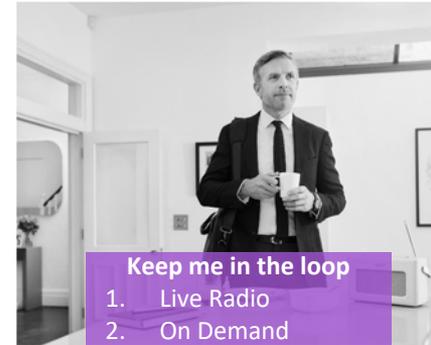
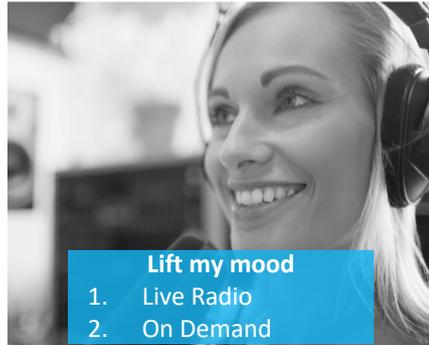
% Agree Among Canadians Listening to AM/FM Radio During COVID-19

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



Live radio effortlessly connects listeners to the outside world

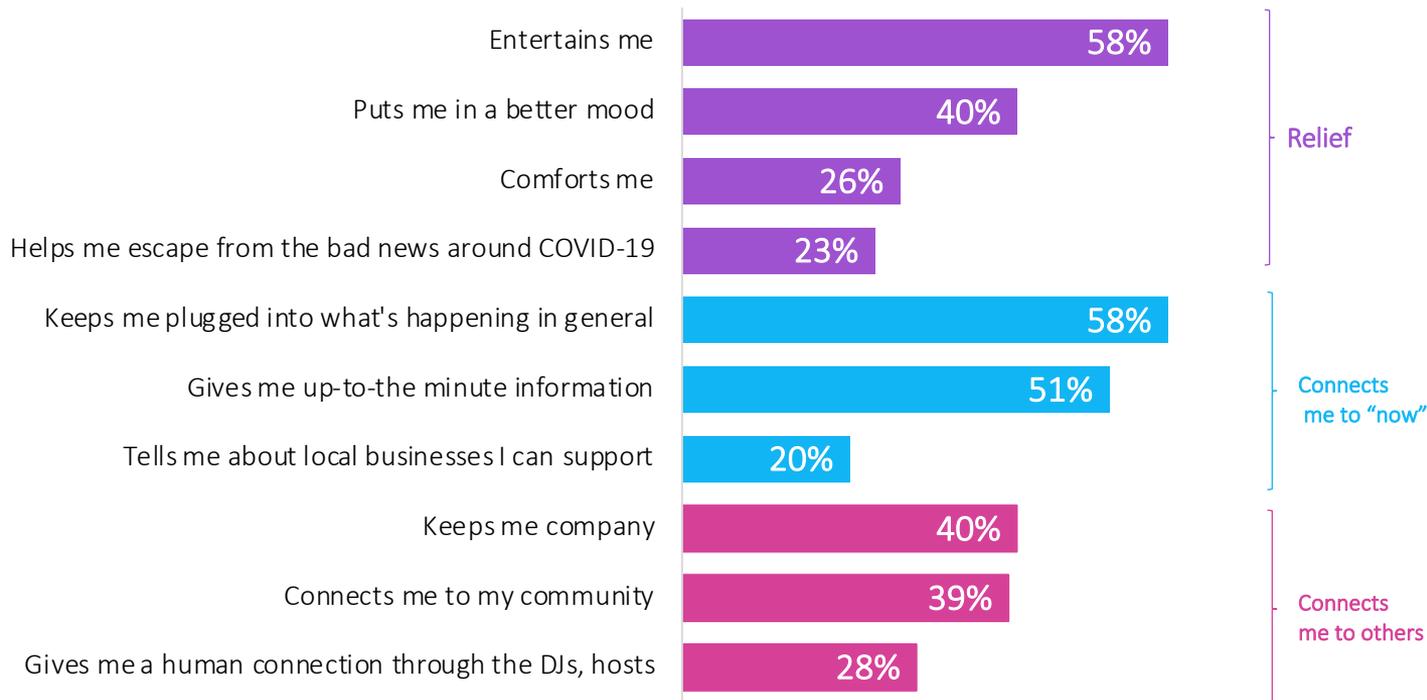
Live radio fulfills more needs states for audio than on-demand audio.*



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.

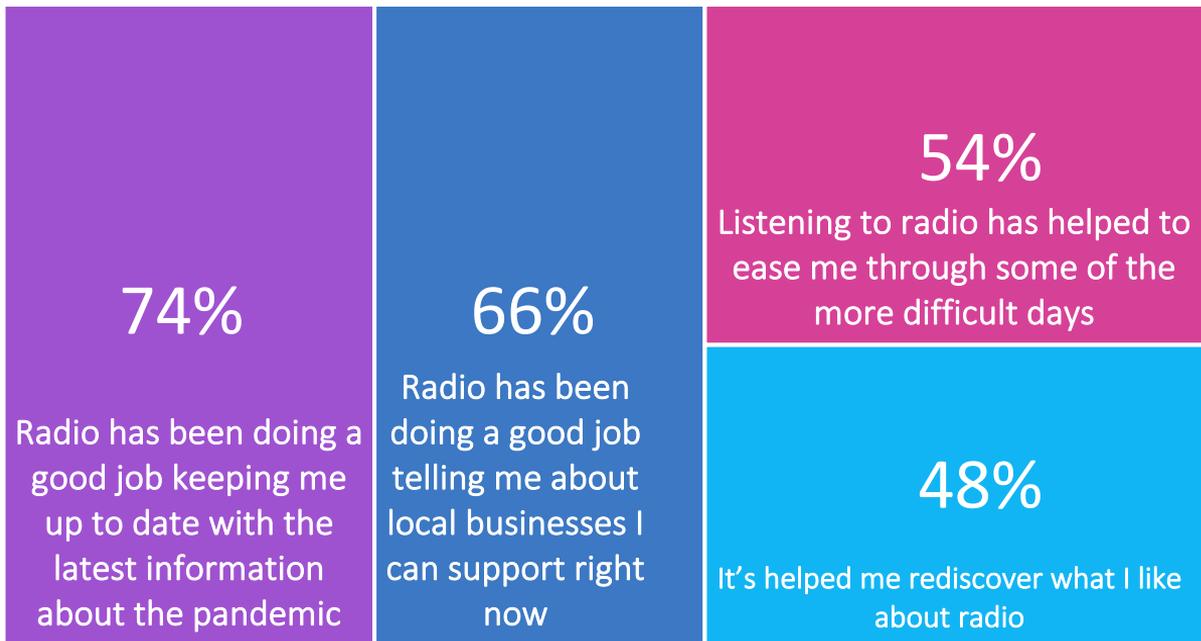
What are the main things radio does for you in these challenging times? (from aided list)
Among those listening to more AM/FM Radio



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 for more information on Radio during COVID-19

RADIO
CONNECTS



radio



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

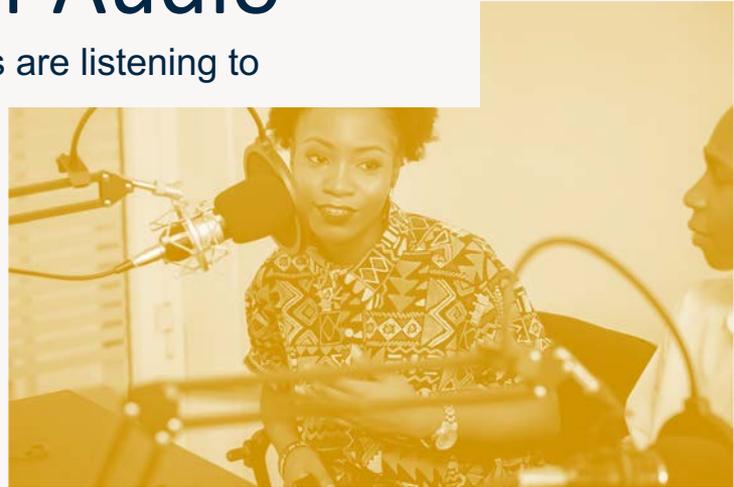
Audio that is available to Canadian advertisers





Share of Audio

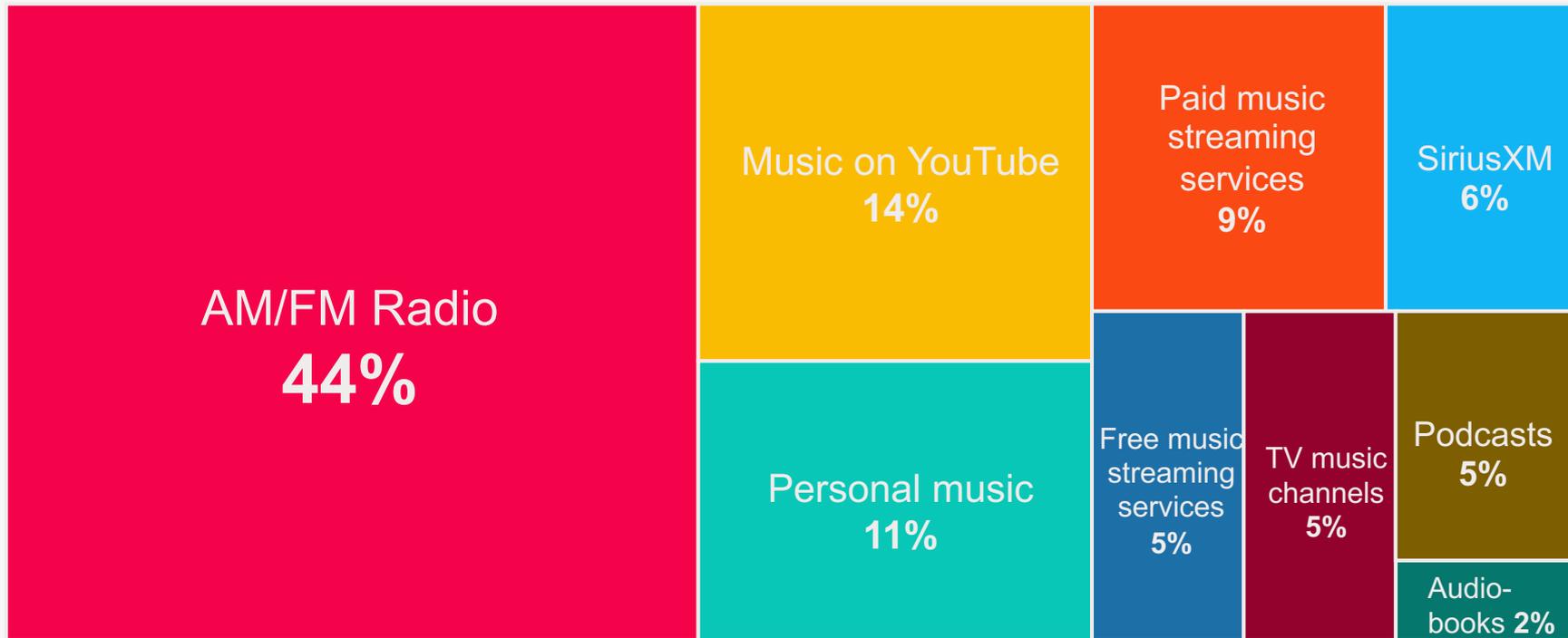
What Canadians are listening to



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.

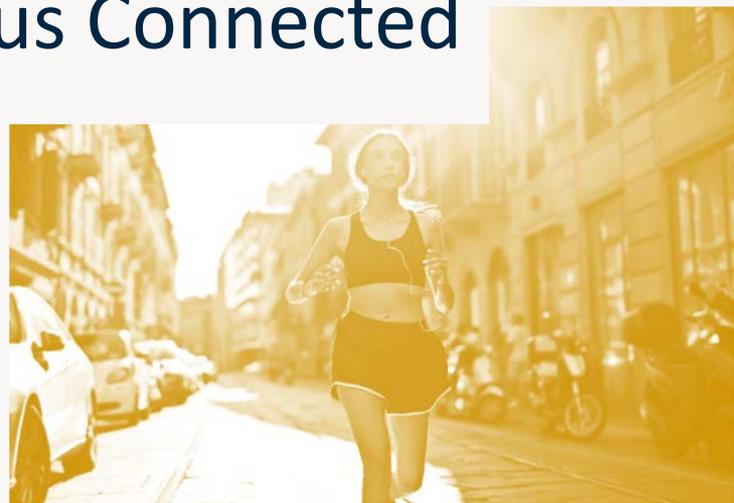
A18+ Share of audio time spent



Q83dx. [Mean Summary] Thinking of the following type(s) of audio that you mentioned listening to yesterday, how many hours and minutes in total did you spend listening to each one? Base: Canadians 18+ (n=4,000)



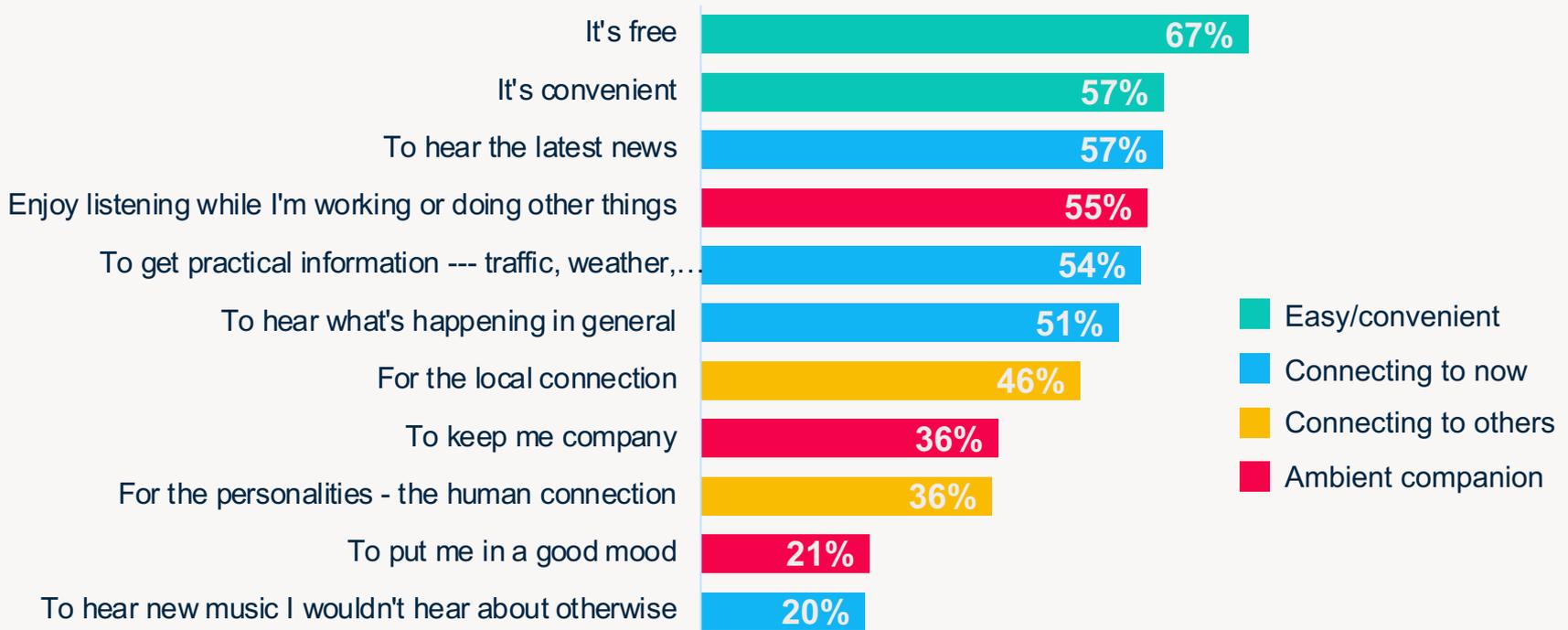
Radio Keeps us Connected



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)



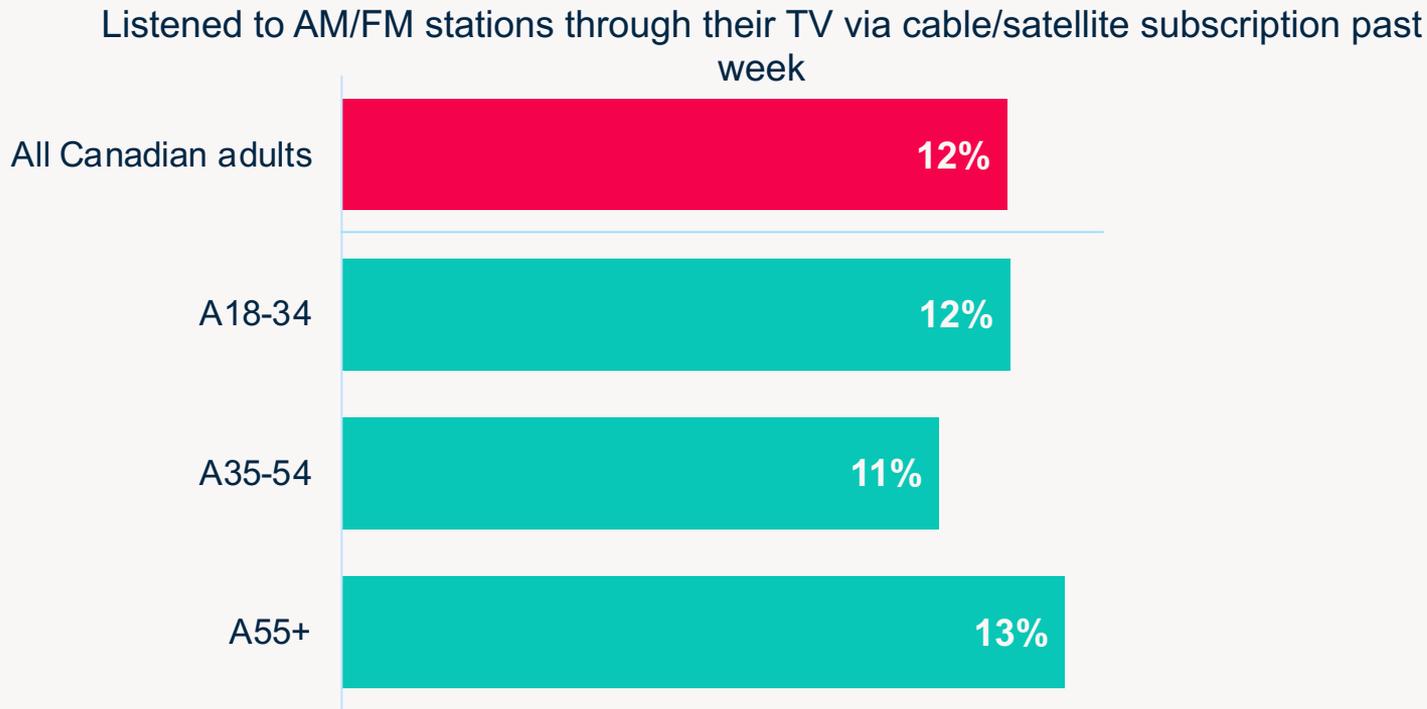
	LIVE RADIO	ON DEMAND AUDIO	
	Streamed AM/FM Radio	Paid ad-free music streaming	Podcasts
SMARTPHONE	33%	65%	54%
LAPTOP/DESKTOP	36%	29%	34%
TABLET	11%	9%	12%
SMART SPEAKER	19%	17%	4%

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

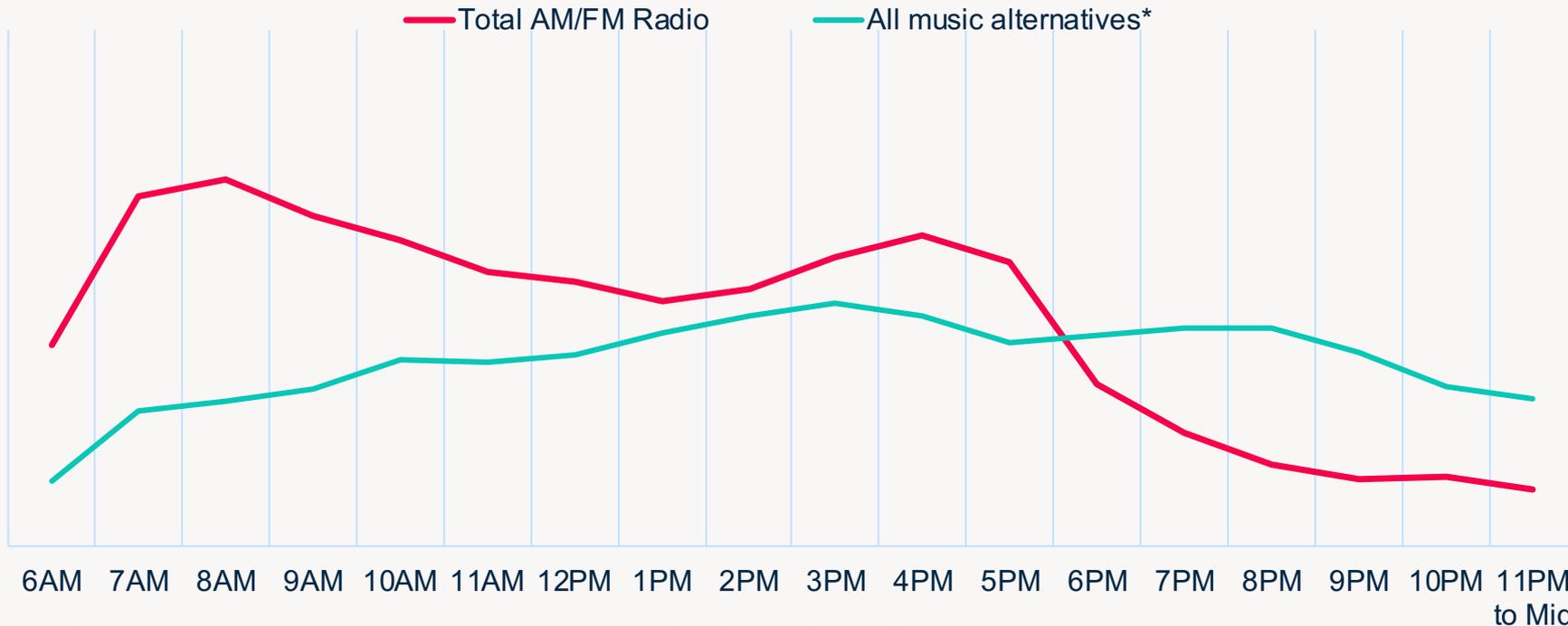


B3b. [Past Week Summary] When is the most recent time, if ever, you listened to the following types of audio on ANY DEVICE?
Base: Canadians 18+ (n=4,000), 18-34 (n=1,128); 35-54 (n=1,206); 55+ (n=2,094)

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)



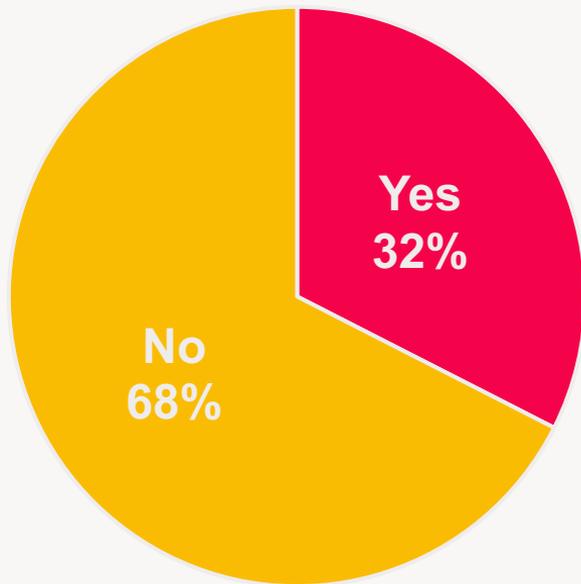
*All music streaming services, personal music, and music on SiriusXM, YouTube, or TV music channels.

B3d. And WHEN yesterday did you listen to each of the following media?
Base: Canadians 18+ interviewed Tuesday-Saturday (n=3,005)

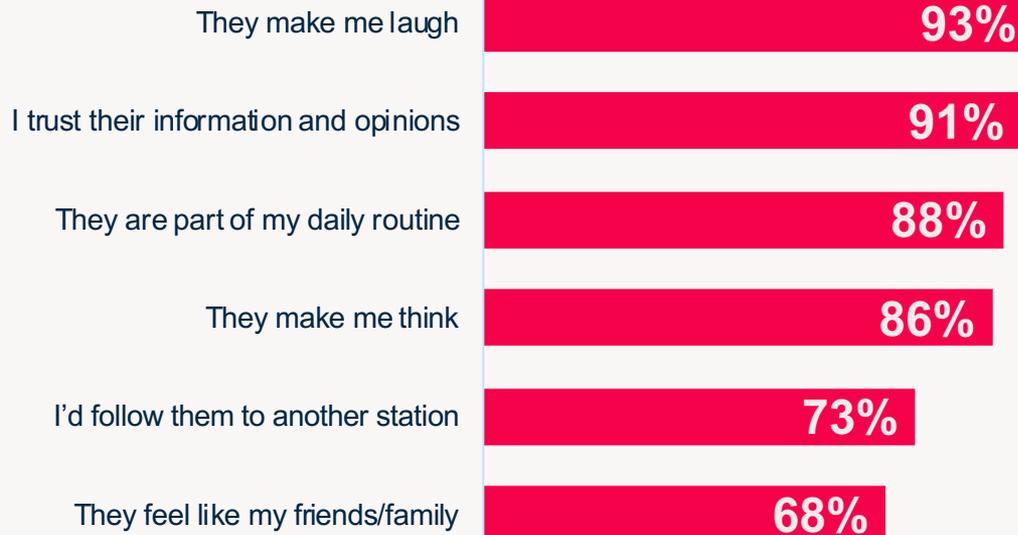
RADIO LISTENERS CONNECT TO THEIR FAVOURITE HOSTS

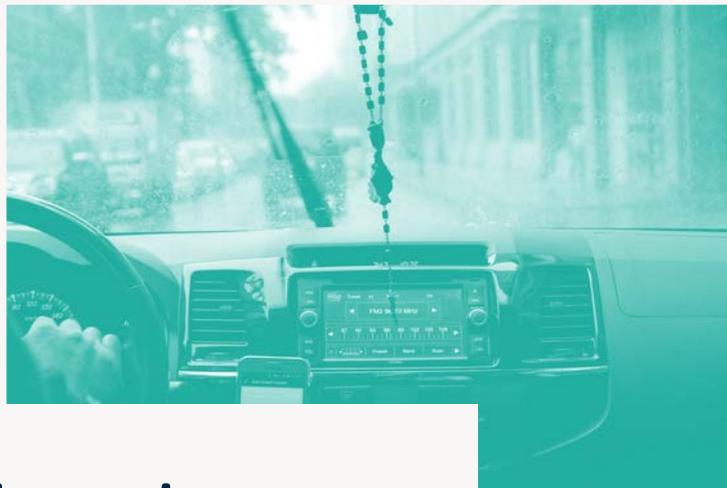
Nearly 1-in-3 have favourite hosts. They like their humour, and they trust their information and opinions.

Have favourite hosts on AM/FM

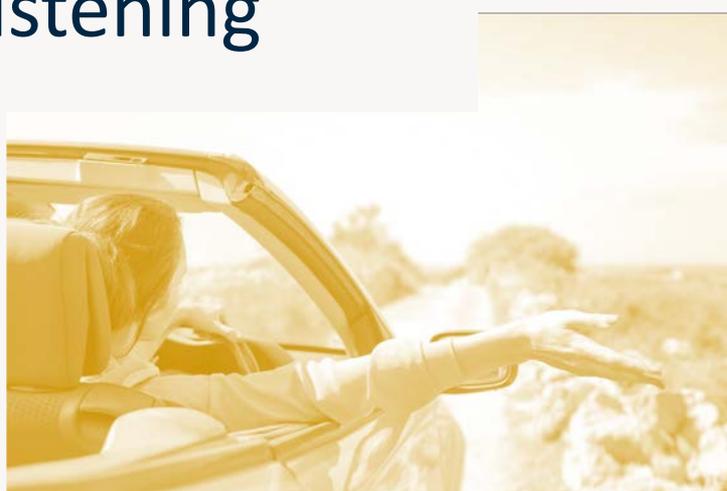


Agree strongly/moderately





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.

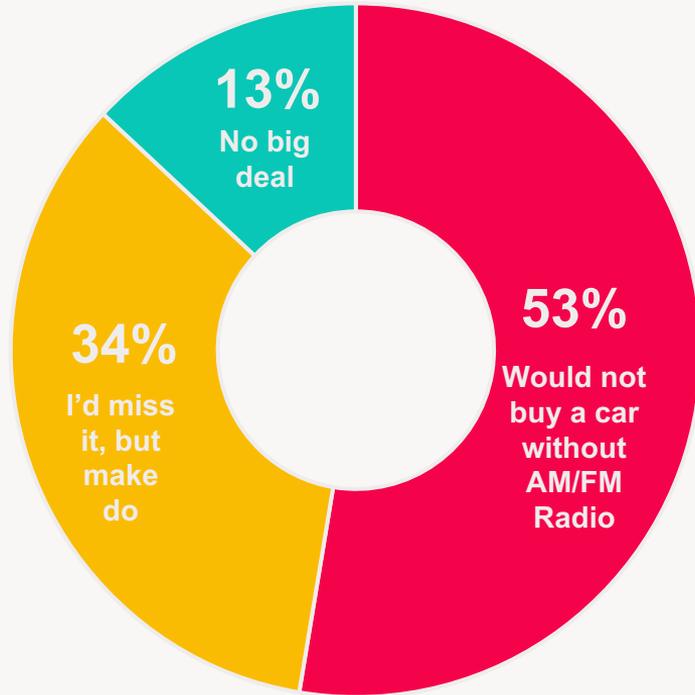
% Who Ranked Each Feature as <u>Most</u> Important in New Car/Truck	iPhone Users	Android Users
AM/FM Radio	27%	30%
Driver assist features (such as automatic braking)	19%	21%
Adaptive cruise control	13%	12%
Apple CarPlay/Android Auto	12%	9%
Automatic parallel parking	10%	10%
Built-in WiFi	10%	9%
Lane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



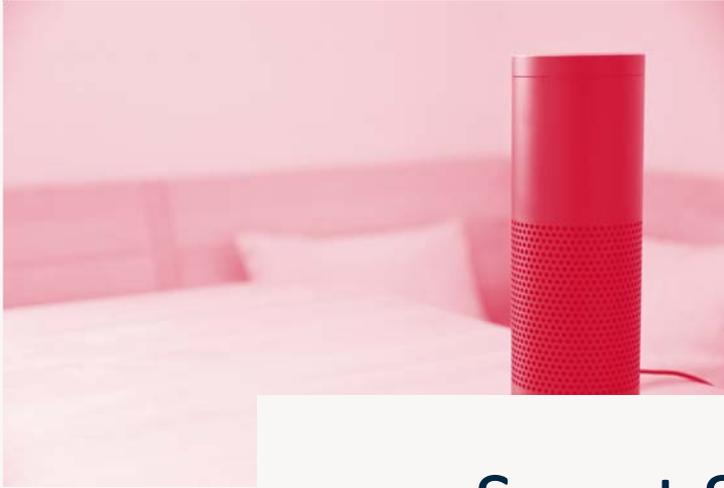
Q. F7_1. Please rank each of the following features in terms of how important they would be to have in your new car or truck.
Base: Canadians 18+ iPhone users (n=1,195); Android users (n=1,794)

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.



Q7. To what extent would you miss an AM or FM radio if it wasn't available in the next car you bought?
Base: Canadians 18+ who intend to purchase a new car in the next year (n=495)



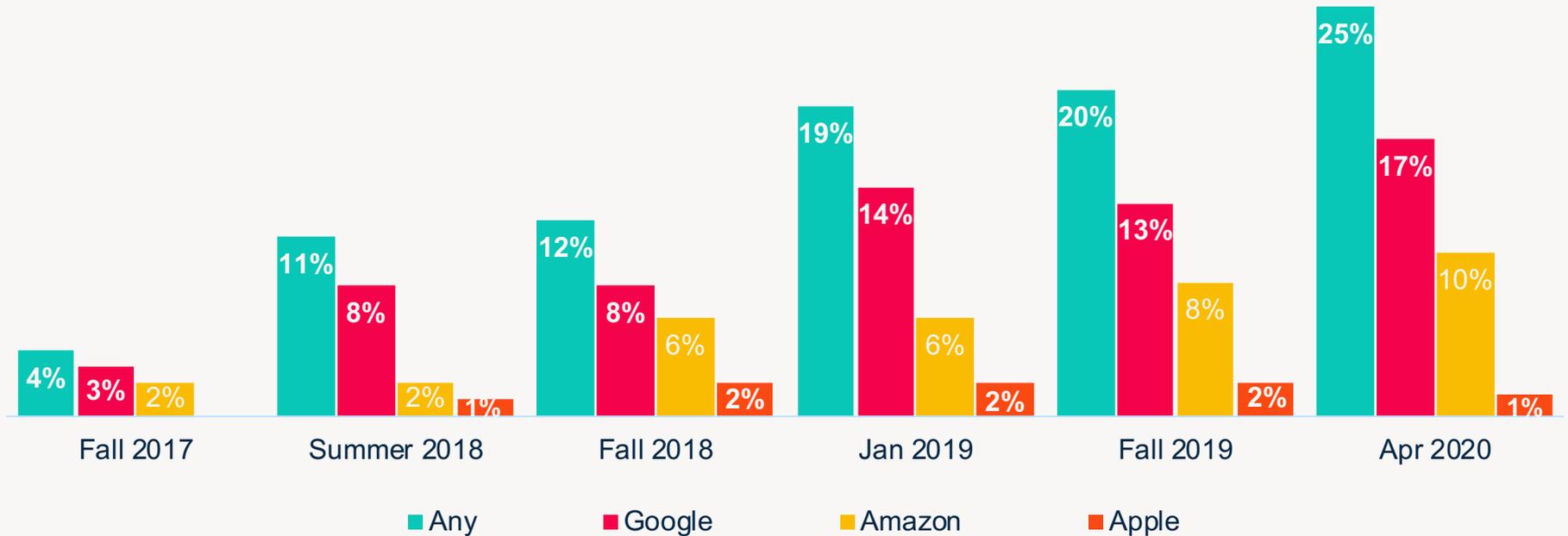
Smart Speakers



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

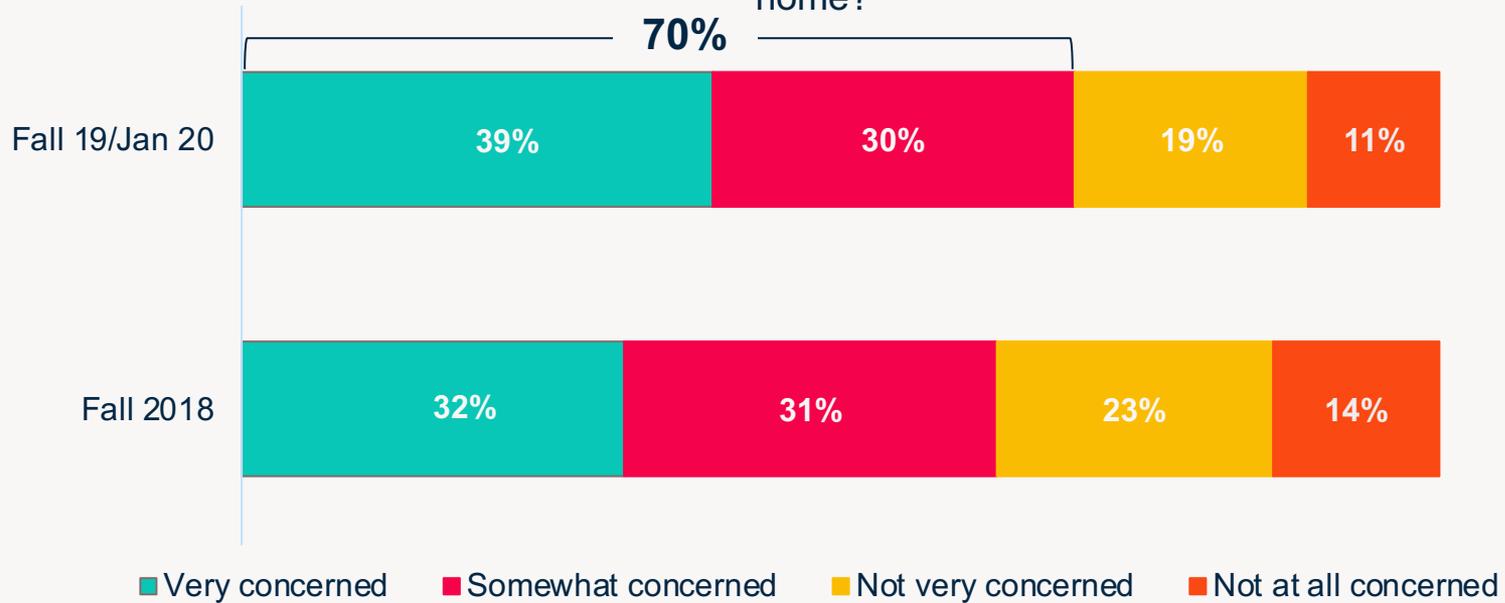


F17. Which of the following would best describe your experience with the Amazon Echo /Alexa, Google Home and Apple HomePod "smart" speakers?
Base: Canadians 18+ (n=1,512), January 2019 / *Canadians 18+, Radio on the Move, Apr 2020 (n=3048) Fall 2019 (Nov-Dec only) (n=3,005), Fall 2018 (n=3,505), June 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.

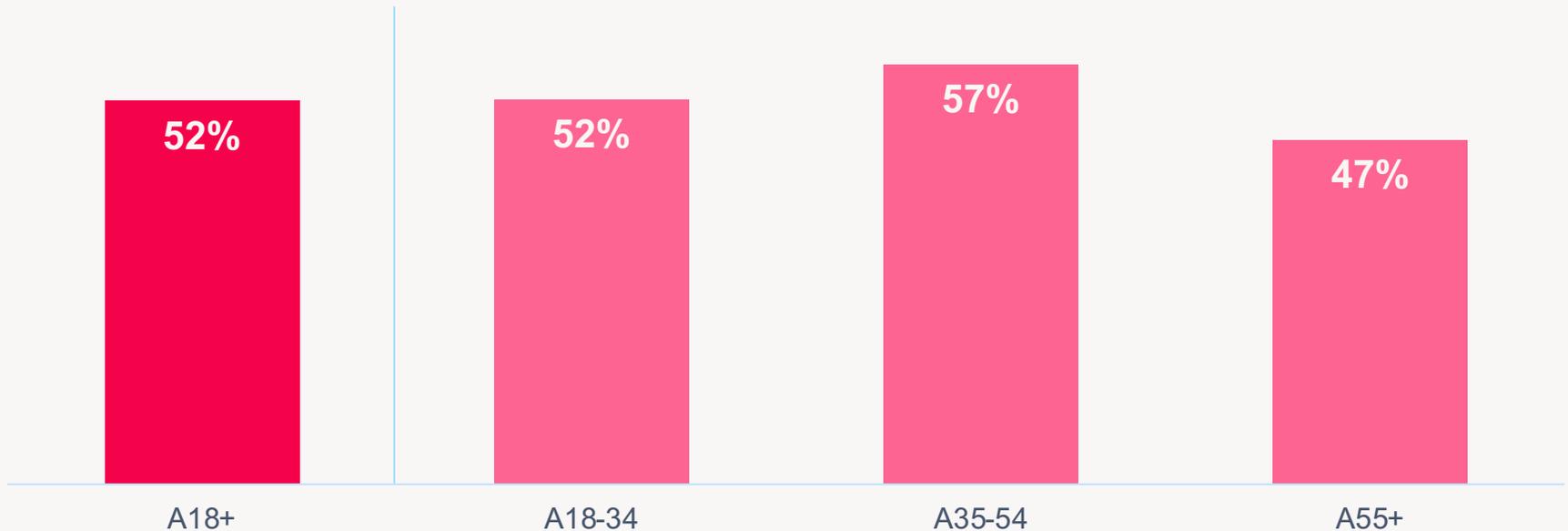
<i>Used smart speaker this way in past week</i>	Fall 2017	Fall 19 /Jan 20
Music	38%	47% ↑
Weather info	29%	47% ↑
Setting alarms	26%	35% ↑
Checking the time	20%	31% ↑
AM/FM Radio	24%	27% ↑
Wikipedia-style questions	23%	26% ↑
Control other smart devices	16%	24% ↑
Access to news	21%	22% ↑
Making shopping / 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



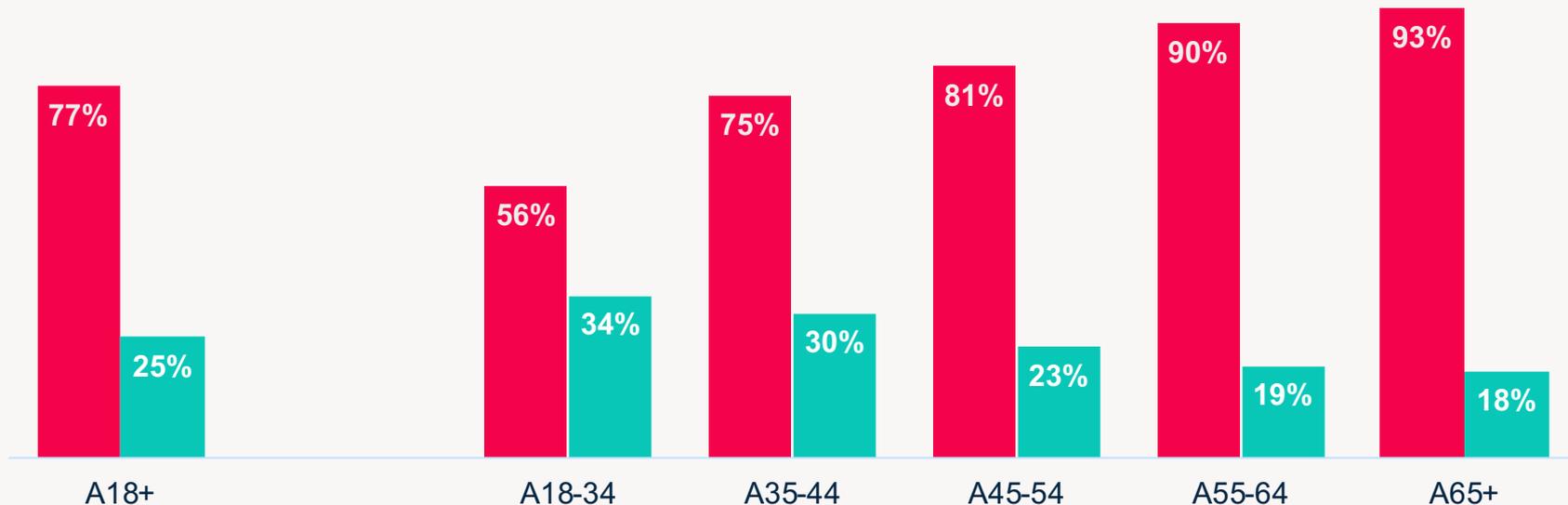
P2. Which of the following best describes your experience, if any, in trying to listen to your favourite local FM or AM stations on your smart speaker(s)?
P3. How, if at all, has your listening to FM or AM radio on smart speakers changed since the government asked people to stay-at-home during the COVID-19 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

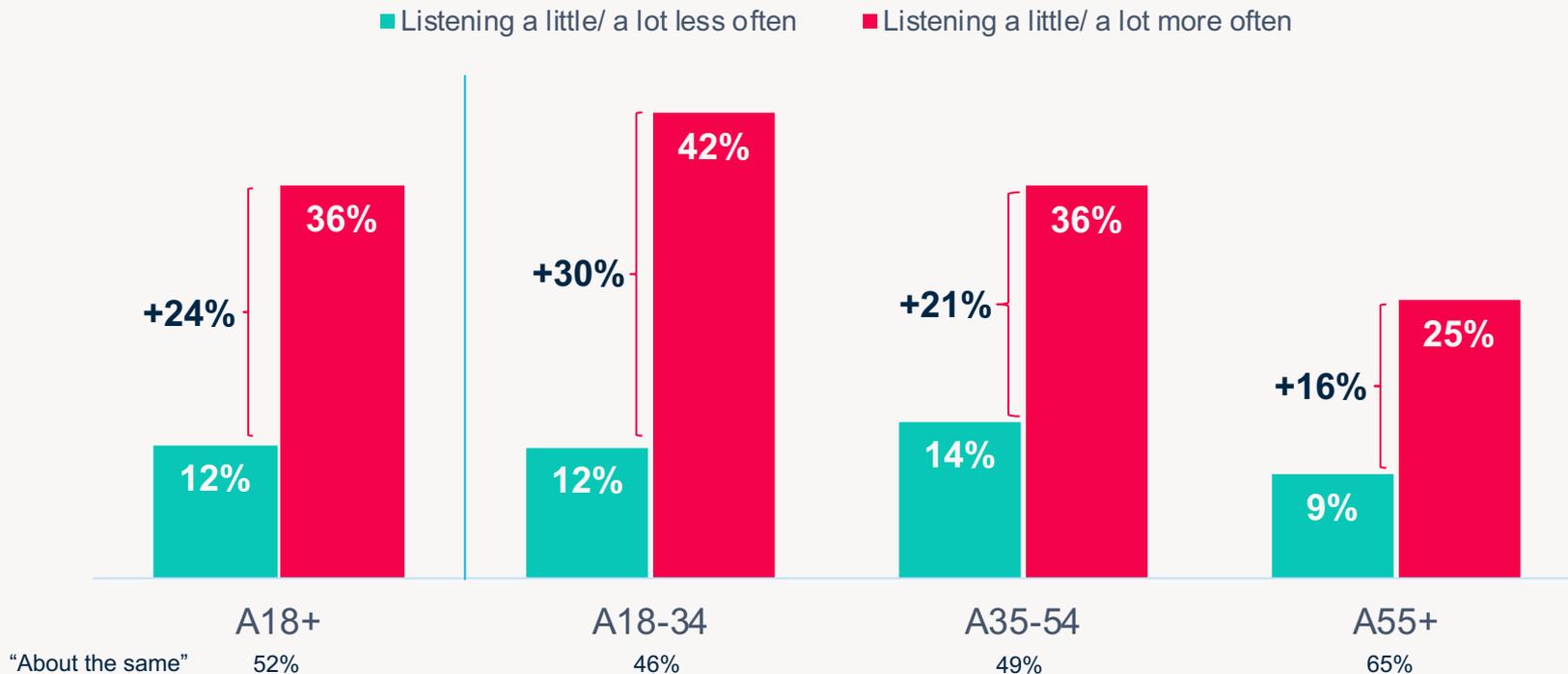


P5. How many regular FM/AM radios (e.g., clock radios, kitchen radios, stereo receivers) do you have in your home?
Base: Smart speaker owner, April 2020 (n=750), A18-24 (n=118), 25-34 (n=551), 35-44 (n=409), 45-54 (n=681), 55-64 (n=493), 65+ (n=796)

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

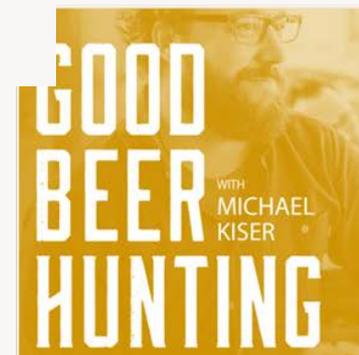


P3. How, if at all, has your listening to FM or AM radio on smart speakers changed since the government asked people to stay-at-home during the COVID-19 pandemic?

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)

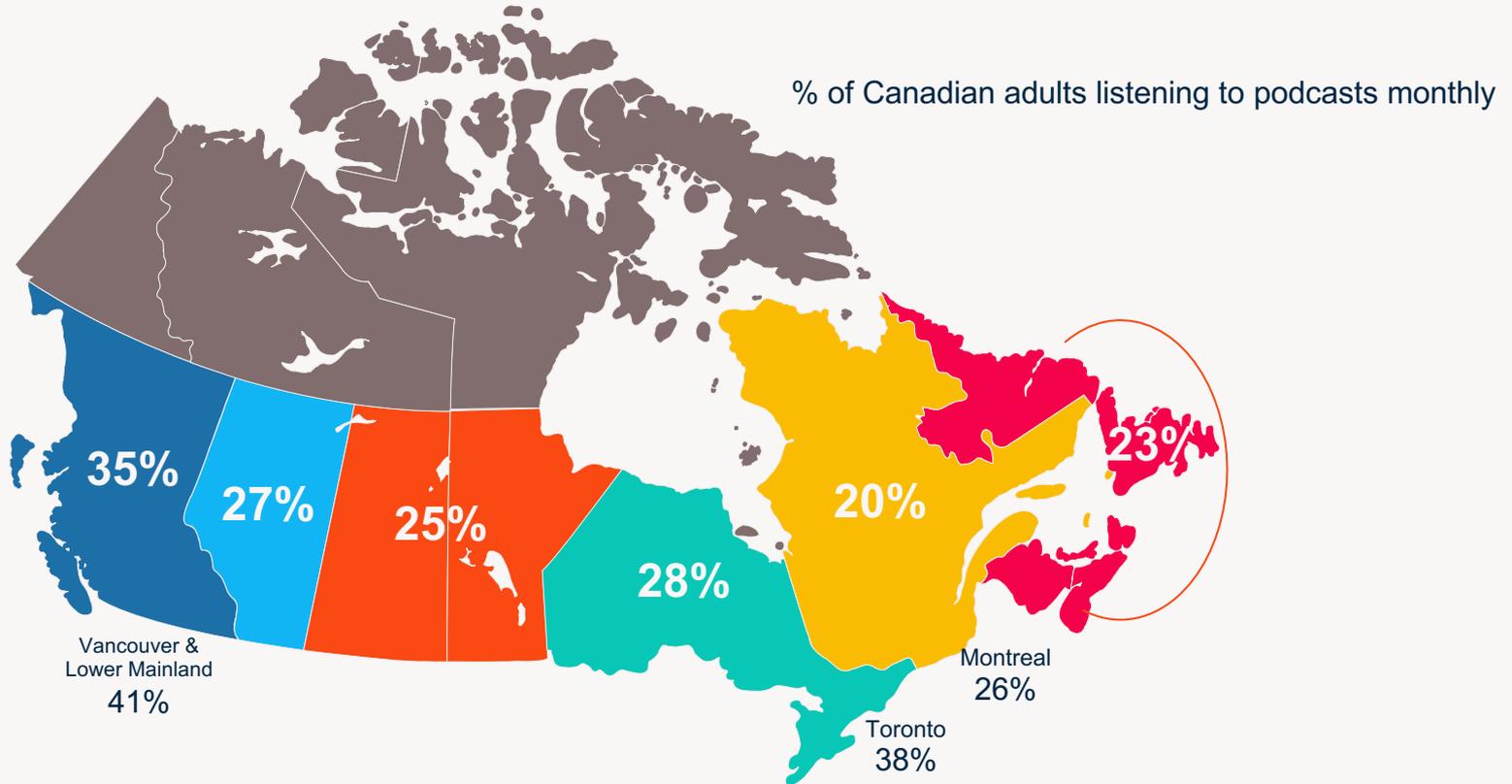


Podcasts



PODCAST LISTENING SKEWS TOWARDS URBAN AREAS

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

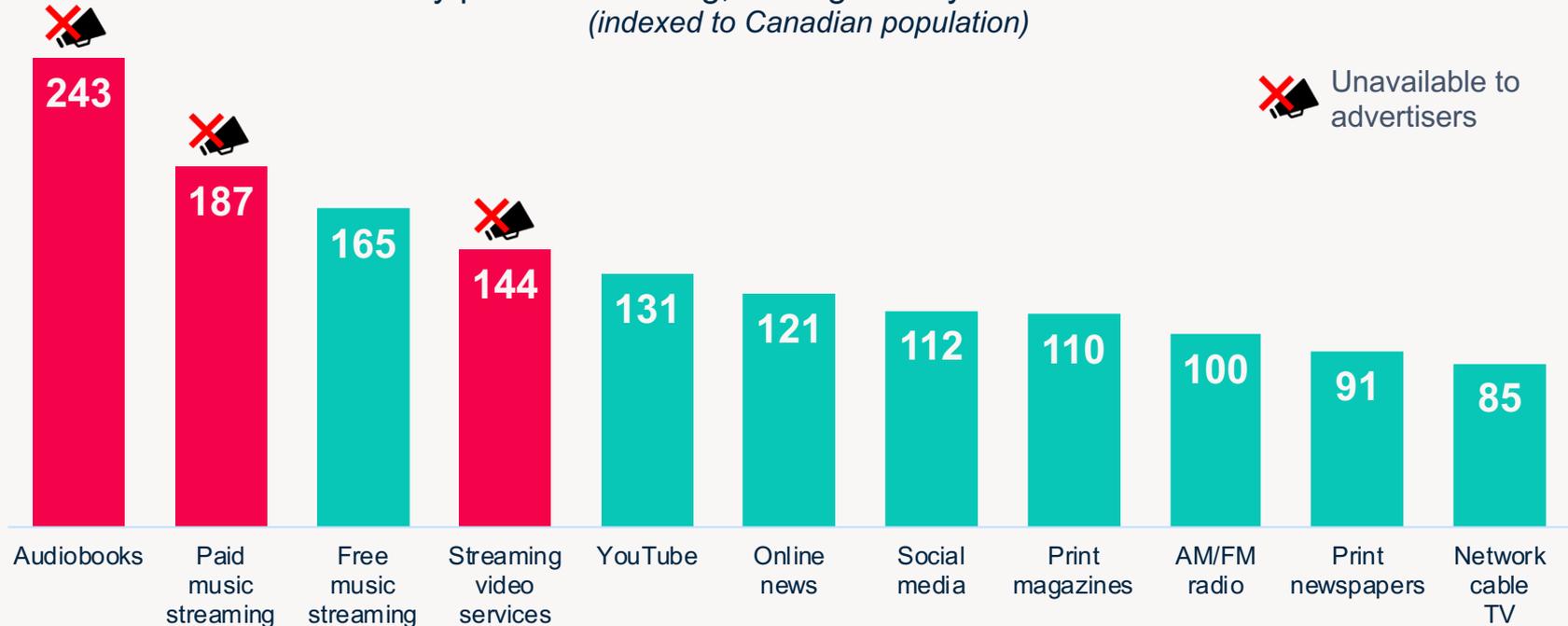


Source: The Canadian Podcast Listener 2019 – Calibration Study / Which of the following best describes your most recent experience with podcasts / How often do you listen to podcasts? (Monthly = Listened in past year & listen 1+x/month) Base: Canadians, aged 18+ (n=3,040)

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)



 Unavailable to advertisers

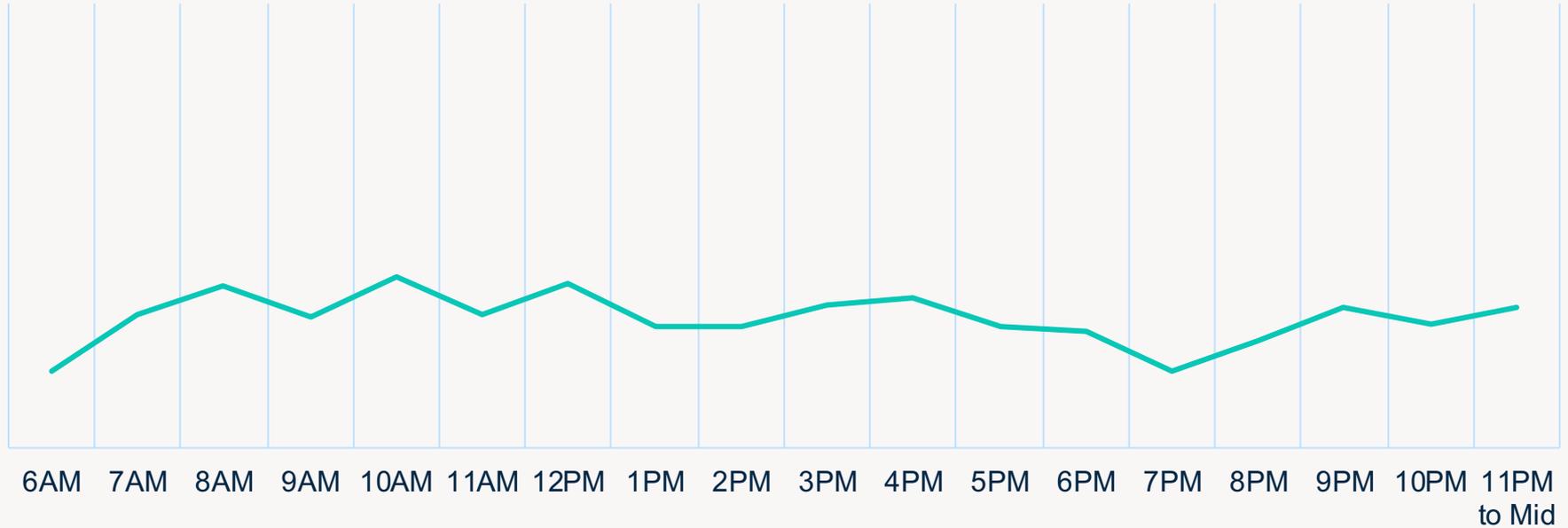
(e.g., Netflix, Crave)

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

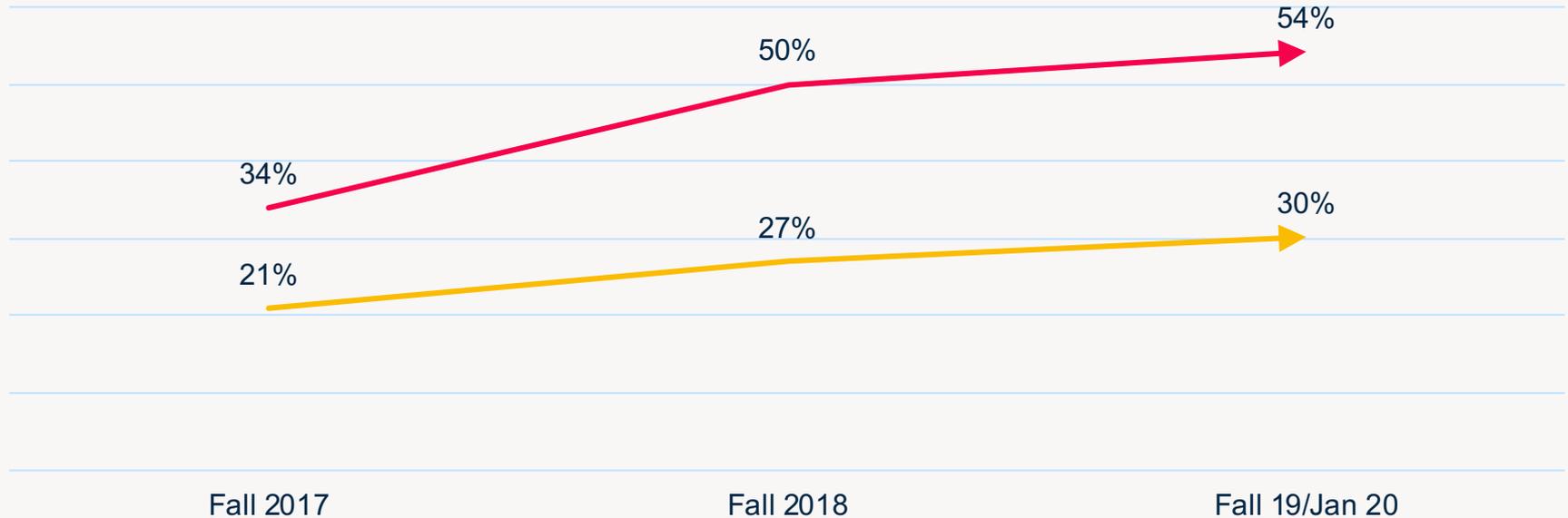


GROWTH OF MUSIC STREAMERS BEGINNING TO PLATEAU

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



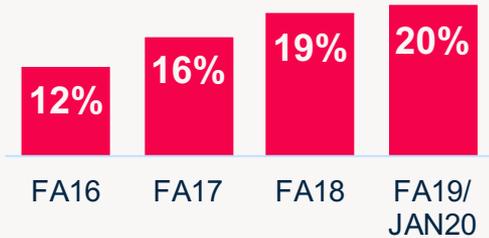
B3b. [Past Week Summary] When is the most recent time, if ever, you listened to the following types of audio on ANY DEVICE?
Base: Canadians 18+ (2019n=4,000)

GROWTH OF MUSIC STREAMING SERVICES SLOWING

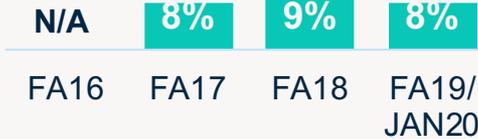
Spotify and Google Play notch modest growth in weekly and daily users while Apple is flat.

Weekly and daily use among A18+

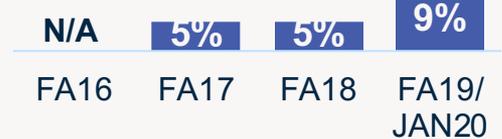
SPOTIFY WEEKLY YOY



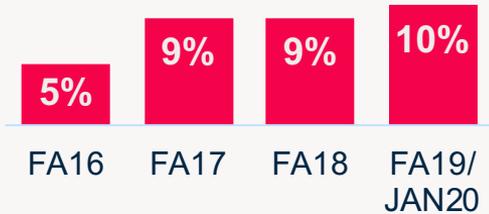
APPLE MUSIC WEEKLY YOY



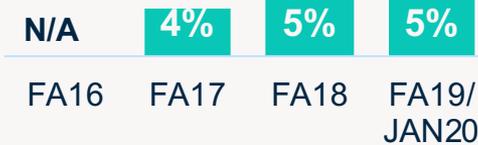
GOOGLE PLAY MUSIC WKLY YOY



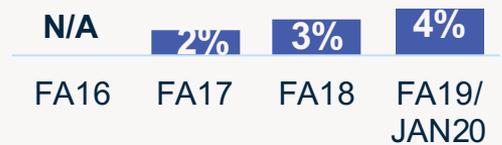
SPOTIFY DAILY YOY



APPLE MUSIC DAILY YOY



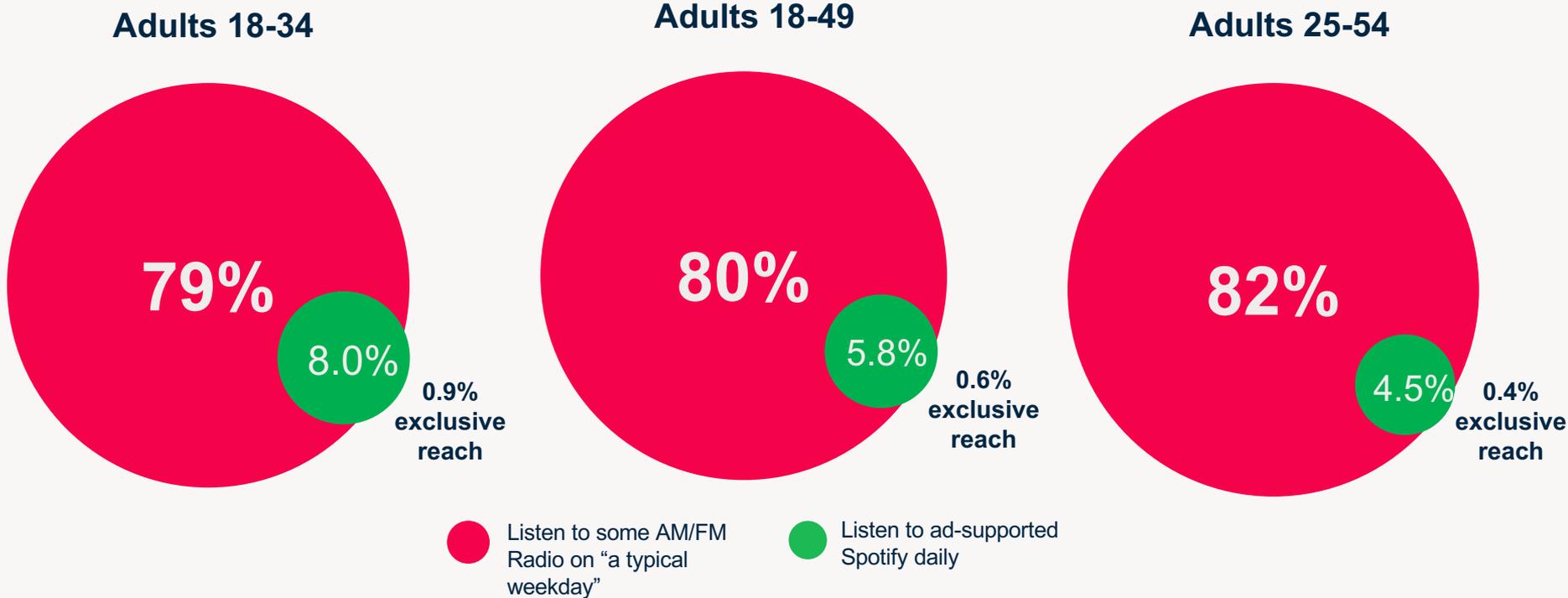
GOOGLE PLAY MUSIC DAILY YOY



F13. Overall, thinking of all locations, how often, if ever, would you say you listen to:
Base: Canadians 18+: Fall 19/Jan 20 (n=4,000); 2018 (n=3,505); 2017 (n=3,470); 2016 (n=2,026)

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.



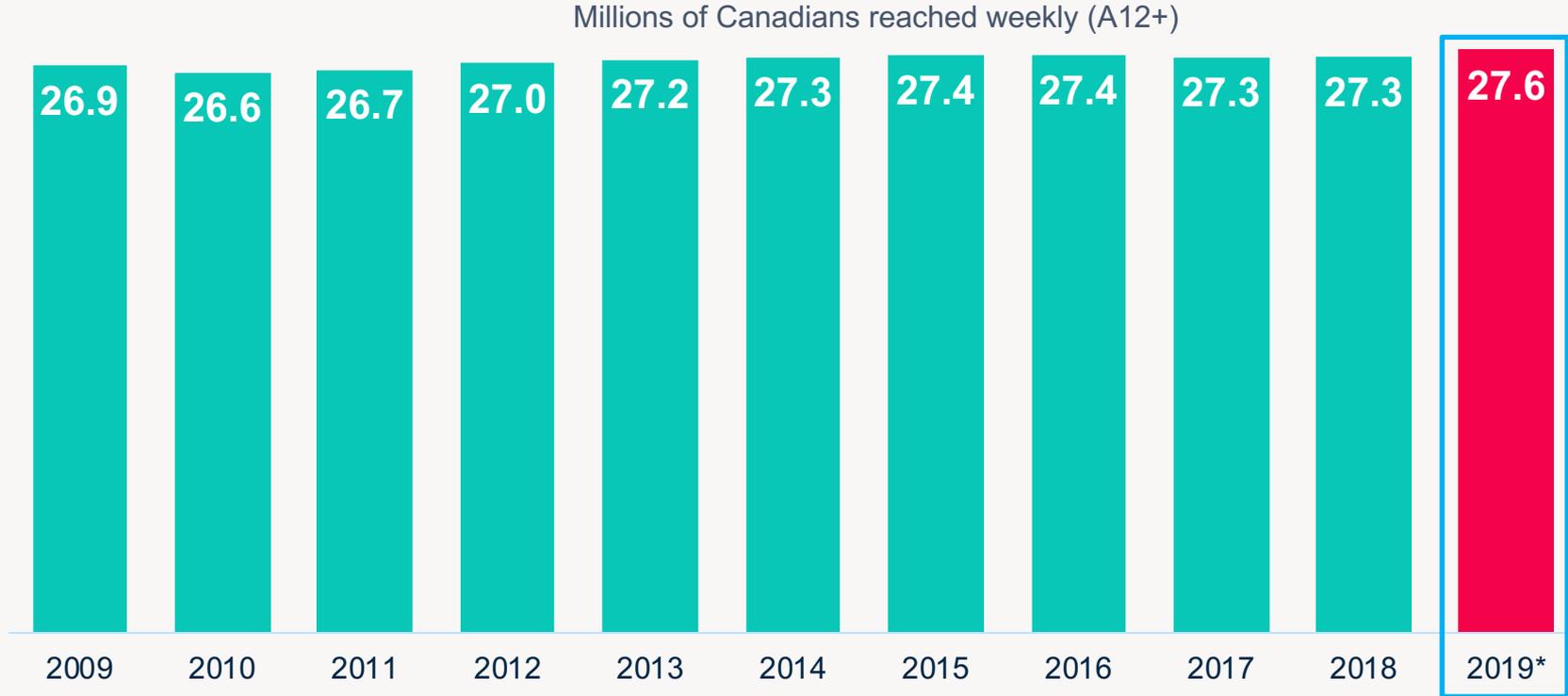


Radio Connects Advertisers to Canadians



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

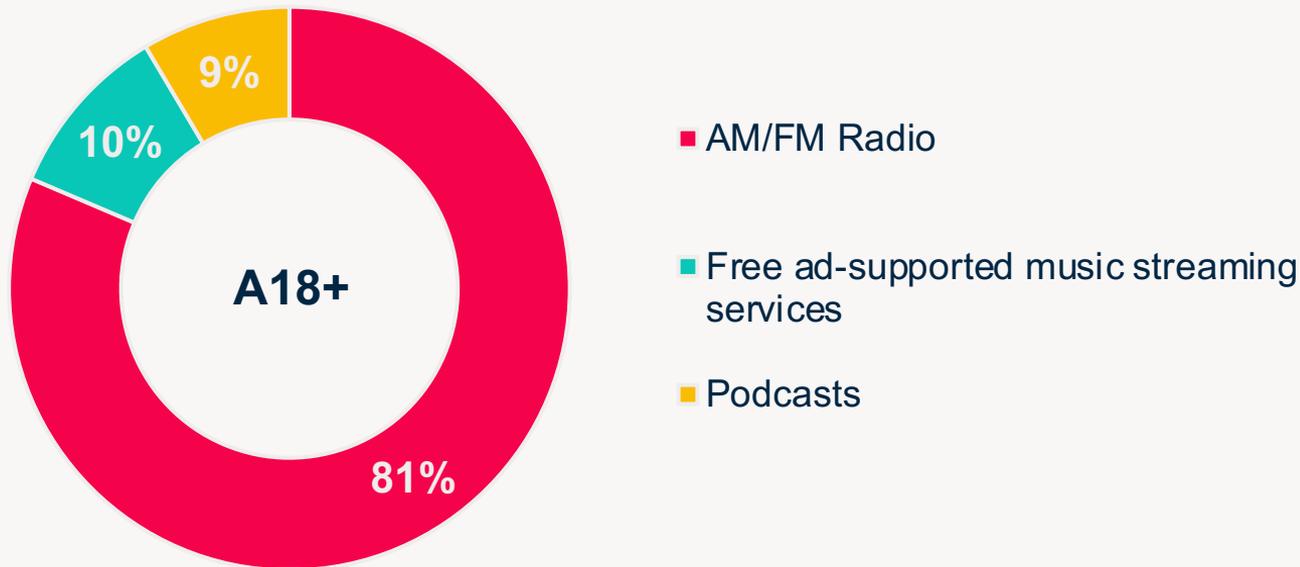
Source: Numeris Radio Diary, Fall Surveys, Mo-Sun 5a-1a, A12+. Note: Fall 2016 ORD introduced.

*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

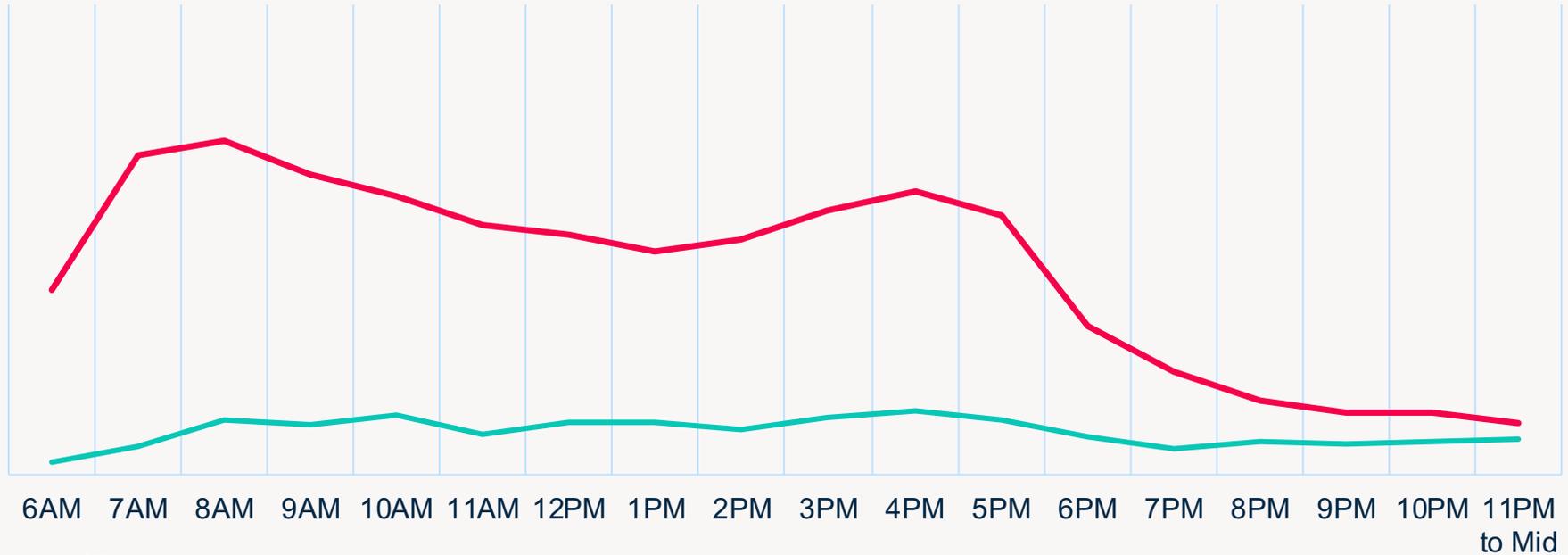


AM/FM RADIO DOMINATES OTHER BUYABLE AUDIO ALL DAY

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)

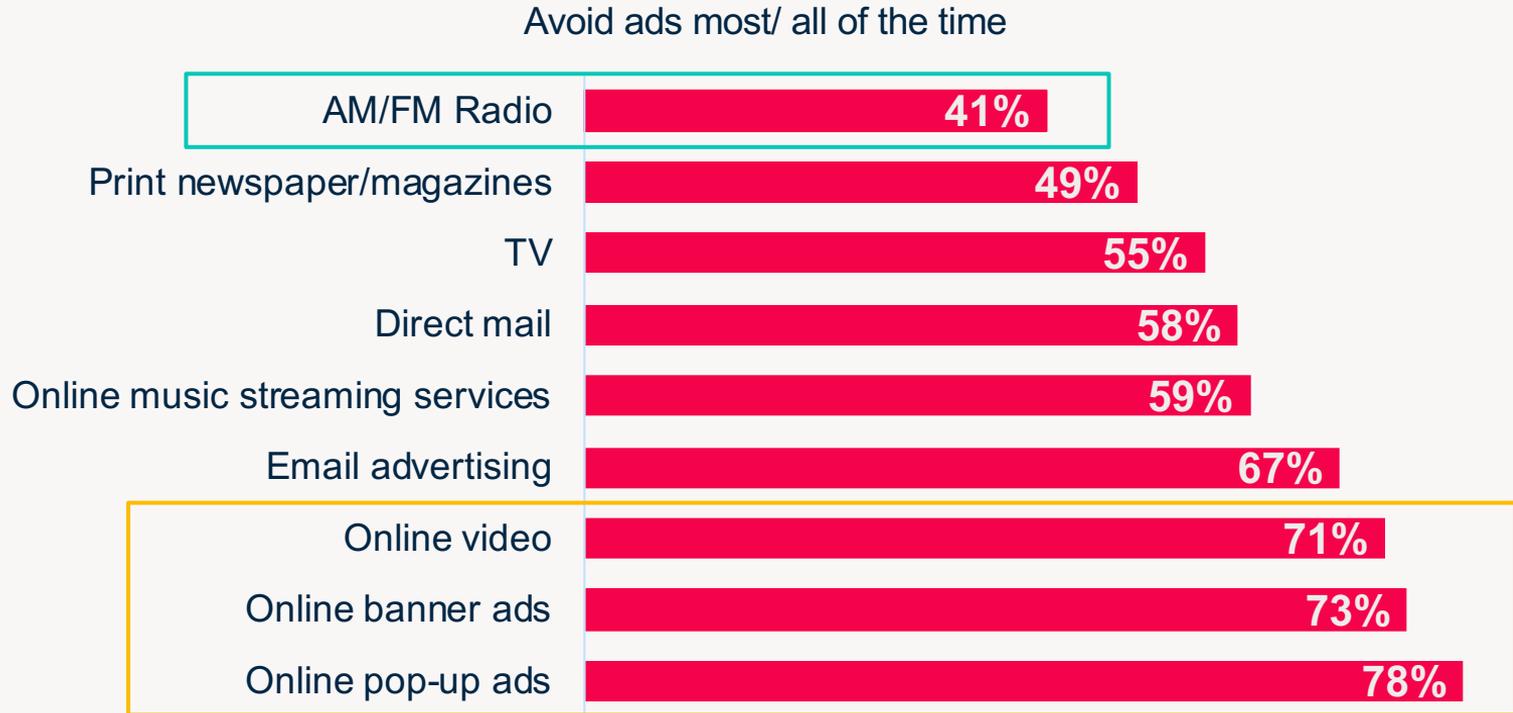
— Total AM/FM Radio — Other buyable audio*



*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.

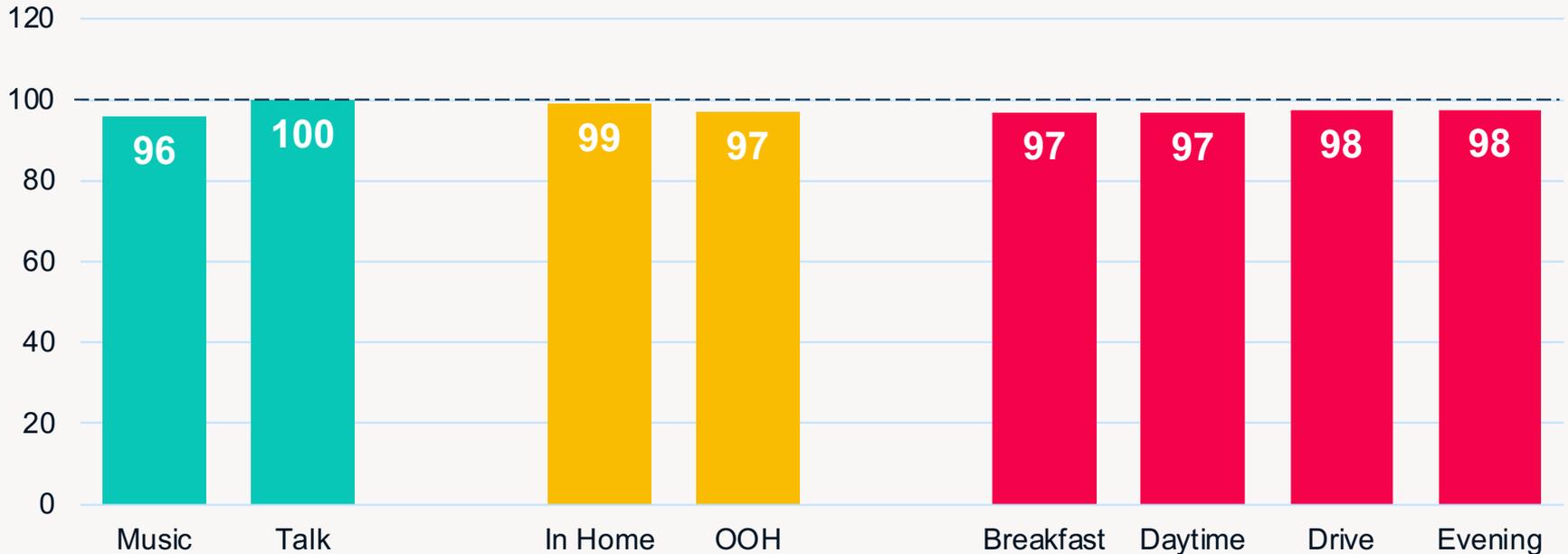


[AD4] When you come across ads in each of the following places, how often do you actively avoid those ads by skipping, blocking, tuning out, turning away, throwing away or otherwise avoiding the ad? Base: Canadians 18+ (n=4,000) *of those who use Online music streaming services (1,567)

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: Michelon, 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



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