

Drive Times Are Important But Advertisers Under-Estimate Middays And Weekends.

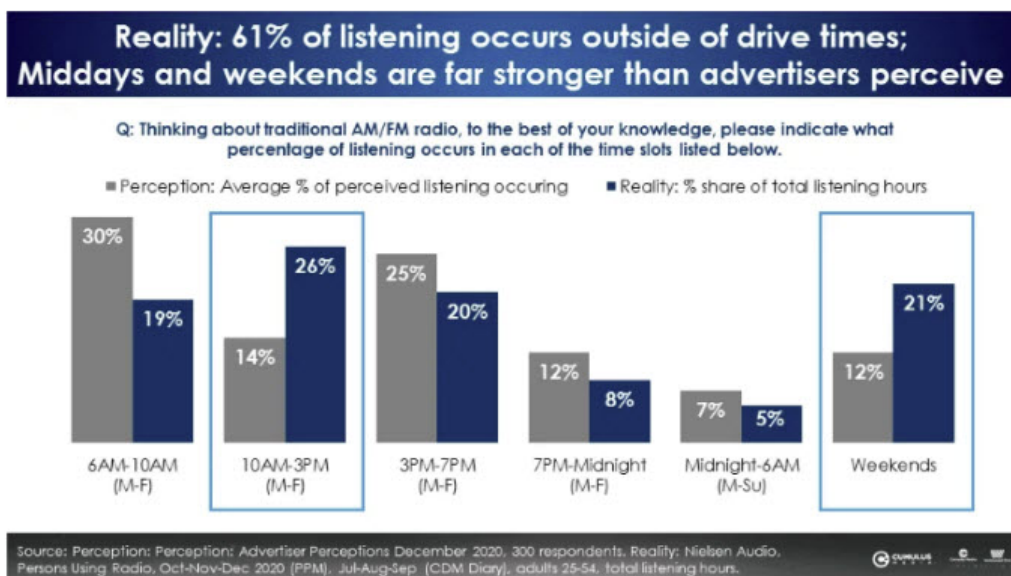
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Broadcasters that follow Nielsen PPM listening trends know that middays is radio's most-listened-to daypart, exceeding both drive times in its share of total listening hours. That was true before the pandemic and remains the case today. But advertisers mistakenly believe that most listening occurs during morning and afternoon drive.

"Some advertisers only buy drive times thinking they are getting most of AM/FM radio's audience," writes Pierre Bouvard, Chief Insights Officer at Cumulus Media/Westwood One in a post on the "Everyone's Listening" blog. After all, numerous studies show AM/FM radio dominates in-car listening, including the latest Edison Research "Share of Ear" study from fourth quarter 2020. It showed AM/FM radio has an 88% share of ad-supported audio in the car.

In December 2020, Advertiser Perceptions, which tracks advertiser and agency sentiment, surveyed 300 marketers and agency professionals to see when they think AM/FM radio listening happens. They found advertisers estimate more than half of all broadcast radio listening occurs during drive times. That breaks out to the mistaken belief that 30% of listening happens during weekday morning drive (Mon.-Fri, 6-10am) followed by afternoon drive (Mon.-Fri., 3-7pm) at 25%. Middays (10am-3pm) came in third at 14%, narrowly inching out nighttime and weekends.



But those percentages don't square with reality, bringing to light another area where advertiser perceptions are out of synch with actual listening behavior. According to Nielsen's fall 2020 PPM and diary data, 61% of U.S. AM/FM radio listening occurs outside of drive times. Middays are the most-listened-to time period, accounting for 26% of tune-in, nearly double the 14% advertisers and agencies came up with. Media buyers also over-estimate the percent of listening that takes place in drive times, especially in morning drive. Nielsen says the Mon.-Fri, 6-10am daypart accounts for 19% of listening, compared to the 30% perception among agencies and advertisers.

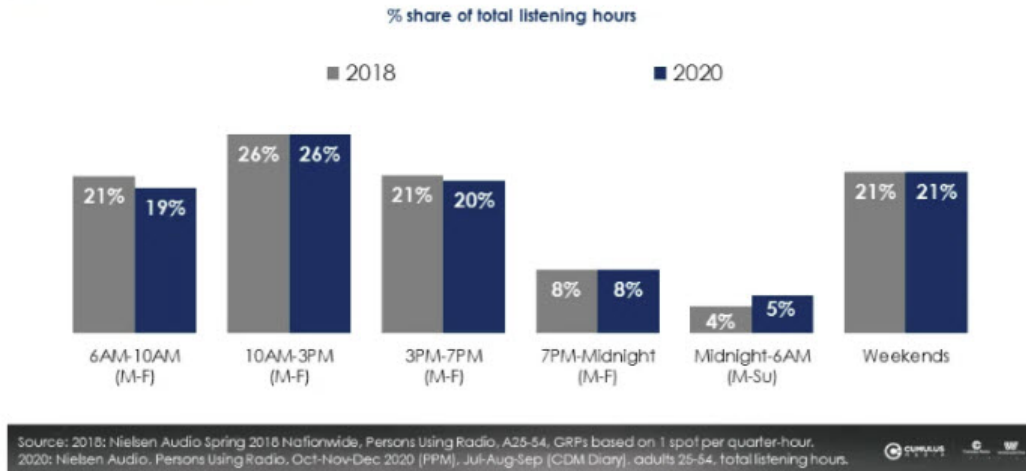
Middays aren't the only daypart where media buyer perceptions are out of whack with reality. "There is also a major disconnect about weekend listening," Bouvard explains. "Advertisers perceive only 12% of all listening occurs during the weekend. The Nielsen reality is 21% – bigger than morning drive."

The new data also shows that despite disruption to listening behaviors caused by the pandemic, the share of AM/FM radio listening by daypart is very stable, at least during the last three months of 2020.

Same As It Ever Was

Comparing AM/FM radio listening from 2018 to 2020 shows remarkably little change. Middays, nights, and weekends have maintained their listening levels with no change over the two-year period. Mornings and afternoons dipped slightly while overnights increased from 4% to 5%.

The pandemic has not impacted daypart listening patterns: Share of AM/FM radio listening by time period stable



Bouvard contends the advertiser practice of only buying drive times is both dangerous and harmful to advertiser sales growth. "Countless sales lift and ROI studies conclude that the number one media factor that drives sales is reach," Bouvard writes. "The more people a campaign reaches, the greater the sales lift. Increasing reach ensures a campaign can impact sales."

Moreover, restricting AM/FM radio buys to drive times misses 60% of the AM/FM radio audience. "It reduces reach and harms advertiser sales lift," Bouvard argues.

Backing up that statement with empirical evidence, he points to an example where an advertiser put all their money into morning drive and reached 22% of the market. As dayparts were added using the same budget, reach grew from 22% to 33%. In fact, spending the same budget on a broader daypart mix caused reach to soar 54%.

"AM/FM radio does not just dominate in-car listening during drive time. It is also there during the day when Americans are working," Bouvard concludes. "Drive time is an important time for AM/FM radio advertisers but the reality is middays and weekends are just as effective for advertisers to reach consumers."