

Marketers Ride New Waves of Radio Advertising

Author: Tammy Greenberg, SVP/Business Development, RAB

One of the hottest trends in advertising is “screen-free media,” as people liberate their eyeballs and engage their ears with a potpourri of audio programming. However, for marketers to capitalize on the audio renaissance, they must develop an audio strategy that goes beyond ad buying and adopts a distinctive voice and sound for their brands, according to the Carat Trends 2021 report, titled “The Year of Emotionally Intelligent Marketing.”

The diversification of audio platforms and the attention audio commands among consumers has opened up tremendous opportunity for brands to expand their audio strategies and grow their audiences.

As broadcast radio remains the king of the audio universe, providing the pervasive scale and reach, omnipresent ease of access, local relevance and personalized, immersive experiences, the Radio Advertising Bureau (RAB) talked with media and marketing industry leaders and asked them to provide their experience, thoughts and advice that will help stimulate growth for marketers as they navigate audio’s effective use for their brands.

“The ad community is looking at audio in a totally new way, just as they looked at radio in a new way when FM came along and television in a new way when cable came along,” says Jack Myers, media ecologist and founder of MediaVillage. He adds, “Marketers are still catching up with the trend and, in many cases, radio continues to be somewhat of a second-class citizen when, in reality, all the statistics prove it is the dominant force in audio. As the shift from radio to a broader audio perspective continues to grow, the core value of radio must be recognized as the dominant force in audio.”

Painting a Picture

Myers’ advice to marketers evokes a strategy attributed to Phil Guarascio, former CMO at General Motors. To wit, 5 percent of every budget should be reserved for innovation. Looking to innovate in audio, for instance, brands have landed on podcasting. These brands often end up in the hands of radio broadcasters who can help them broaden their reach, leverage radio as a megaphone, and generate growth.

Asked about the role that radio plays in the marketing mix, Marla Kaplowitz, president and CEO of the American Association of Advertising Agencies (4A’s), says that because consumers “are inundated with ads, audio and radio offer a very different and effective alternative to capturing consumer attention while adding complementary scale.”

Kaplowitz stresses that the biggest challenge for brands and agencies tends to be creative. “It is a given that adding radio to a media mix is going to extend the reach and provide the opportunity to engage consumers differently,” she says. “To be successful, brands must be thoughtful about the right execution because audio is not stimulating the other senses in the same way as visual media can. Brands must really focus on allowing the consumer to create their own visual sense connected to the audio advertising that invites them in.”

Kristy Carruba, director of audio strategy and planning at Macy’s, who has been on the buy side of the media industry for decades, has always been a fan of audio branding.

Carruba took part in an Audacy-hosted webinar in which she emphasized that audio is at the forefront of media planning now more than ever. “People create habits and relationships with audio and there is a tremendous amount of comfort they have with the medium,” Carruba told the RAB. “Audio is so good at storytelling and podcast hosts have incredible influence over our customers; we see it in results.” Carruba adds that marketers ignore radio at their own peril. “It’s a big miss if audio is not part of the plan,” she says. “It’s easy, it’s efficient, and it connects with our audiences through the power of storytelling.”

Relaxium is a direct-to-consumer (DTC) natural sleep aid brand in an increasingly competitive market that established itself on television and has recently expanded into radio. Timea Ciliberti, CEO and founder of Relaxium, leverages the medium because it is cost-effective and provides the scale that can generate not only a profitable return, but also a boost in brand awareness.

“We know that our customers listen to radio and we want to make sure we reach others who struggle to get a good night’s sleep,” she says. “Radio endorsers bring an added layer of credibility to the advertising and have loyal fans who really trust their opinions.”

When it comes to identifying the radio endorsers, or influencers, Ciliberti advises marketers to partner with on-air talent who are also consumers with a deep passion for the brand. The more loyal a consumer, the more trusted the conversation for the listening audience.

National Reach, Local Flavor

Radio has a long and proven track record of partnering with the broadcast and theatrical industries to drive tune-in programming and theatrical releases through frequency-based plans, content integrations, and talent endorsements, among other marketing vehicles.

As media platforms diversify, brands continue to cultivate radio partnerships, with the goal of deepening the conversations among consumers. Take HBO Max. WarnerMedia's direct-to-consumer platform, which features a wide array of programming from its HBO, Warner Bros., DC, and Cartoon Network properties, developed HBO Max Podcast Program in 2019 featuring companion podcasts for hit HBO series such as Chernobyl and Lovecraft Country.

The podcast program recently expanded to include scripted audio originals, brand podcasts, and look-back podcasts.

"Audio is a way to reach consumers in a different location; no one is driving their car while watching HBO Max," Josh Walker, chief strategy officer at HBO Max, said during the Audacy webinar. "Audio opens up the opportunity to connect beyond the living room and it is really important to us and our talent as it allows them to create a deeper connection outside of the traditional video format and makes the bond tighter." And it works, with 85 percent of HBO Max listeners saying they feel more connected to the shows they watch due to the podcast.

Kendra Clune, associate media director at Kroger, the national chain of grocery stores, refers to radio as the brand's workhorse. Like most marketers, Kroger uses a 360-degree approach for its media and marketing efforts. "Broadcast radio in particular is used to build efficient reach," Clune says. "It's also a media channel that keeps the brand top-of-mind to build the mental availability for our customers."

Kroger is on the air in its various markets 52 weeks a year, connecting locally with its key audiences. The company deploys a laser-like focus on ensuring its marketing mix modeling data and audio – inclusive of radio, streaming, and podcasts – delivers strong ROI, with double-digit growth year-over-year. "If you are looking for efficient reach with local impact," Clune says, "radio is your answer because for Kroger it delivers one of the strongest ROIs."

Andy Ehlen, senior media planner/buyer at Grady Britton, amplified the sentiment regarding the impact that audio provides to both local and national media plans. "Radio is truly mass media," he says. "It's one of the few forms of media that is versatile, free and open to everyone, making it so easy to reach everyone while targeting niche and diverse groups of consumer audiences."

From broad reach to content alignment to promotions and events, Ehlen says there are myriad ways to slice and dice an audio plan (depending on budgets, target audiences, and the brand objectives).

Maureen Carlson, chief programs and marketing officer at Children's Miracle Network Hospitals, discussed the relationship that nonprofits have with radio broadcasting. "Radio in particular has an unbelievable social-responsibility attitude, one that is all about giving back," she says. "It is one of our most effective fundraising vehicles, responsible for raising more than \$700 million dollars over the last couple decades."

Asked what sets radio apart, Carlson says it's the ability for local storytelling. "When radio station talent share a passionate story about how the fundraising effects a local child, in a local community at a local hospital, magic happens," she says. "These stories work better in radio than they do in any other media." Children's Miracle Network Hospitals deploys a three-pronged approach to its radio strategy: embedded spending within the brand marketing mix, annual radiothons, and partnerships with brands in which the nonprofit tells a story and raises funds simultaneously. From the nonprofit's perspective, a beautiful story combined with a powerful delivery by a beloved radio talent leads listeners to take action.

Boosting ROI for Other Media Channels

Radio has been dialing up new opportunities for DTC brands. According to eMarketer, digital DTC sales are expected to grow another 15.9 percent in 2021, reaching \$175 billion by 2023. That's on top of the pandemic-fueled 45.5 percent growth for direct-to-consumer brands from 2019 to 2020.

Marc Osgood, owner of direct response advertising and marketing firm Direct Response Professional, says that radio should be considered when looking for the next acquisition channel. "Ad channel synergy is real," he says. "The ad dollars you spend in radio not only drive their own ROI but can also help elevate other media, including television, print, and online, and the reverse is also true."

Osgood says it's easy to test marketing messages with radio, which provides brands and organizations with efficient cost-of-entry from both a creative and media standpoint. "Radio is at its best when your advertising speaks to the customer's inner voice that visuals could distract and when used properly," he adds. "It can really be a powerful platform."

Full-service omnichannel agencies that are putting audio at the center of their client efforts are achieving results. Havas

Edge, for instance, is a data-centric shop that provides brands with the ability to test, optimize, and scale their audio advertising campaigns.

“We are in an exciting time for audio, and measurement is different for every platform,” says Christina Wong, group media director at Havas Edge. “With streaming and podcasts, we can measure through pixels and broadcast. What we have found across the board, regardless of channel, is audio’s ability to drive lift across KPIs, and when you combine audio with other channels it’s an even greater lift in web traffic and conversions.”

For marketers who have yet to consider audio’s appeal, “don’t get overwhelmed with audio across all of its channels,” Wong adds. “You have to start with the trusted source, ask questions, don’t be afraid of it. The listeners are loyal, and when you tap into that loyalty it will be a long-term play that achieves both short- and long-term results for the brand.”

Marketers from both the client and agency sides agree that audio, and more specifically radio, when distributed across multiple platforms, brings ample benefits to brands and organizations: efficient reach, storytelling in its purest form, social responsibility, and immersive experiences that drive results.

The advice from brand to brand for effectively using audio is resoundingly clear: If a marketer is not using audio, jump in because it is a tremendous opportunity for increased engagement and growth. Audio is where the consumer wants to be. Sonic identities are key, and radio is fueling the entire audio ecosystem.

This article was originally published to the Association of National Advertisers (ANA) Knowledge Center.

Share this:

