

RADIO ROI AND PACKAGED GOODS

AM/FM RADIO
DELIVERS BUSINESS
ADVANTAGE FOR CPG
ADVERTISERS

October 2021

RADIO
CONNECTS





Understanding AM/FM Radio's Contribution to CPG Media ROI

Radio Connects
commissioned Nielsen to
conduct a review of 5 years
of advertising activity by
major CPG brands in Canada

MMM STUDIES HELP ADVERTISERS PREDICT ROI IMPACTS

5 Years of MMM Normative Data

- » 1,000+ observations of unique CPG brand activity in TV, Radio, OOH, Online and Trade activity from 2015 through to the end of 2020, in Canada

Investigate Impact of Radio in the Media Mix

- » Nielsen evaluated Canadian ROI norms to understand how Radio advertising impacted ROI and worked in synergy with other media to improve sales volumes

RADIO DELIVERED

Key Findings

With the highest ROI of all Media Tactics observed, adding AM/FM Radio to CPG brand activity improved total Media ROI, increased Trade Activity synergies and resulted in overall improved sales outcomes

1.3x

Radio ROI Outperformed Total Media ROI by 128%

+2%

Total Media ROI is higher with Radio in the mix

+28%

Adding Radio can drive an additional 28% in sales volume lift

+241%

Sales volume lift when Radio activity runs in tandem with Trade activity

Radio's ROI is
higher than
other Media
Tactics

RADIO'S ROI PERFORMED BETTER THAN TOTAL MARKET NORMS

RADIO MARKETING OUTPERFORMS TOTAL MARKETING BY 128%



1.3X

HIGHER ROI
When compared to
Total Marketing



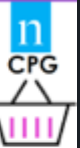
Marketers/Advertisers have a variety of solutions to measure their efforts, but much of the focus is on using ROI as the main metric to evaluate if a tactic is successful or not.



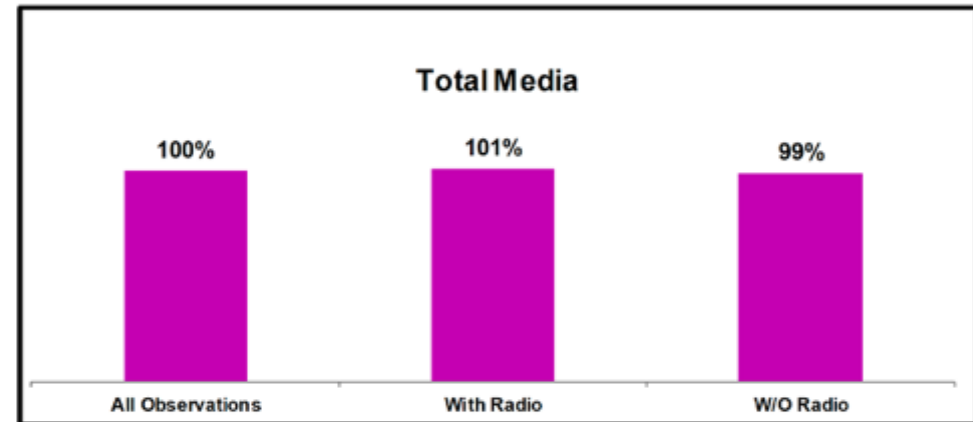
RADIO AMPLIFIED TOTAL MEDIA ROI +2%

Adding AM/FM
Radio Improves
Total Media ROI

TL MEDIA ROI IS 2% HIGHER WHEN RADIO IS IN THE MIX VS. NOT



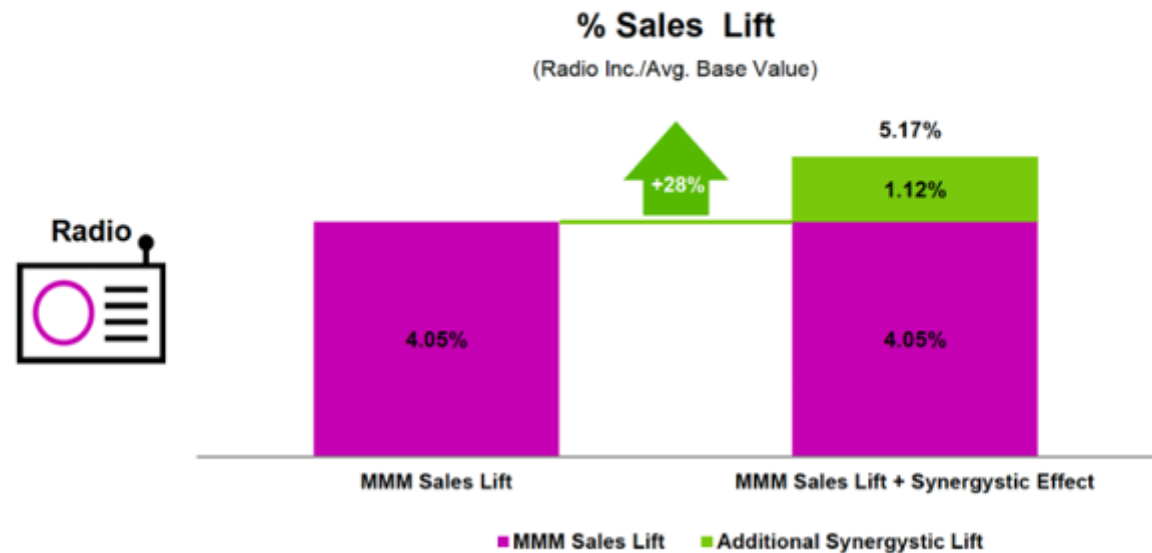
CANADA MEDIA CPG NORMS: 2015 – 2020 YTD
Retail Revenue Return on Investment (Inc. \$/Investment)



**Adding AM/FM
Radio to the
CPG Media Mix
will deliver
additional sales**

RADIO LIFTED INCREMENTAL SALES VOLUMES BY 28%

RADIO DROVE A SIGNIFICANT LIFT ONTO TOTAL BRAND AND HAS THE OPPORTUNITY TO DRIVE ADDITIONAL 28% VOLUME SALES WHEN EXECUTED ALONGSIDE OTHER MARKETING TACTICS



Radio is a great
compliment to
other Media

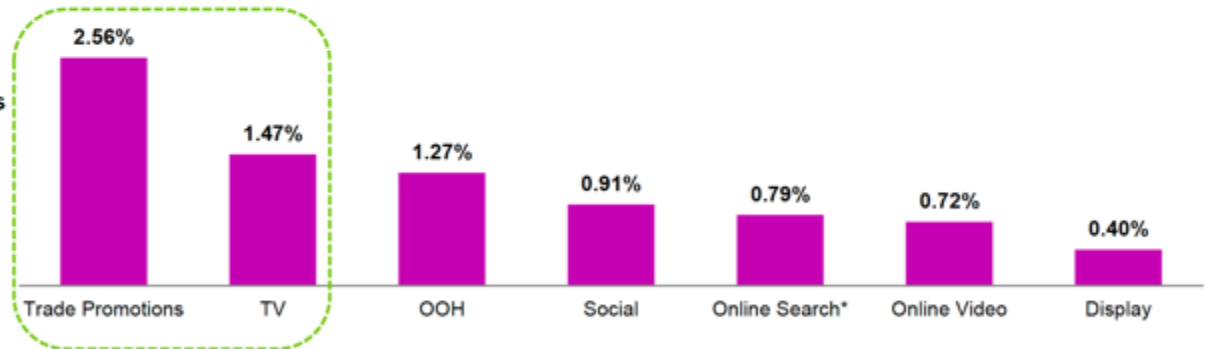
RADIO'S HALO EFFECT ON ALL CPG MEDIA TACTICS DROVE SALES LIFT

THE LARGEST DRIVER OF SYNERGY VOLUME IS THE COMBINATION OF RADIO WITH TRADE PROMOTIONS & TV. THIS COMBO CONSTITUTES MORE THAN 50% OF ALL SYNERGY VOLUME DRIVEN ACROSS ALL TACTICS.



% Synergistic Lift (Additional Vol. from Synergy / Total Overlap Volume)

When Radio is
executed:

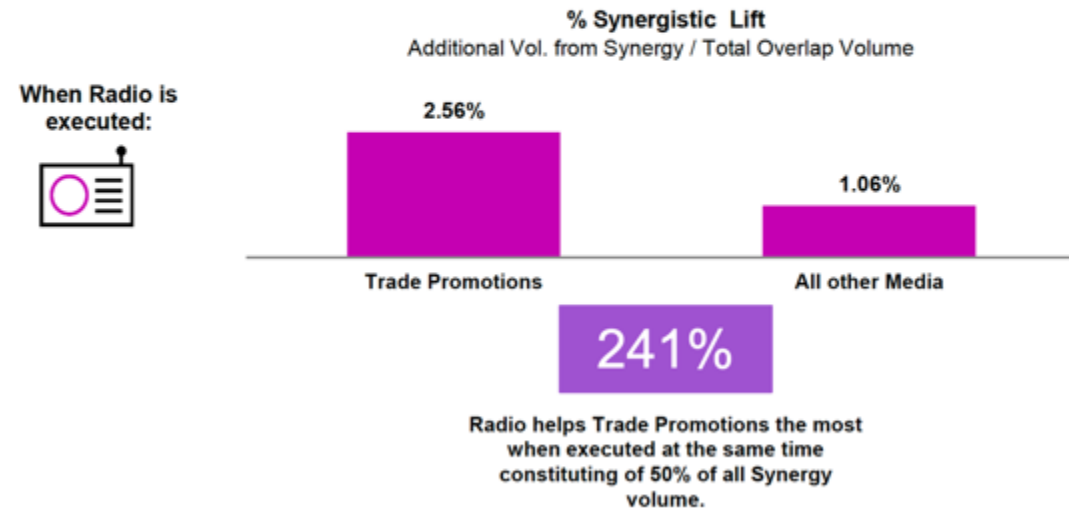
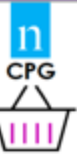


*F&B category has low engagement on **Online Search**, and as it comprises the majority of the CPG brands measured, we see a lower synergistic lift for Search when executed alongside Radio.

**AM/FM Radio
boosts CPG
Trade Activity
delivering
improved sales
impact**

RADIO IN COMBINATION WITH TRADE GENERATED HIGHEST SALES VOLUME LIFT

THE LARGEST DRIVER OF SYNERGY VOLUME IS THE COMBINATION
OF RADIO AND TRADE PROMOTIONS



AM/FM Radio Connects with Consumers

Radio reaches the consumer in the last mile in the path to purchase and delivers improved awareness and brand relevance at the shelf when most purchase decisions are made.²

AM/FM Radio connects Consumers with CPG Brands and improves Total Media ROI

- » Radio's ROI is 1.3X higher than Total Media
- » Radio is 2.4X more synergistic than all other Media in supporting Trade Activity
- » AM/FM Radio added to other Media Tactics improves synergistic sales volume lift by 28%
- » Adding AM/FM Radio to CPG brand activity improves Total Media ROI, increases Trade Activity synergies and results in overall improved sales outcomes



**Thank
You**

For more information on how Radio Connects with CPG brands and Canadian Consumers:

- » Contact us: caroline.gianias@radioconnects.ca
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- » Visit our website: RadioConnects.ca
- » Follow us on [LinkedIn](#)
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