

(BUREAU DE LA
RADIO))

THE RADIO

A PERFORMANCE BOOSTER

Ekimetrics.



EKIMETRICS, EUROPEAN LEADER IN DATA SCIENCE



Julien GAVIARD
Lead Practice Media

16

YEARS OF
EXPERIENCE IN
DATA SCIENCE

320+

CONSULTANTS,
ALL DATA
SCIENTISTS

350+

CLIENTS
AROUND THE
WORLD

50+

COUNTRIES
WHERE WE
HAVE
LAUNCHED
PROJECTS



1. The Study

OBJECTIVES OF THE STUDY

Capitalising on Ekimetrics' long experience as a European leader in data science and measuring marketing channels' performance by exploiting a benchmark of over 500 models and thousands of radio campaigns

1

Measuring the efficiency of the Radio on sales (R.O.I.) & traffic and its specificities across 4 sectors

2

Strengths and good practices for a more effective Radio

3

Benchmarks and productive ways to use the Radio in a multimedia strategy

MEDIA IMPACT: COMPONENTS AND DEFINITIONS



~ 120
models
in total in
France

4 focus
sectors

6 years of
data depth:
2015-2020



AUTOMOTIVE

40+ models / 8 brands



TELECOMMUNICATIONS

39+ models / 5 brands



CONSUMER GOODS (PCG)

19+ models / 15 brands



RETAIL

18+ models / 7 brands



2. Ekimetrics' Methodology

MARKETING MIX MODELING (MMM), HOW DOES IT WORK?

1

dimension

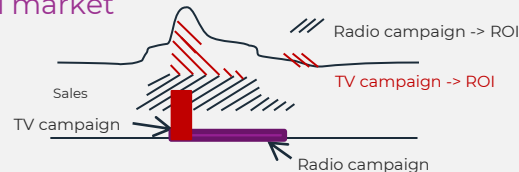
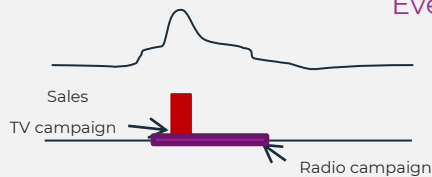
Measuring the impact of media communication would be easy in a one-dimensional market



2

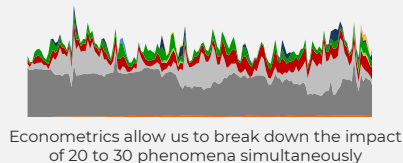
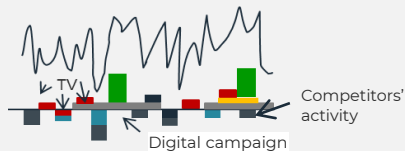
dimensions

Even in a two-dimensional market



Actual
situation

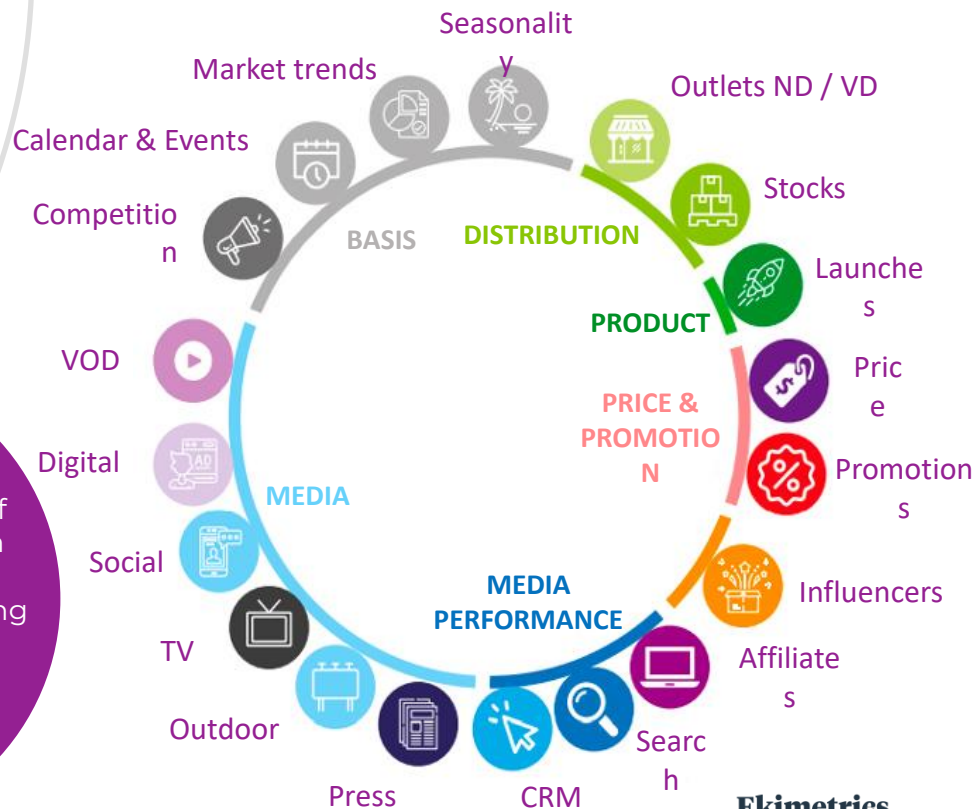
But the reality of it is much more complex



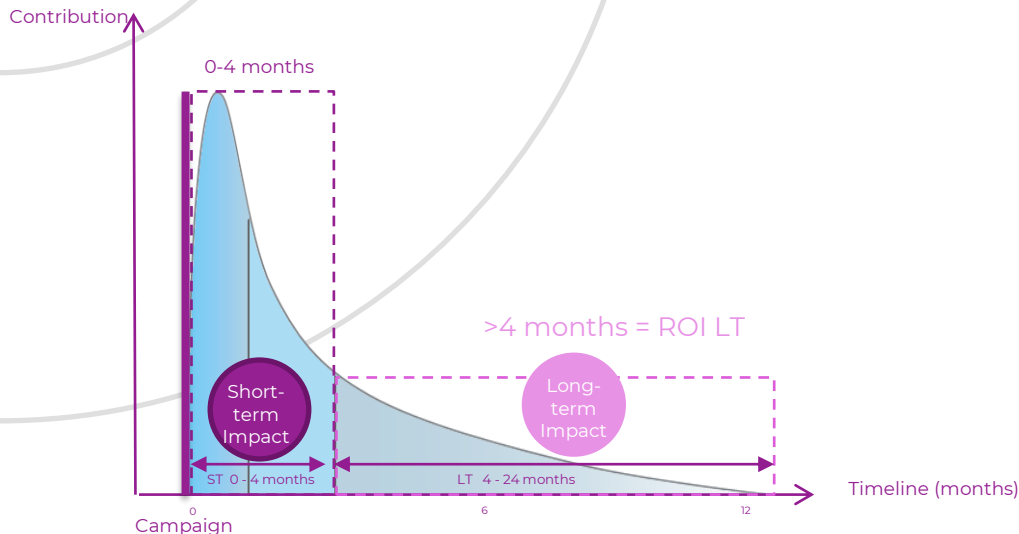
Econometrics allow us to break down the impact of 20 to 30 phenomena simultaneously

ALL MARKETING CHANNELS ARE CONSIDERED

Thanks to a wide range of historical data and a high number of different situations, statistic modeling allows us to isolate and measure the way every channel contributes to performance.



THE IMPACT OF THE MEDIA: COMPONENTS AND DEFINITIONS



The total impact of a media campaign can be measured by calculating the relationship between the impact in the Short Term and the impact in the Long Term.

$$\text{TOTAL ROI} = \text{ST ROI} \times \text{LT MULTIPLIER}$$

Contribution

Incremental sales generated by marketing channels.

Media ROI

Created value or turnover in € for €1 of media investment.

Contribution in value of media on the sales / media investment.

ROI must always be set against the contribution.

Synergy

Measurement of overperformance or underperformance of 2 media when used synchronously.

Measurement of how the activation of the radio increases sales efficiency of other media or conversely how other media have an impact on the radio performance.



3. The radio, a medium that offers multiple benefits

5 STRENGTHS OF THE RADIO

The Radio...

...gets good results
& is profitable

1

The Radio is a competitive ROI medium.

...offers offline & online synergies

2

The Radio optimises the efficiency of other media.

...activates high-potential customers

3

The Radio activates B2B audiences and those with a high average basket

...generates effective drive to web

4

An effective channel for online acquisition and web traffic generation.

...is efficient on promotions

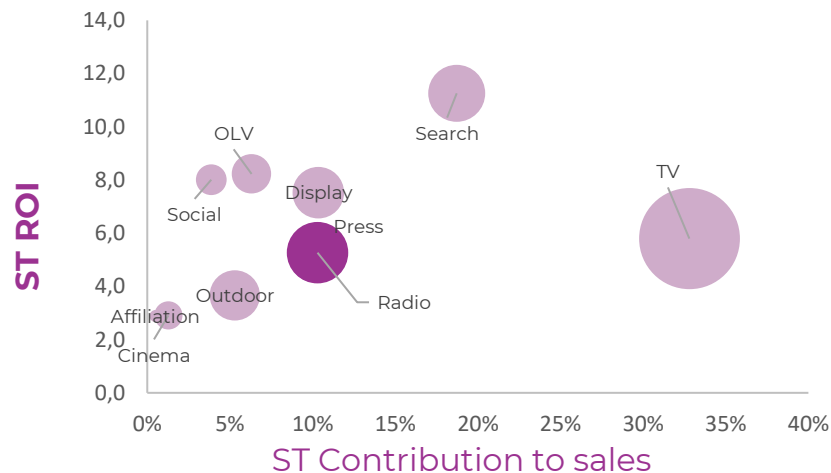
5

As well as on recurrent branding campaigns.

HIGH ROI AND STRONG CONTRIBUTION IN THE SHORT TERM WITH THE RADIO

Percentage of Radio investments: 13%

SHORT-TERM IMPACT OF DIFFERENT MEDIA 4 SECTORS



5.3

RADIO ST ROI

Across the 4 sectors under study:
Automotive
Telecommunications
PCG
Retail

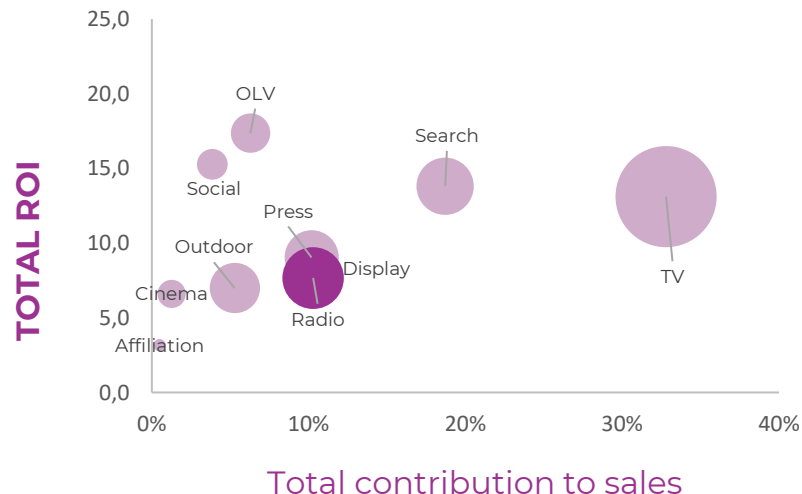


Average share of media investment 2015-2020

RADIO ROI AND CONTRIBUTION ARE AMPLIFIED IN THE LONG TERM

Percentage of Radio Investments: 13%

TOTAL IMPACT OF DIFFERENT MEDIA 4 SECTORS



€7.7

of revenue on average
generated per €1 invested in
radio, in the 4 sectors under
study:
Automotive
Telecommunications
PCG
Retail



Average share of media investment 2015-2020



RETAIL: STRONG CONTRIBUTION AND HIGH ROI

90%
of Radio Campaigns have a
ROI > 10

Total Radio ROI
15.4

€1 invested in the radio generates
on average
€15.4 in revenue

This study includes 18 models and 100+ campaigns

Ekimetrics.

CONSUMER PRODUCTS: THE RADIO, A CHANNEL TO INVEST IN



x2

ROI to promote the launch
of a product vs.

Average radio ROI*

ROI = 2.6

*In the TOP3 of the best media
in terms of ROI
on new products

Total Radio ROI

1.3

€1 invested in the radio generates
on average
€1.3 of revenue

This study includes 19 models and 100+ campaigns

Ekimetrics.



AUTOMOTIVE: THE RADIO, BOTH A CONTRIBUTING AND ROI MEDIA

2nd

Most contributing channel
with more than

10%

of media contribution

Total Radio ROI

4.5

€1 invested in radio generates
on average
€4.5 of revenue

This study includes 42 models and 100+ campaigns

Ekimetrics.



TELECOMMUNICATIONS: THE RADIO IS EFFECTIVE IN BOTH THE SHORT TERM AND THE LONG TERM

90%
Of the radio campaigns have
a
ROI > 5

Total Radio ROI

9.4

€1 invested in radio generates
on average
€9.4 of revenue

This study includes 39 models and 100+ campaigns

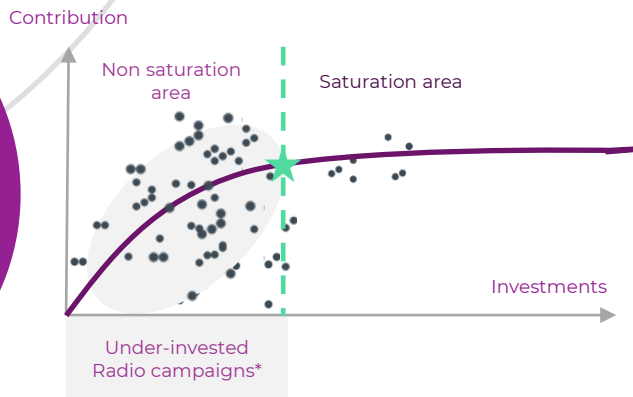
Ekimetrics.

A POTENTIAL FOR ADDITIONAL INVESTMENTS IN 90% OF CASES

90%
of radio campaigns could
benefit from investment
increases without any risk
of saturation

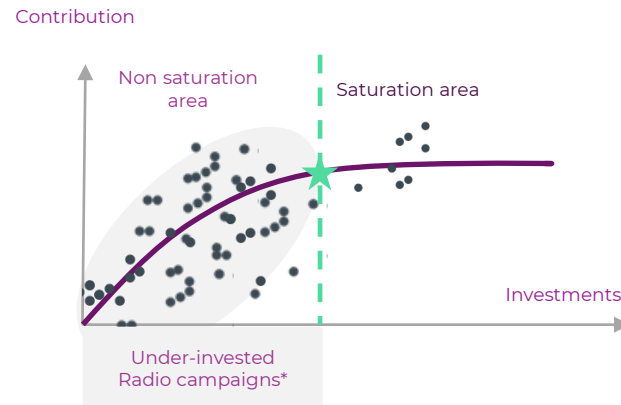
Saturation curve in 2 sectors
with examples of campaign investments (benchmark*)

AUTOMOTIVE SECTOR**



● = 1 radio campaign ★ Saturation threshold

RETAIL SECTOR**



● = 1 radio campaign ★ Saturation threshold

*This study includes 95 campaigns

**Examples of radio campaigns taken from Ekimetrics' data base.

A VISIBILITY THRESHOLD HAS TO BE REACHED TO OPTIMISE THE RADIO'S ROI

Radio performance

x2

For PCG advertisers who invest more than 6% of their media budget in the radio compared to those who invest less than 3%

Visibility threshold to increase the performance of radio campaigns (benchmark*)

PCG SECTOR

Radio investments > 6% of media investments

Radio ROI

1.6

*This study includes 30+ campaigns

5 STRENGTHS OF THE RADIO

The Radio...

...gets good results
& is profitable

1

The Radio is a competitive ROI medium.

...offers offline & online synergies

2

The Radio optimises the efficiency of other media.

...activates high-potential customers

3

The Radio activates B2B audiences and those with a high average basket.

...generates effective drive to web

4

An effective channel for online acquisition and web traffic generation.

...is efficient on promotions

5

As well as on recurrent branding campaigns.

WINNING COMBINATIONS

TOP3 of channels for synergies with the Radio

Combination efficiency gain, scope: France, 2015-2020, 4 sectors under study. Benchmark*



AUTOMOTIVE



TV
+9%



Search
+8%



Press
+7%



PCG



TV
+8%



Outdoor
+7%



Press
+5%



TELECOMMUNICATIONS



TV
+9%



Search
+9%



Press
+5%



RETAIL



TV
+13%



Press
+6%



Outdoor
+6%



On average in the retail sector, a 13% gain in the efficiency of the 2 channels when they are used together vs their efficiency when played asynchronously

*This study includes +50 models and ~200 campaigns

5 STRENGTHS OF THE RADIO

The Radio...

...gets good results
& is profitable

1

The Radio is a competitive ROI medium.

...offers offline & online synergies

2

The Radio optimises the efficiency of other media.

...activates high potential customers

3

The Radio activates B2B audiences and those with a high average basket.

...generates effective drive to web

4

An effective channel for online acquisition and web traffic generation.

...is efficient on promotions

5

As well as on recurrent branding campaigns.

A BETTER PERFORMANCE ON B2B AUDIENCES

EFFICIENCY ON B2B AUDIENCES

Sectors: Finance / Automotive / Telecommunications (benchmark*)

+50%

On average

ROI for communications
aimed at B2B

In **70%**

of cases the Radio is in the

top 3

of the most effective media
on B2B audiences

Up to

+100%

ROI on high-mobility
B2B audiences

People who spend more time in cars

*This study includes 12 models

A BETTER PERFORMANCE ON HIGH-VALUE BUYERS

RETAIL SECTOR (BUSINESS CASE)

Target: high-value customers

Average basket > 1,5 x average basket of the average customer

Increasing
mix media with
**MORE RADIO
INCREASES
ROI**

of the media plan to reach
high-value customers

+40%

In this case:
Radio ROI is more effective than the
average ROI of media plans
in reaching high-value customers

5 STRENGTHS OF THE RADIO

The Radio...

...gets good results
& is profitable

1

The Radio is a competitive ROI medium.

...offers offline & online synergies

2

The Radio optimises the efficiency of other media.

...activates high-potential customers

3

The Radio activates B2B audiences and those with a high average basket.

...leads to effective drive to web

4

An effective channel for online acquisition and web traffic generation.

...is efficient on promotions

5

As well as on recurrent branding campaigns.

THE RADIO IS A POWERFUL CHANNEL FOR DRIVE TO WEB

TELECOMMUNICATIONS SECTOR (BUSINESS CASE)

Investments in the Radio
are

5%

more profitable
than the average of media
investments
to **generate web traffic**

+50%

In this case:
The Radio is 50% more effective
than other offline channels
to generate **web traffic**

THE RADIO IS A POWERFUL CHANNEL FOR DRIVE TO WEB

RETAIL SECTOR (BUSINESS CASE)

Investments in the radio
are

10%

more profitable than average
media investments

+40%

In this case:
The Radio is 40% more effective
than other offline channels
to generate **online sales**

5 STRENGTHS OF THE RADIO

The Radio...

...gets good results
& is profitable

1

The Radio is a competitive ROI medium.

...offers offline & online synergies

2

The Radio optimises the efficiency of other media.

...activates high-potential customers

3

The Radio activates B2B audiences and those with high average basket.

...leads to effective drive to web

4

An effective channel for online acquisition and web traffic generation.

...is efficient on promotions

5

As well as on recurrent branding campaigns.

THE RADIO, A MEDIA CHANNEL THAT IS EVEN MORE EFFECTIVE IN THE SHORT TERM FOR PROMOTIONS

+40%

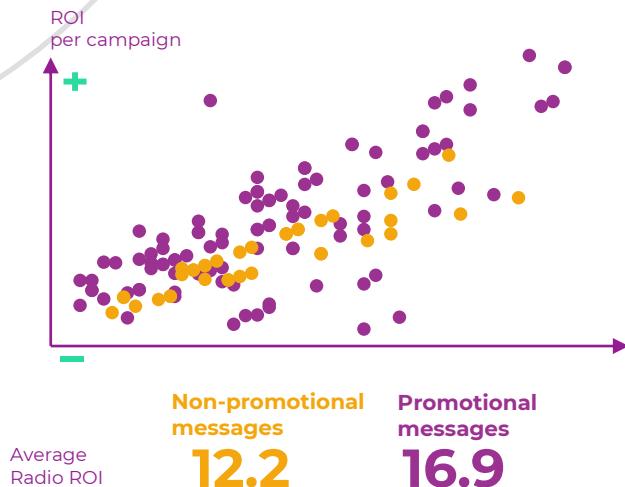
ROI of promotional messages vs ROI of non-promotional messages

+80%

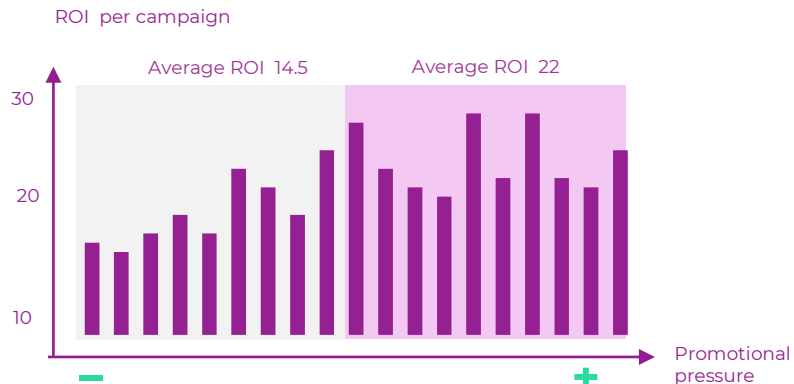
During a strong promotional offer

RETAIL SECTOR (BENCHMARK*)

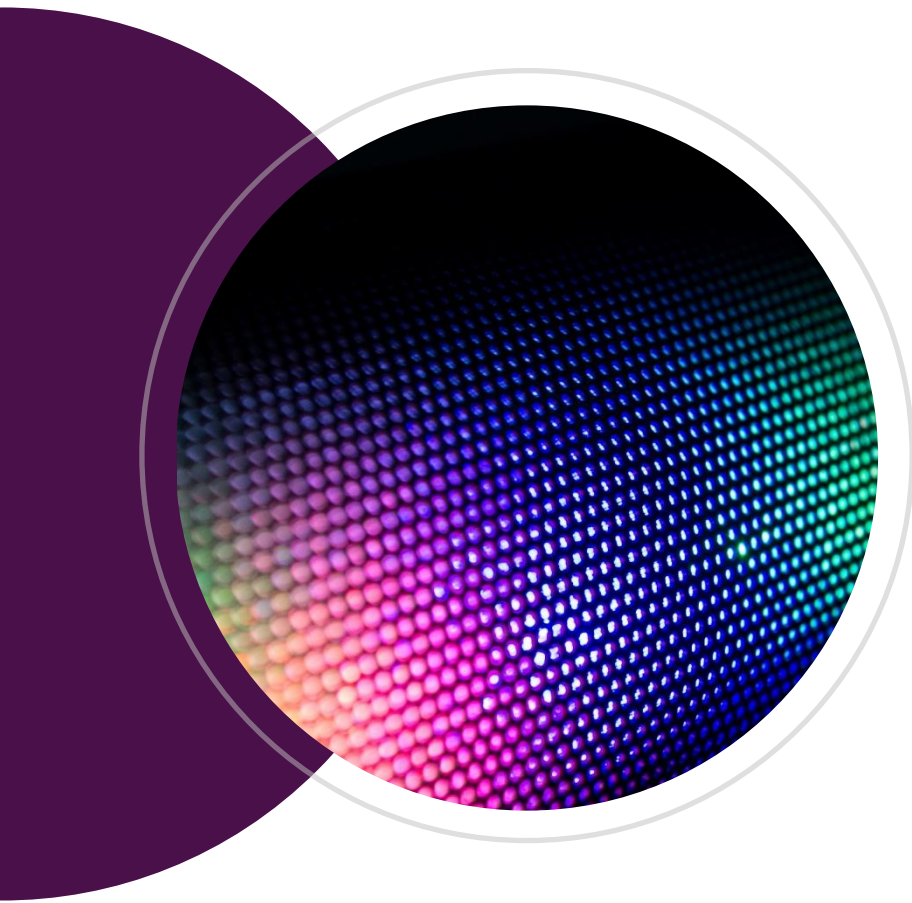
ROI of Radio campaigns according to their promotional or non-promotional messages



ROI of promotional radio campaigns depending on promotional pressure



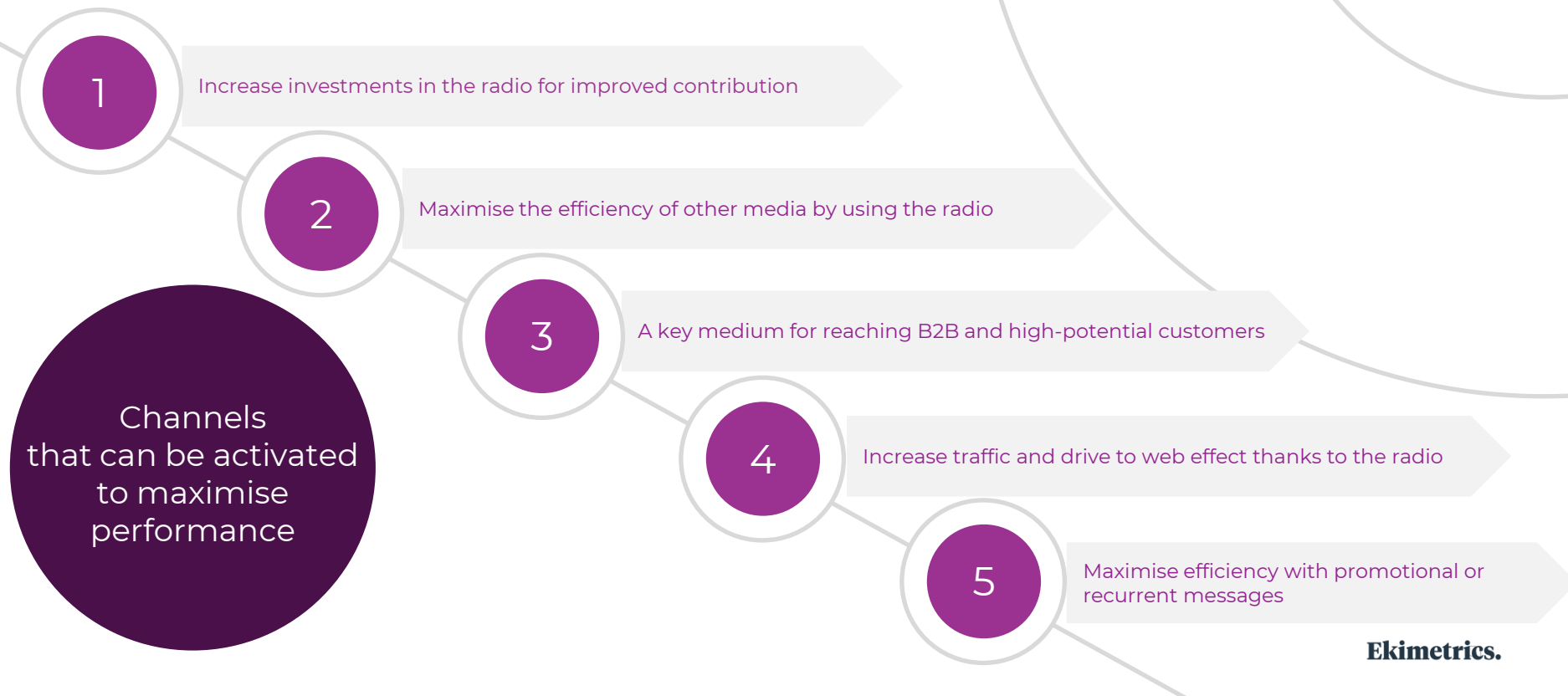
*This study includes 130 campaigns



4. Key takeaways

ON AVERAGE €1 INVESTED IN RADIO GENERATES €7.7 IN TURNOVER

Across the 4 sectors under study: Automotive, Telecommunications, PCG, Retail



(BUREAU DE LA
RADIO))

THE RADIO

A PERFORMANCE BOOSTER

Ekimetrics.

