



**CUMULUS**  
M E D I A



**Westwood One**

8 things brands have  
completely wrong  
about AM/FM radio

**CUMULUS MEDIA | Westwood One**  
wanted to examine prevalent  
advertiser/agency **perceptions** about  
consumer media habits.

To determine the **realities** of consumer  
behavior, we turned to Nielsen, the  
Federal Reserve, and Edison Research.



## **Duncan Stewart**

Director of Research, Technology, Media  
& Telecommunications at Deloitte

“Why do people think that nobody listens to radio anymore? Because there is a narrative that new media kills old media, so nobody bothers to look at evidence that doesn't fit the narrative.”

Deloitte's Technology, Media, and  
Telecommunications, *Predictions* report 2019

**Perception #1:**  
**“Due to the pandemic, no one  
is listening to AM/FM radio.”**

# Nielsen reality: AM/FM radio has retained 95% of its persons 18+ reach and 100% of its reach among those with a \$75K+ income

Reach recovery index: Nielsen Nationwide Fall 2020 versus Fall 2019,  
weekly reach Monday-Sunday 6AM-midnight

95%

Persons 18+

99%

\$75K+ persons 25-54 reach  
recovery index

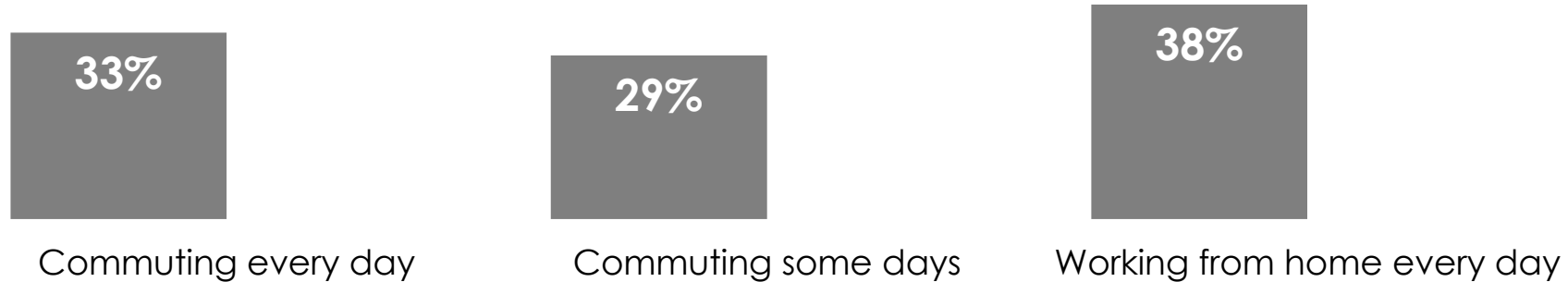
101%

\$75K+ persons 35-64 reach  
recovery index

**Perception #2:**  
**“Due to the pandemic,  
everyone’s working at home  
and no one is commuting.”**

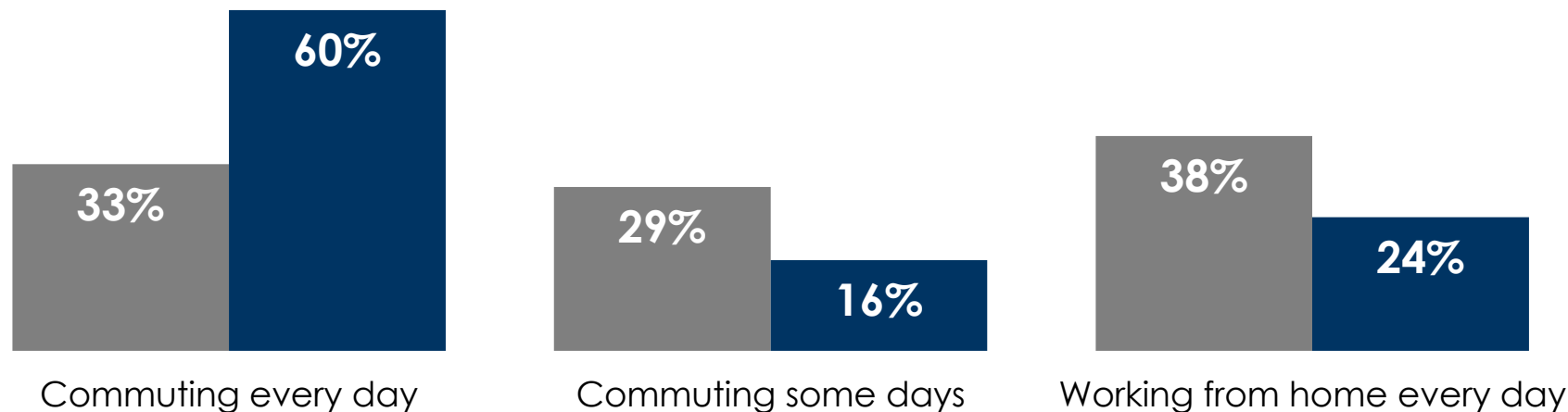
# Perception: Marketers/agencies believe 38% of Americans are working from home every day

- Perception of American employment according to an Advertiser Perceptions study of 305 marketers/agencies surveyed January 4-12, 2021 among those currently employed



# Federal Reserve reality: Marketers/agencies underestimate how many Americans commute and overestimate those working from home

- Perception of American employment according to an Advertiser Perceptions study of 305 marketers/agencies surveyed January 4-12, 2021 among those currently employed
- Federal Reserve January 2021 national employment data





**Perception #3:**  
**“AM/FM radio has very  
low reach.”**

# Perception: Advertisers believe AM/FM radio reaches 57% of Americans weekly

% of persons 18+ reached weekly

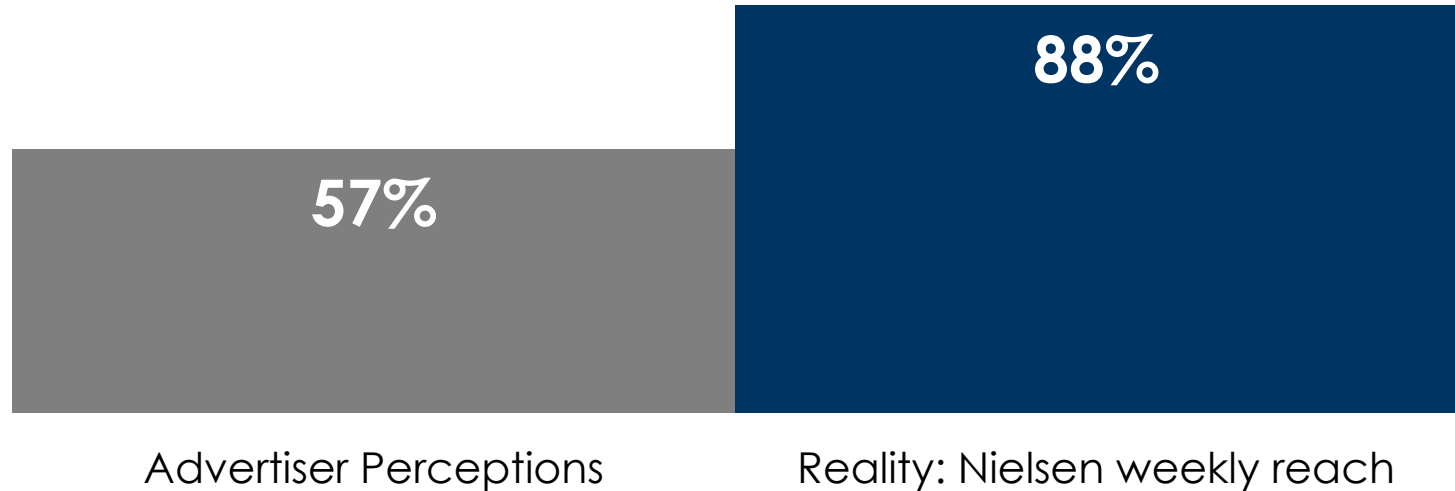


57%

Advertiser Perceptions

# Nielsen reality: 88% of Americans are reached by AM/FM radio weekly

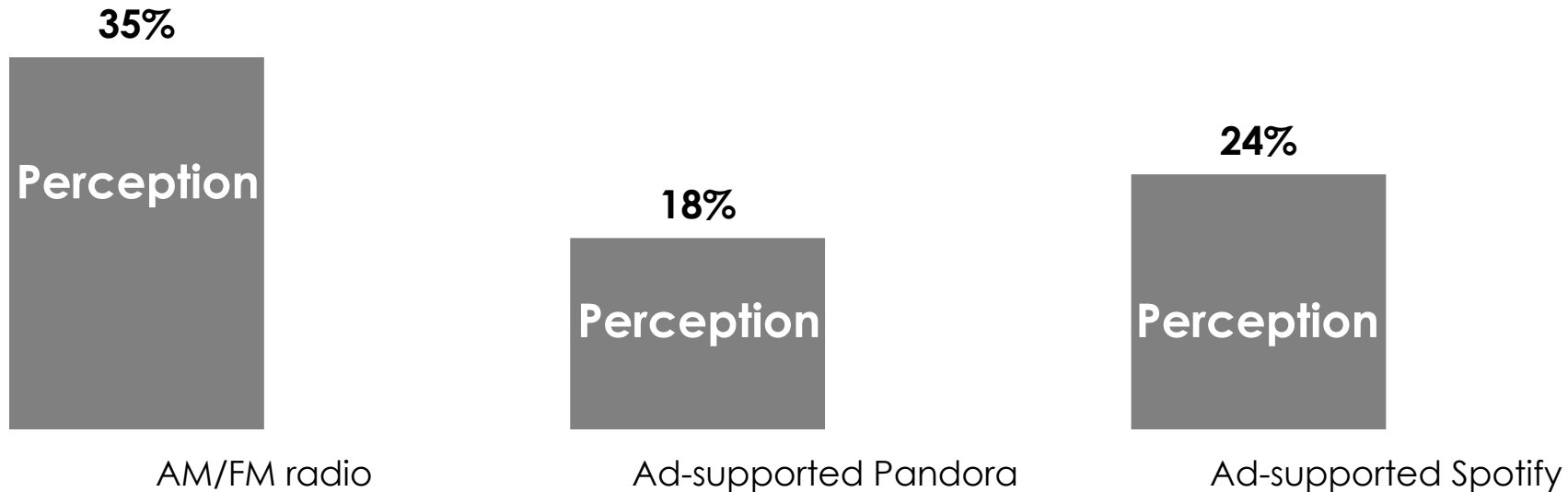
% of persons 18+ reached weekly



**Perception #4:**  
**“Audience shares to  
Pandora/Spotify are nearly  
equal to AM/FM radio.”**

# Perception: Advertisers think AM/FM radio's audience share (35%) trails Pandora/Spotify (42%)

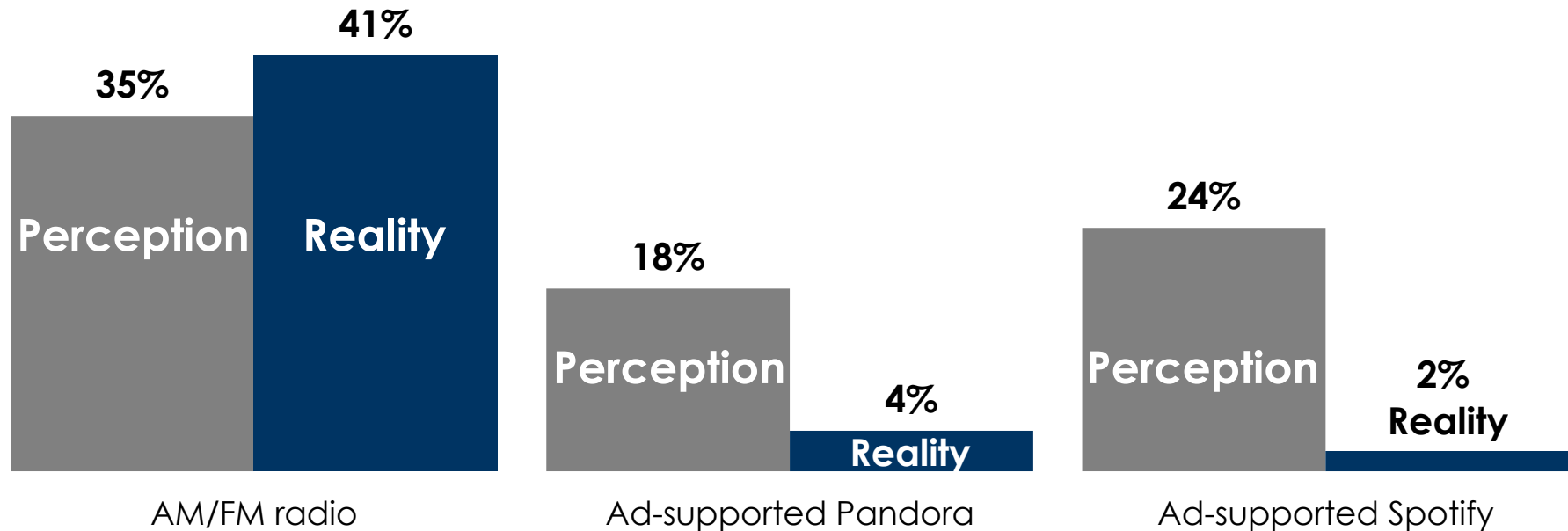
Perception of advertisers and agencies, audio time spent among persons 18+



Source: Perception: Advertiser Perceptions, July 2020, 300 advertisers and agencies, perception = total Pandora and total Spotify

# Edison Research reality: The audience share of AM/FM radio is 21X larger than Spotify and 10X larger than Pandora

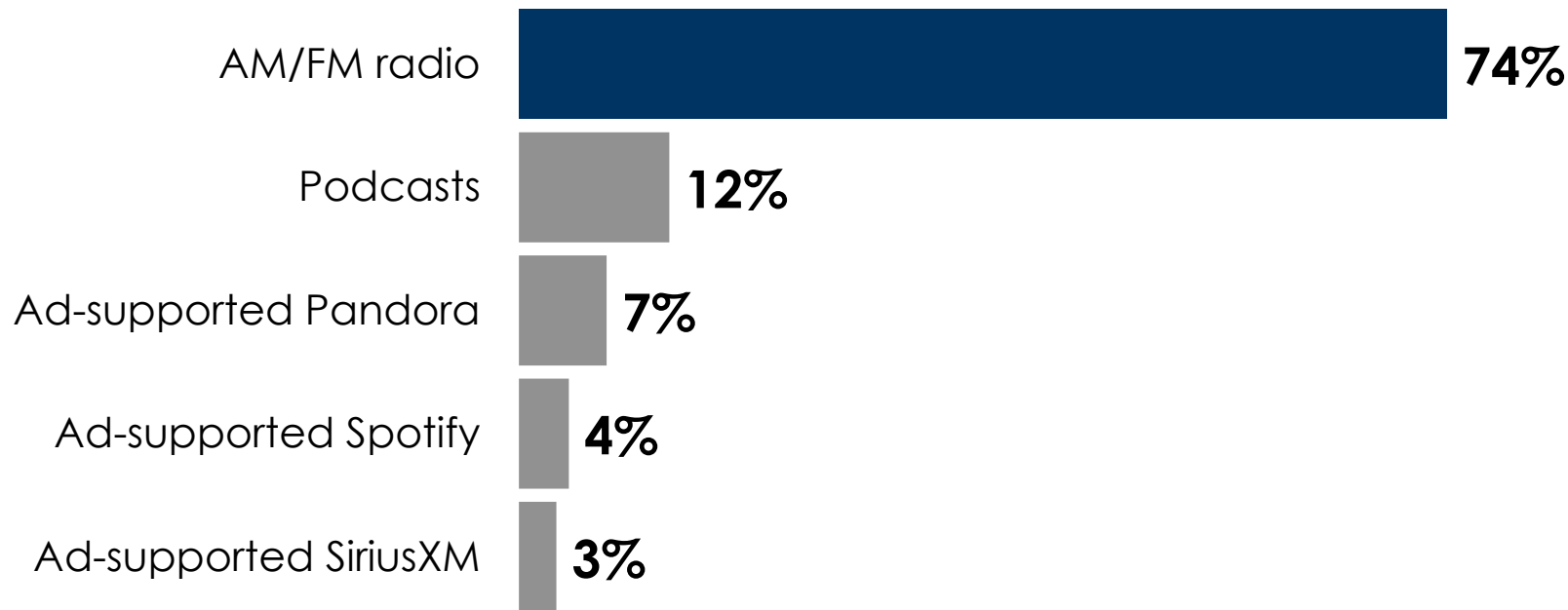
Perception of advertisers and agencies vs. actual share of audio time spent among persons 18+



Source: Perception: Advertiser Perceptions, July 2020, 300 advertisers and agencies, perception = total Pandora and total Spotify; Reality: Edison Research, "Share of Ear," Q1-Q4 2020. Persons 18+

# Edison Research reality: AM/FM radio leads ad-supported audio

Share of ad-supported audio time spent among persons 18+



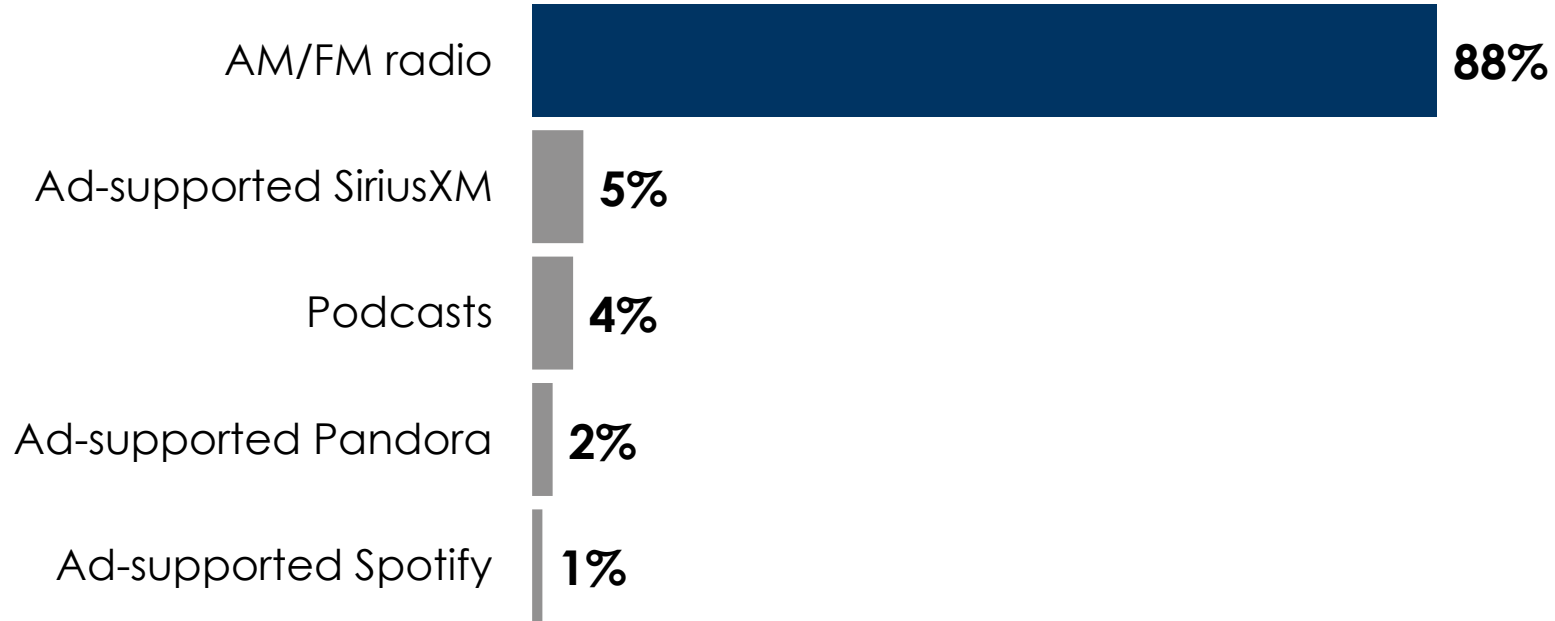
## Perception #5:

**“In the world of the connected car, the number one thing people do in their car is stream online radio on their smartphones.”**



# Edison Research reality: AM/FM radio rules ad-supported audio in the car

Share of ad-supported audio time spent in the car among persons 18+



Source: Edison Research, "Share of Ear," Q1-Q4 2020. Persons 18+, in the car, SiriusXM: Ad-supported: Spoken Word. Ad-free: Music, Percentages may not add up to 100 due to rounding

**Perception #6:**  
**“Today’s optimal media plan:**  
**Put all of your money into TV**  
**and digital.”**

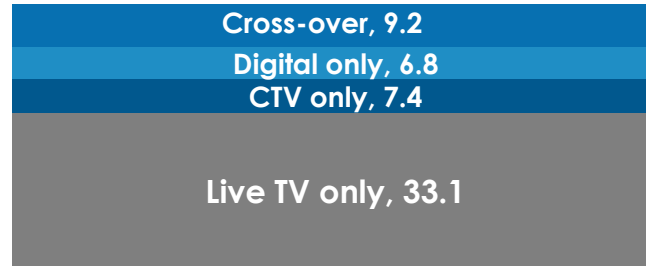
# Perception: A TV + connected TV + digital campaign generates sufficient reach

## Nielsen Media Impact: % reach, \$10M national campaign

■ Live TV only   ■ CTV only   ■ Digital only   ■ Cross-over (Consumers reached on 2 or more media platforms)

9% of the audience receives this message on multiple platforms, any combination

**57% reached**



68% TV + 13% CTV + 20% digital

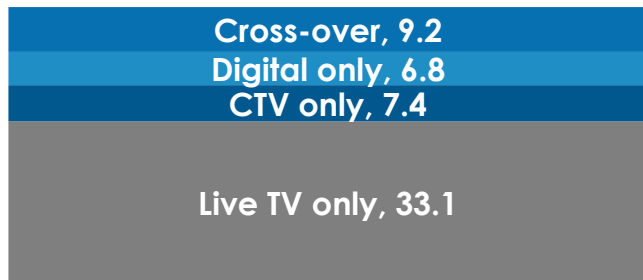
# Nielsen reality: Adding AM/FM radio to the media plan generates a +41% increase in reach with the same spend

## Nielsen Media Impact: % reach, \$10M national campaign

■ Live TV only ■ CTV only ■ Digital only ■ Cross-over (Consumers reached on 2 or more media platforms) ■ AM/FM radio only

35% of the audience receives this message on multiple platforms

**57% reached**

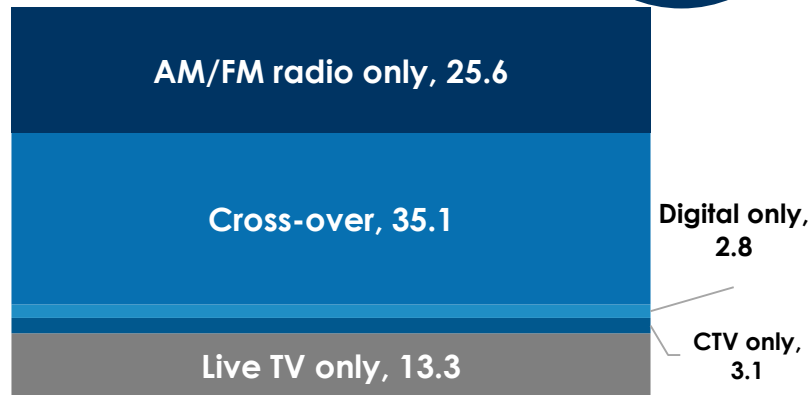


68% TV + 13% CTV + 20% digital

**+41% increase**



**80% reached**



61% TV + 11% CTV + 18% digital + 10% AM/FM radio

## Perception #7:

**“I would love to consider audio. However, there’s a total lack of ROI and sales lift evidence for AM/FM radio.”**

# Nielsen fact: AM/FM radio delivers excellent ROI across various categories

## AM/FM radio sales return for every \$1 ad investment



Breakfast bar

**\$1.81**



Quick service restaurants

**\$3.01**



Snacks

**\$7.33**



Home improvement

**\$12.00**



Telecom

**\$14.00**



Department store

**\$17.00**



Grocery

**\$23.00**



Men's personal care brand

**\$11.96**



Soft drinks

**\$1.97**



Candy

**\$3.12**



Beer

**\$4.17**



Gasoline retailer

**\$11.50**



Mass merchandiser

**\$16.37**



Auto aftermarket

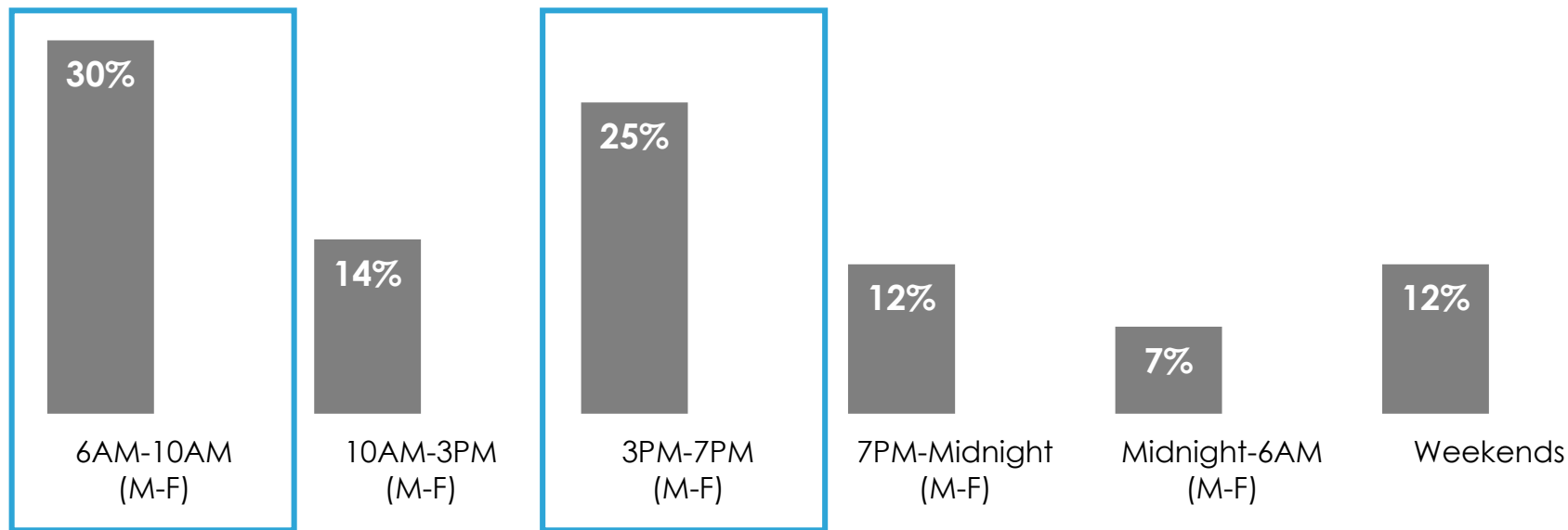
**\$21.00**

**Perception #8:**  
**“AM/FM radio listening only  
happens during drive times.”**

# Perception: Advertisers estimate more than half of all AM/FM radio listening happens at “drive times”

**Q: Thinking about traditional AM/FM radio, to the best of your knowledge, please indicate what percentage of listening occurs in each of the time slots listed below.**

■ Perception: Average % of perceived listening occurring



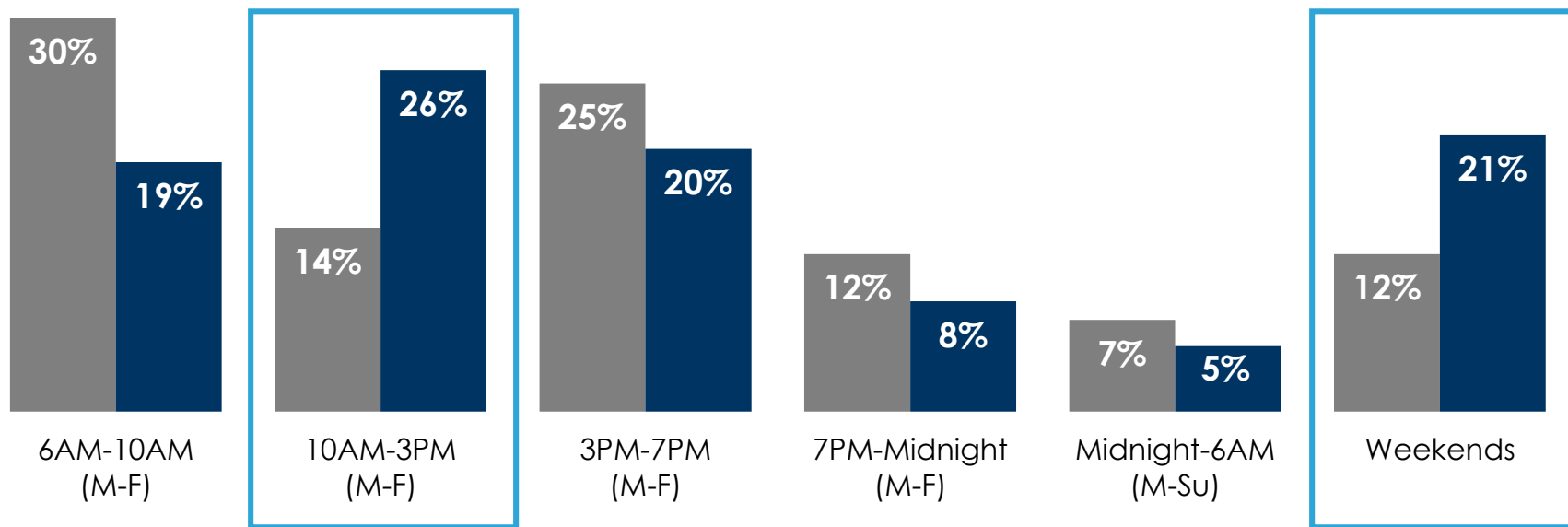


# Nielsen reality: 61% of listening occurs outside of drive times; Middays and weekends are far stronger than advertisers perceive

**Q: Thinking about traditional AM/FM radio, to the best of your knowledge, please indicate what percentage of listening occurs in each of the time slots listed below.**

■ Perception: Average % of perceived listening occurring

■ Reality: % share of total listening hours



Source: Perception: Advertiser Perceptions December 2020, 300 respondents. Reality: Nielsen Audio, Persons Using Radio, Oct-Nov-Dec 2020 (PPM), Oct-Nov-Dec (CDM Diary), adults 25-54, total listening hours

# AM/FM radio: Setting the record straight

Perception	Reality
Due to the pandemic, no one is listening to AM/FM radio.	AM/FM radio has retained 95% of its persons 18+ reach and 100% of its reach among those with a \$75K+ income.
Due to the pandemic, everyone's working at home and no one is commuting.	Per the U.S. Federal Reserve, 60% of U.S. workers are commuting every day. Only 24% of workers are working from home every day.
AM/FM radio has very low reach.	88% of Americans are reached by AM/FM radio weekly.
Audience shares to Pandora/Spotify are nearly equal to AM/FM radio.	The audience share of AM/FM radio is 21X larger than Spotify and 10X larger than Pandora.
In the world of the connected car, the number one thing people do in their car is stream online radio on their smartphones.	AM/FM radio rules ad-supported audio in the car.
Today's optimal media plan: Put all of your money into TV and digital.	Adding AM/FM radio to the media plan generates a +41% increase in reach with the same spend.
I would love to consider audio. However, there's a total lack of ROI and sales lift evidence for AM/FM radio.	AM/FM radio delivers excellent ROI across various categories.
AM/FM radio listening only happens during drive times.	61% of listening occurs outside of drive times. Middays and weekends are far stronger than advertisers perceive.

Source: Nielsen Audio Nationwide, Total radio reach Monday-Sunday 6AM-midnight; Weekly come persons 25-54 and 35-64, Fall 2020 as a % of Fall 2019; Perception: Advertiser Perceptions survey of 305 marketers/agencies, January 4-12, 2021; reality: Real-Time Population Survey; Alexander Bick, Adam Blandin, and Karel Mierkens, "Work From Home After COVID-19 Outbreak," Federal Reserve Bank of Dallas, January 2021; Perception: Advertiser Perceptions, July 1-8, 2020, 300 advertisers and agencies; Reality: Nielsen Total Audience Report Q3 2020; Perception: Advertiser Perceptions, July 2020, 300 advertisers and agencies, perception = total Pandora and total Spotify; Reality: Edison Research, "Share of Ear," Q1-Q4 2020, Persons 18+, in the car, SiriusXM: Ad-supported; Spoken Word, Ad-free; Music, Percentages may not add up to 100 due to rounding; National Nielsen Media Impact August 2019 campaign, \$10,000,000 national campaign in both instances, Television campaign represents all broadcast television, CTV is ad-supported OTT devices and inventory, Digital is all Social and News inventory, Radio is all broadcast Radio, Standard National Campaign Persons 18+, Nielsen Buyer Insights, radio campaigns measured 2013-2019; Perception: Perception: Advertiser Perceptions December 2020, 300 respondents, Reality: Nielsen Audio, Persons Using Radio, Oct-Nov-Dec 2020 (PPM), Oct-Nov-Dec (CDM Diary), adults 25-54, total listening hours





# Thank You

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