

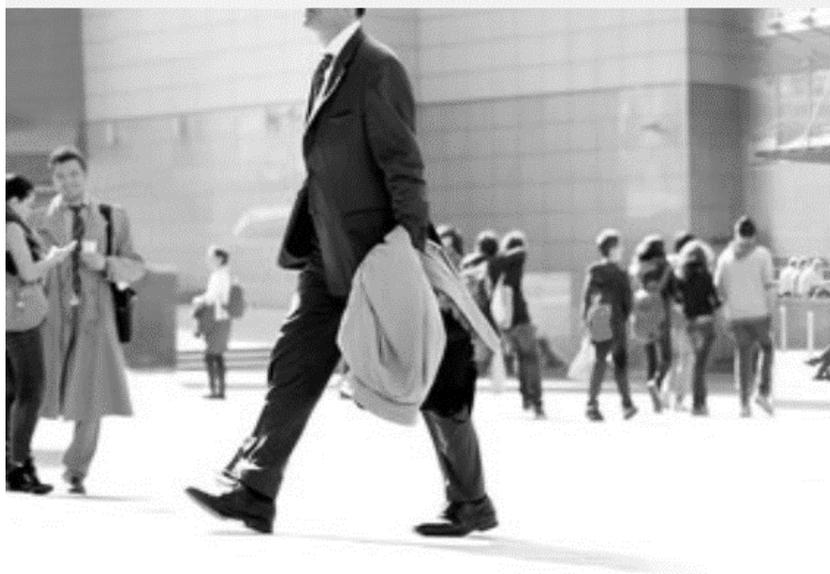


Radio on the Move

Wave 9 – Fall 2017



Online survey in field: November/December, 2017



3,470 Canadians 18+; nationally representative sample via Angus Reid Forum



Subsample of 3,069 driver/passengers in private vehicle in previous week (88% of Canadian adults)



In-car audio consumption based on recall in the past 24 hours



Additional data drawn from the Nielsen 2016 & 2017 Canada Year-End Report; Maru Canadian Omni; April 2018

Glossary

Audio streaming = any audio transmitted online as a continuous flow; includes music streaming services, live streaming of AM/FM or other audio on demand

Pureplay music streaming = streaming of those music services available online only, such as Spotify, Apple Music subscription service, and cbcmusic.ca

Ad-free subscriptions = paid subscriptions to pureplay music streaming services such as Spotify, Apple Music, Google Music Play Unlimited that allow on demand access to a virtually unlimited choice of music with no advertising

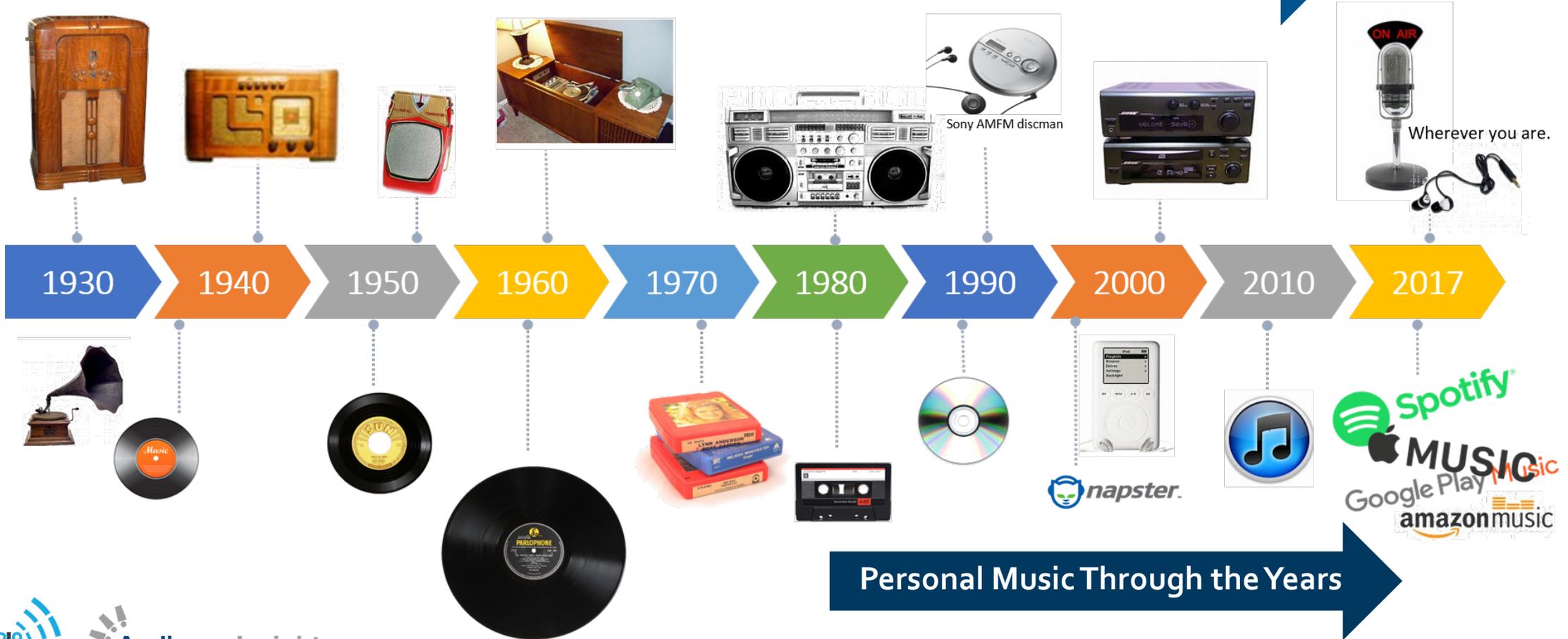
Ad-supported music streaming = a music streaming option offering users limited interactivity (typically a range of playlists with limited ability to skip songs) at no charge with advertising



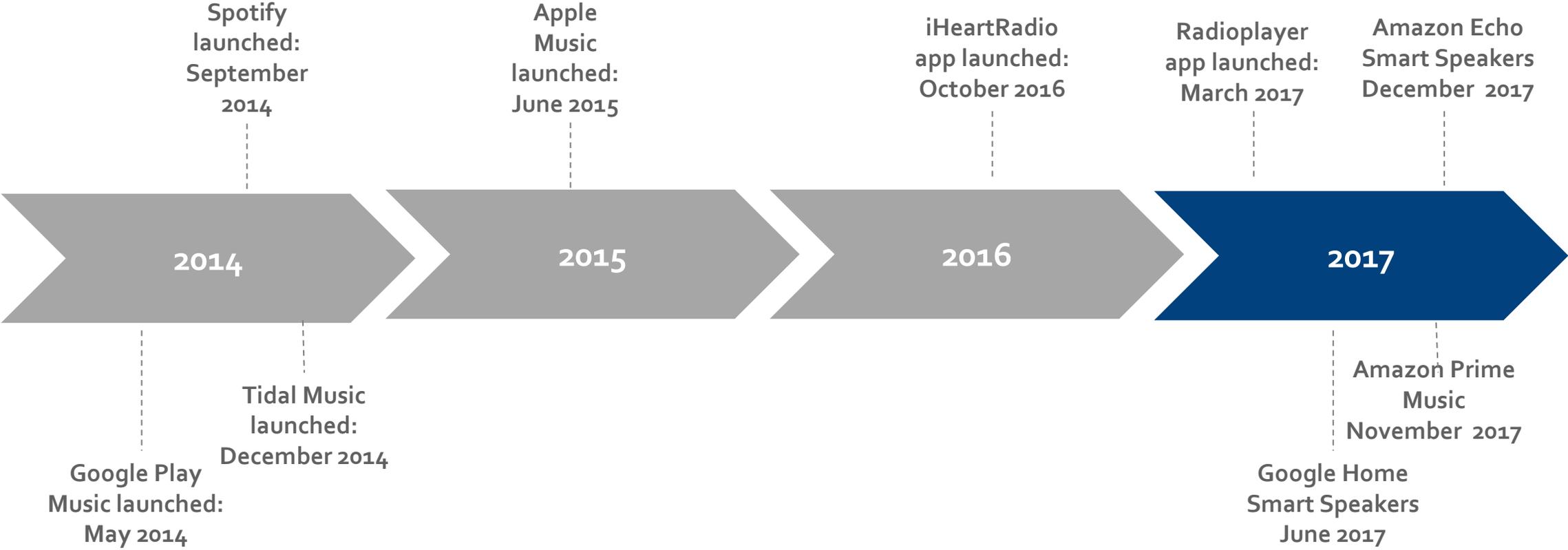
Radio is our Companion.

Radio is a social experience that has evolved over time. A continuing relationship between the listener and personalities, something that doesn't happen with audio streams or music collections.

Radio Through the Years



The audio landscape in Canada is changing rapidly.

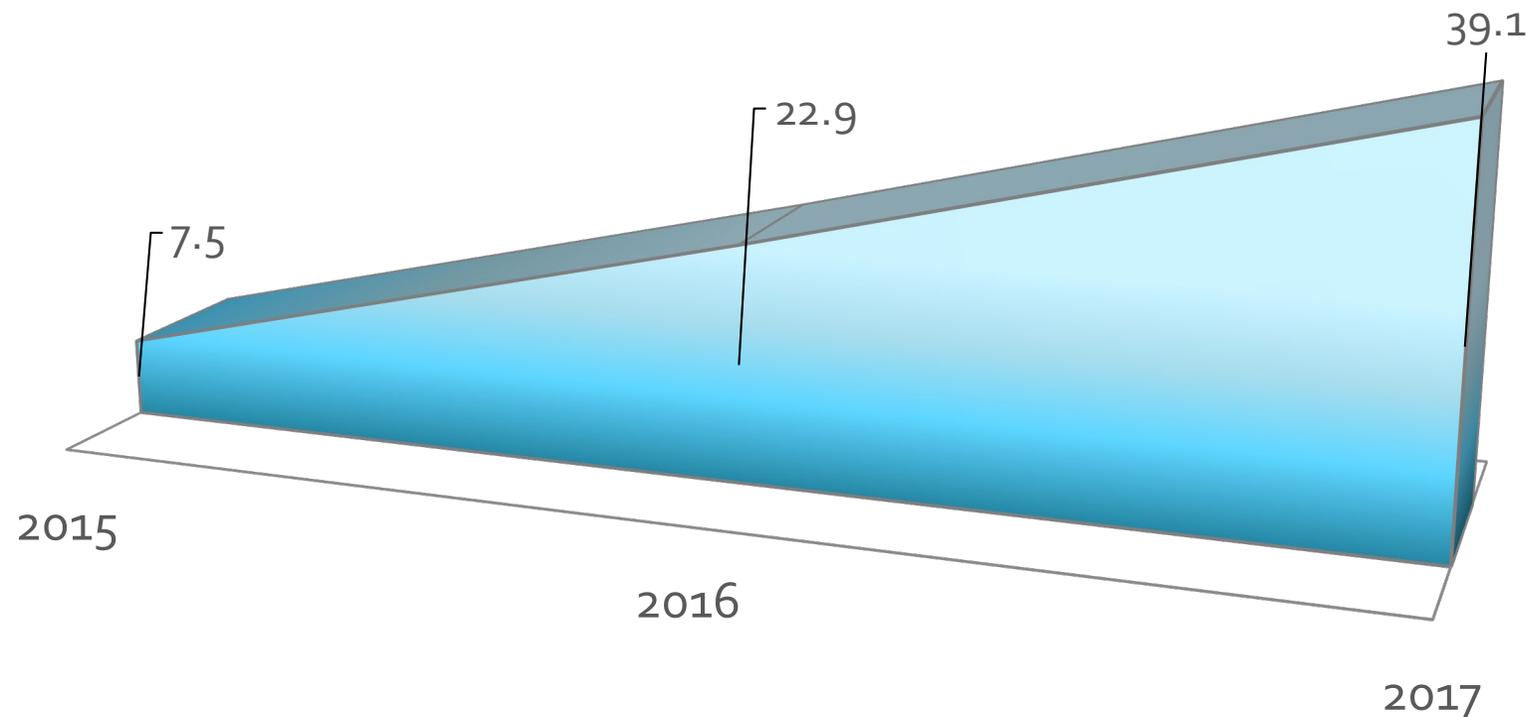


Streaming Update



On-demand pureplay music streaming has shown dramatic growth in Canada over the past two years.

Billions of Streams



🎧 Spotify September 2014

🎧 Google Play May 2014

🎧 Apple Music June 2015

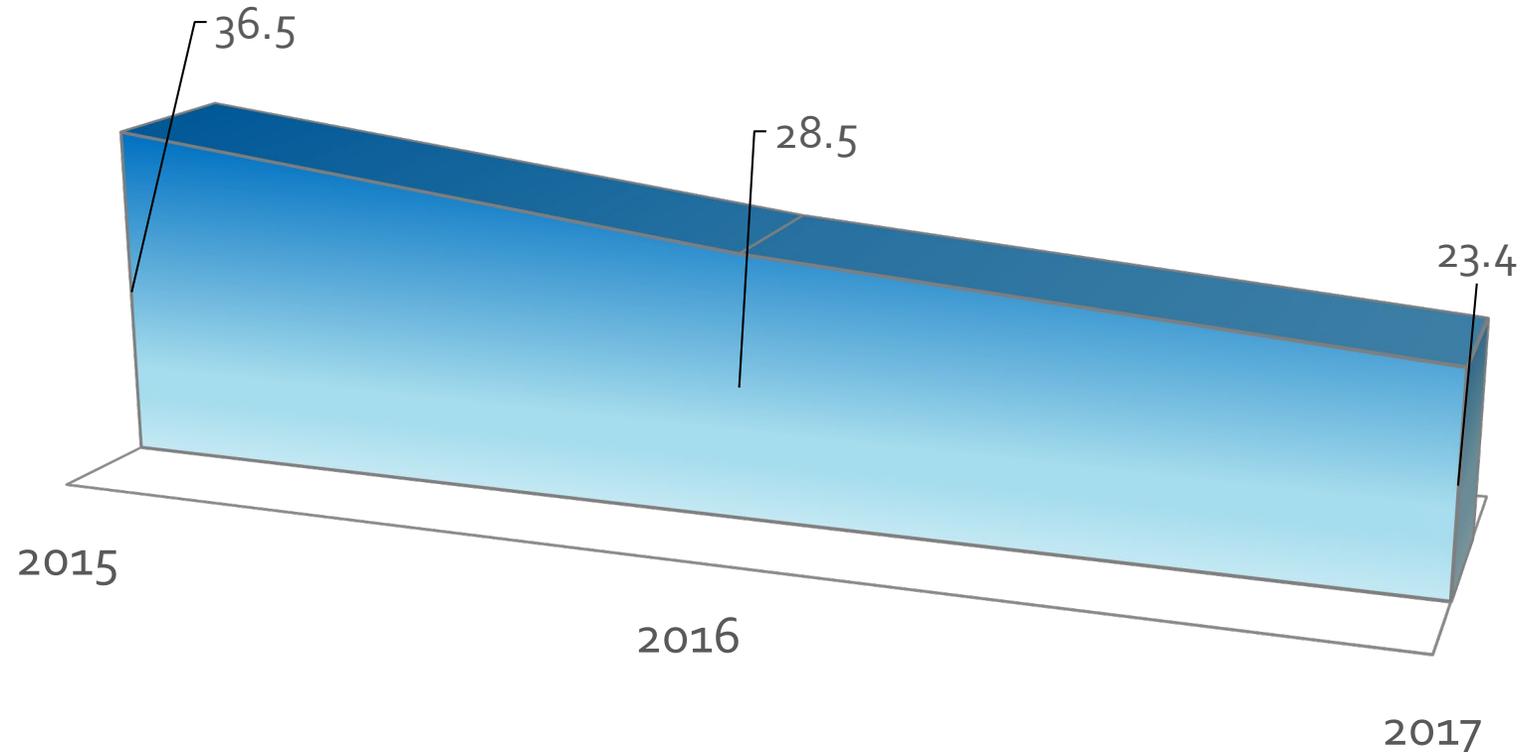
🎧 Amazon Prime November 2017



Source: Nielsen 2016 & 2017 Canada Year-End Reports. On demand audio data from Apple Music, Google Play, Spotify, Tidal, and Slacker

As on-demand pureplay streaming grows, music sales continue to decline.

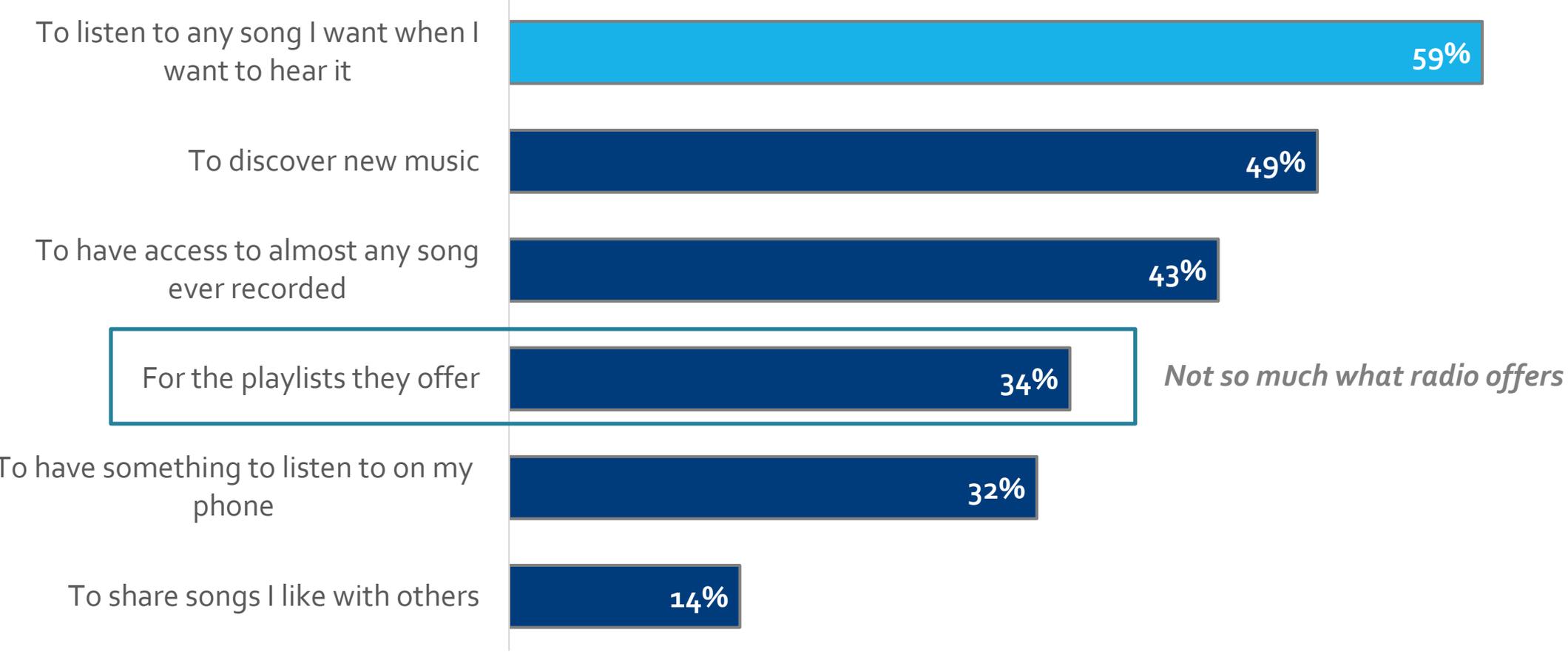
Millions of Albums Sold*



* Includes physical and digital albums, as well as TEA (Track Equivalent Albums) from single song sales

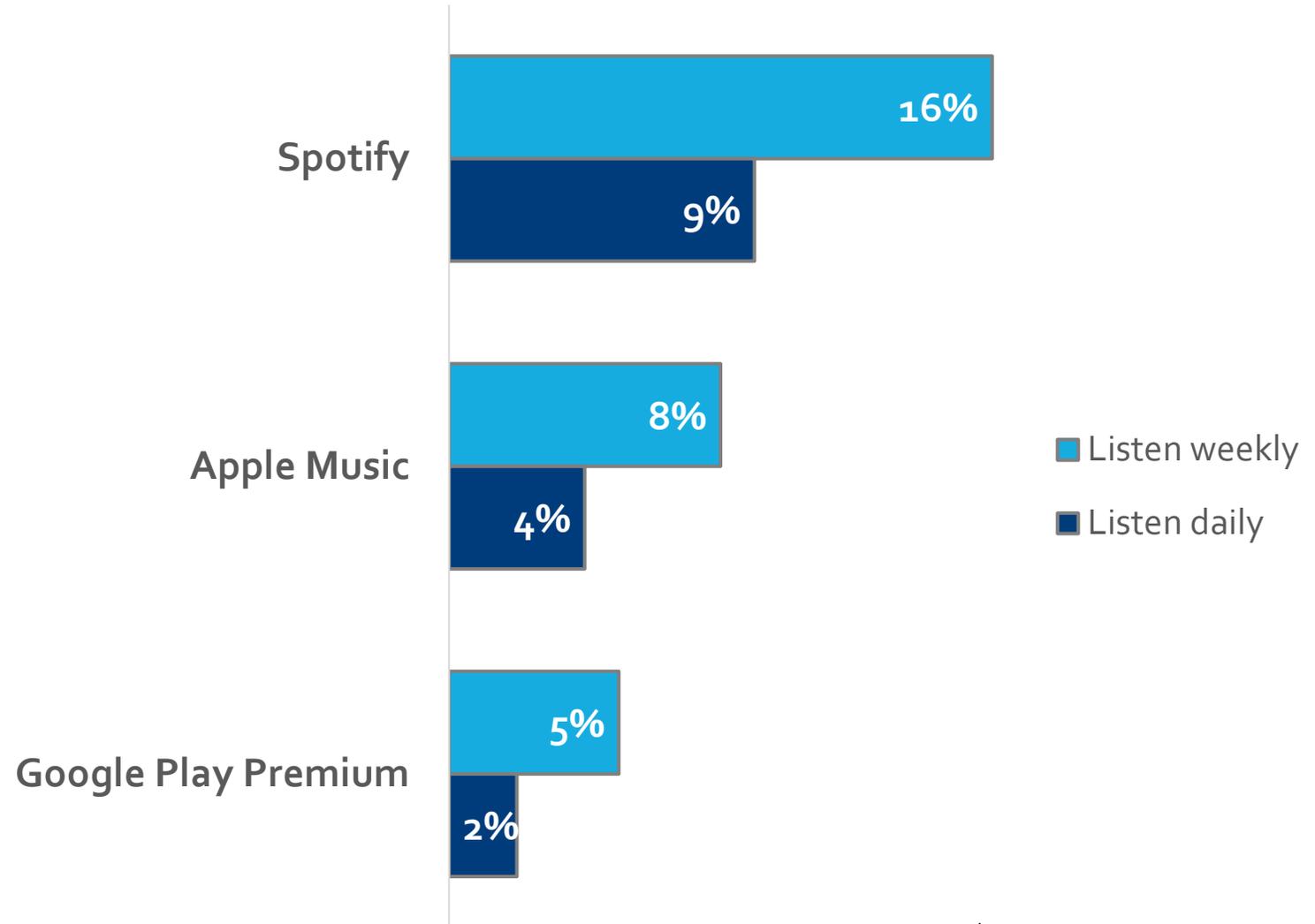


Access to their favourite songs on-demand is the leading reason users give for listening to pureplay music services.



SOURCE: *Radio on the Move*
Q.F16b. Which of the following reasons best describe why you listen to music streaming services?
Base: Canadians aged 18+ who listened to music streaming services in the past month (n=1004)

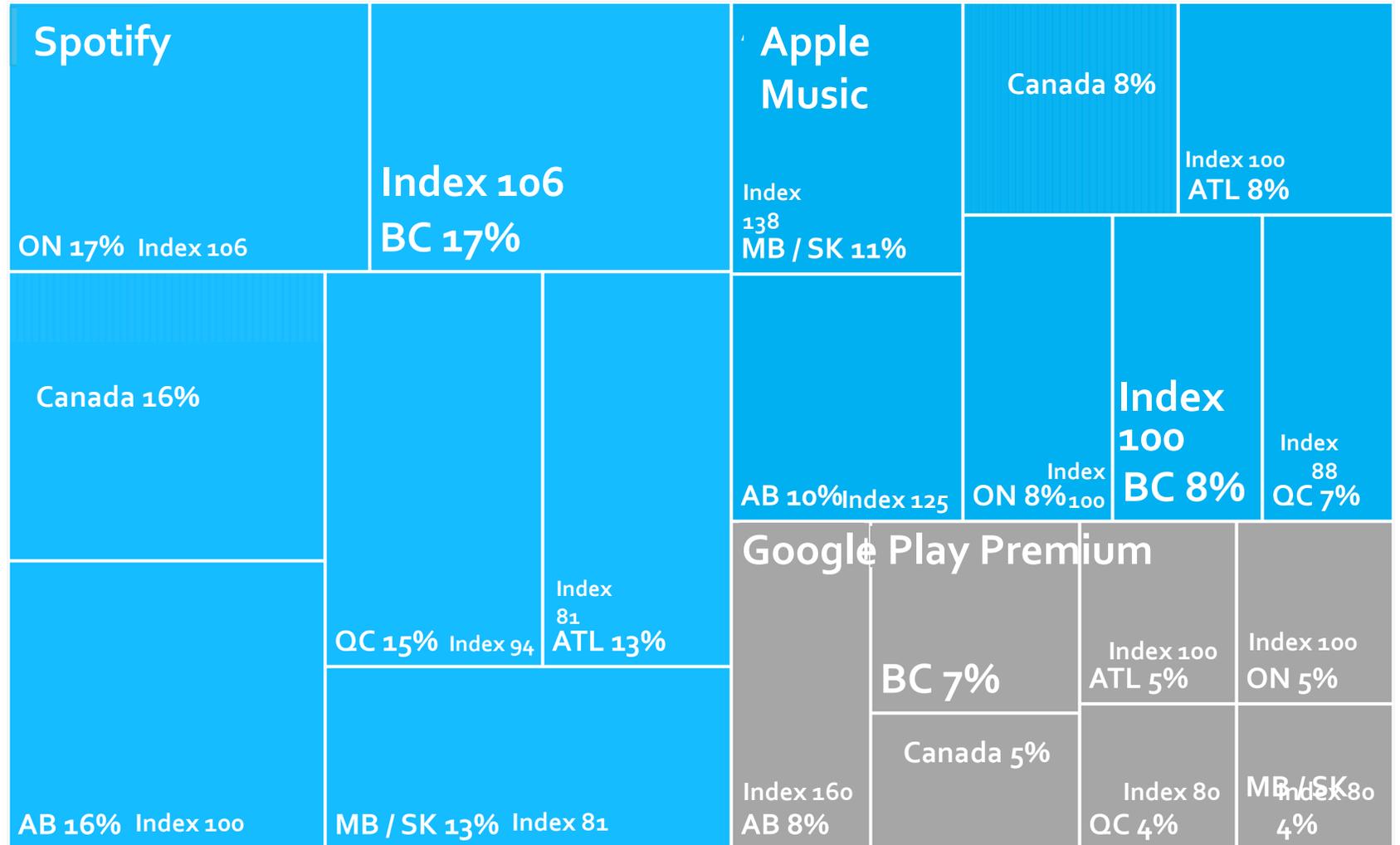
One-in-six
Canadians
listen to
Spotify
weekly –
fewer than 1-
in-10 daily.



SOURCE: *Radio on the Move*
Q. Overall, thinking of all locations, how often, if ever, would you say you listen to [service]?
Base: Canadians aged 18+ (n=3470)

Canadians listen to pureplay music streams similarly across the country

A18+ Listen to Weekly:



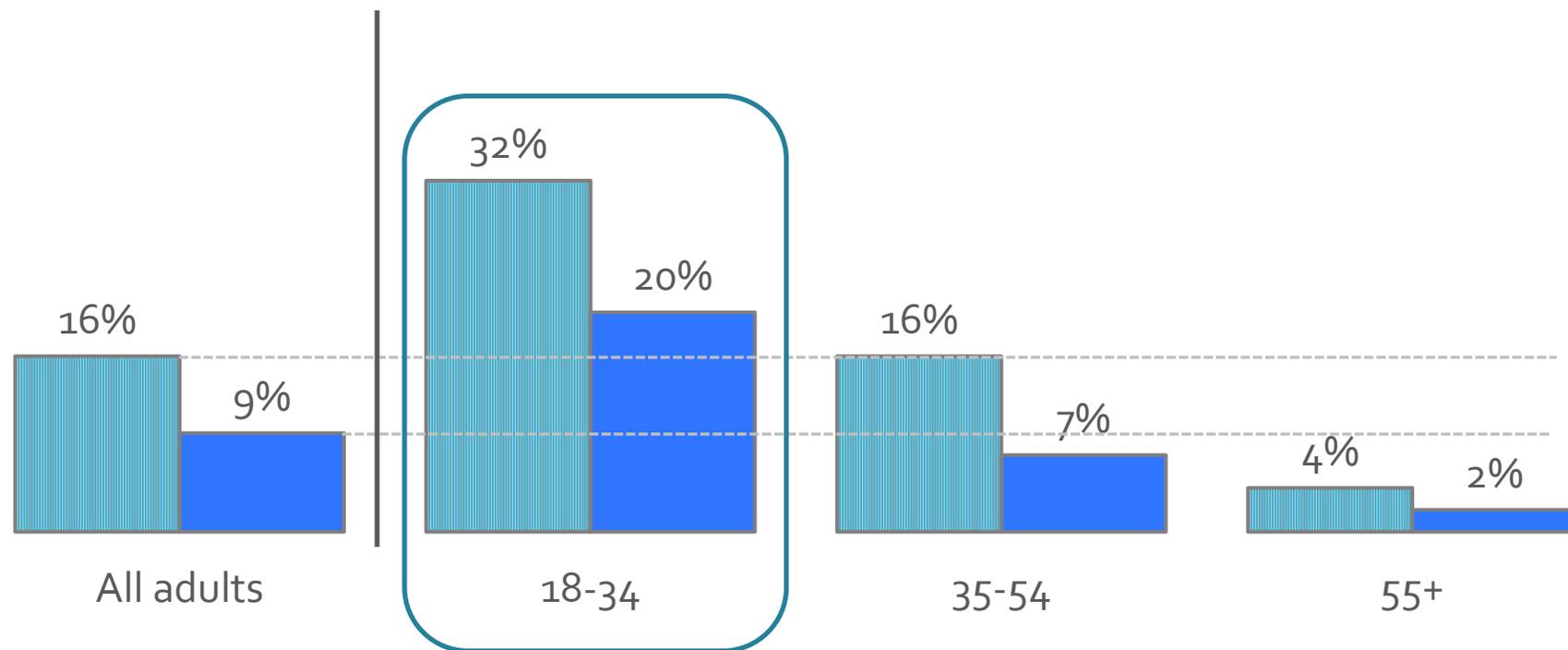
■ Spotify ■ Apple Music ■ Google Play Premium

SOURCE: *Radio on the Move*
 Q. Overall, thinking of all locations, how often, if ever, would you say you listen to [service]?
 Base: Canadians aged 18+ (n=3470)



Spotify usage is concentrated in the 18-34 demo.

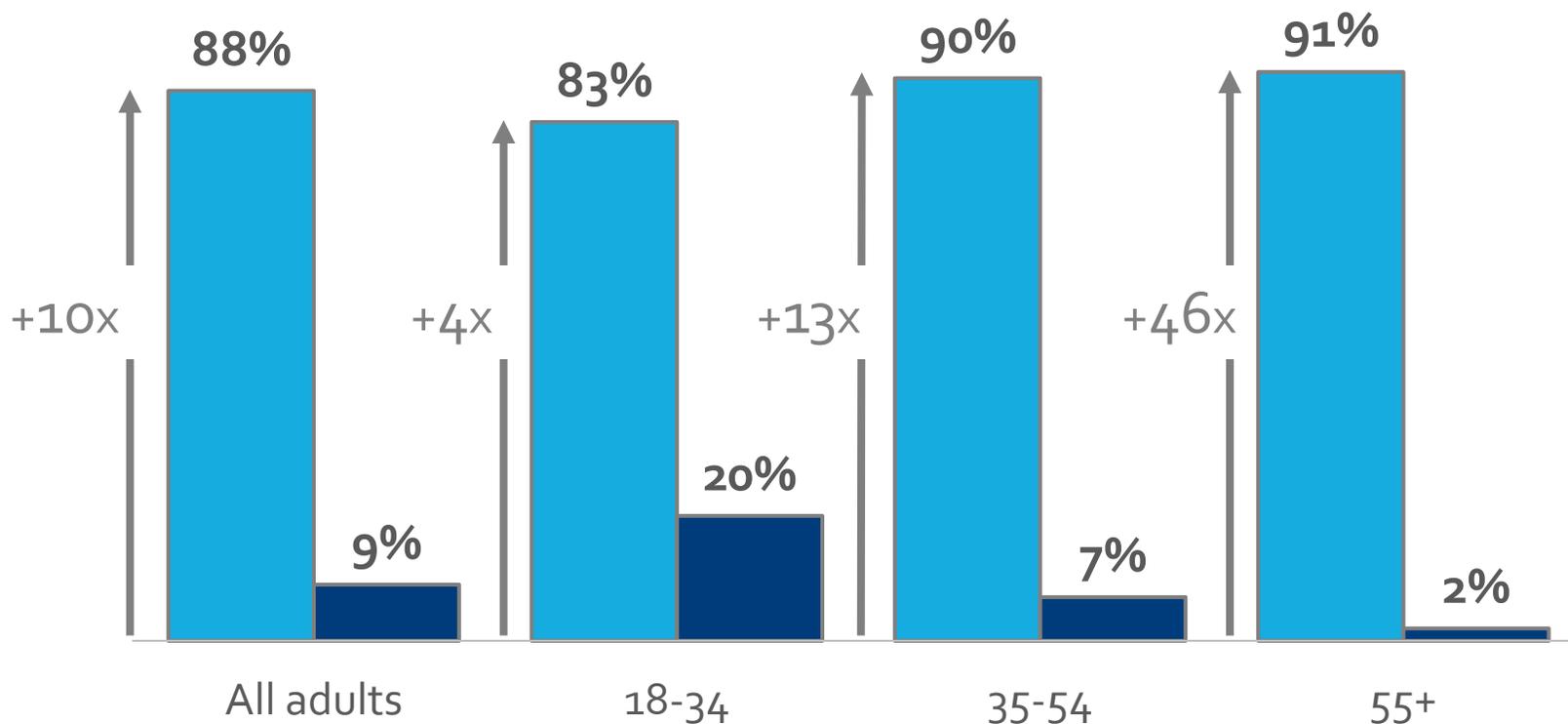
- Listen to Spotify (Ad Free + Ad Supported) 1+ x/week
- Listen to Spotify (Ad Free + Ad Supported) daily



SOURCE: *Radio on the Move*
Q.F13 Overall, thinking of all locations, how often, if ever, would you say you listen to: Spotify?
Base: Canadians, aged 18+ (n=3470)

AM/FM Radio still has a big lead over Spotify for daily listening—across all demos.

■ Listen to AM/FM on "a typical weekday" ■ Listen to Spotify daily



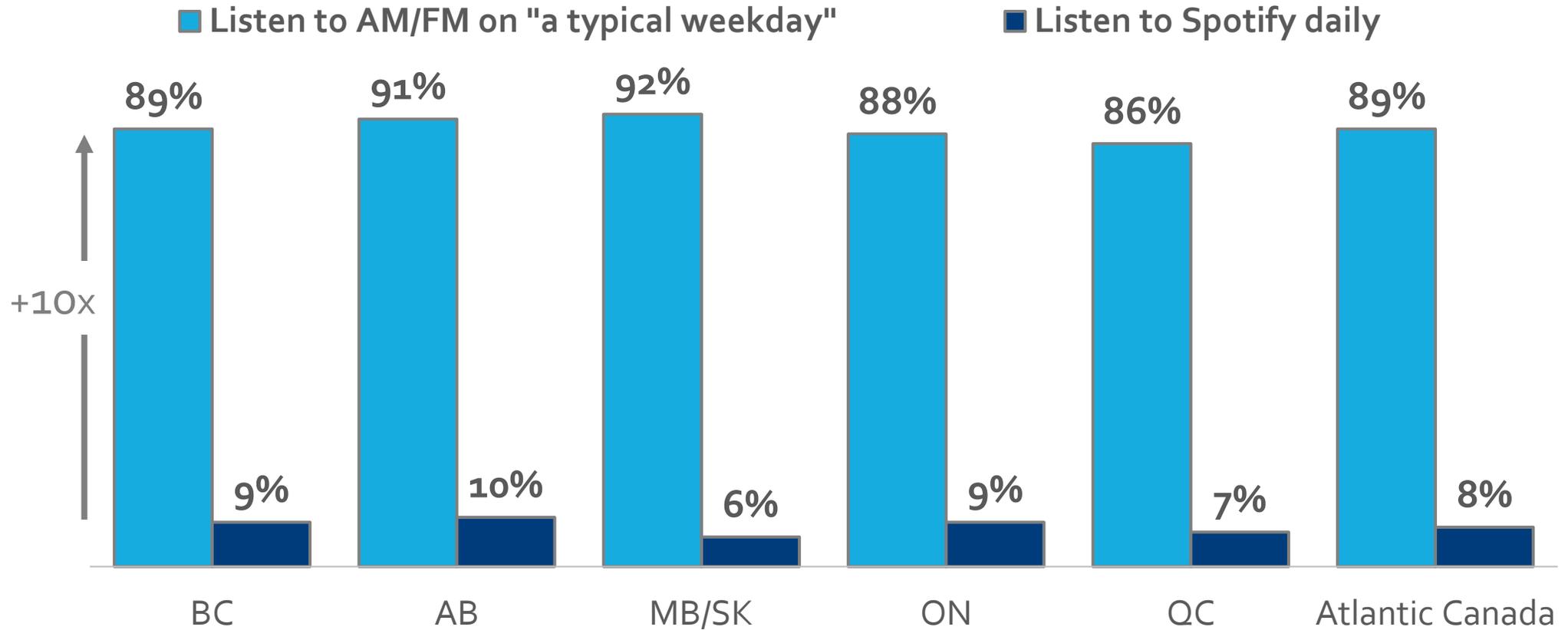
SOURCE: *Radio on the Move*

Q.F13 Overall, thinking of all locations, how often, if ever, would you say you listen to: Spotify?

Q.E1 Thinking of all the time you may listen at home, in the car, or at work, how much time in total do you spend listening to AM or FM radio stations during a typical weekday?

Base: Canadians, aged 18+ (n=3470)

AM/Radio's margin over Spotify holds steady across all regions.



SOURCE: *Radio on the Move*

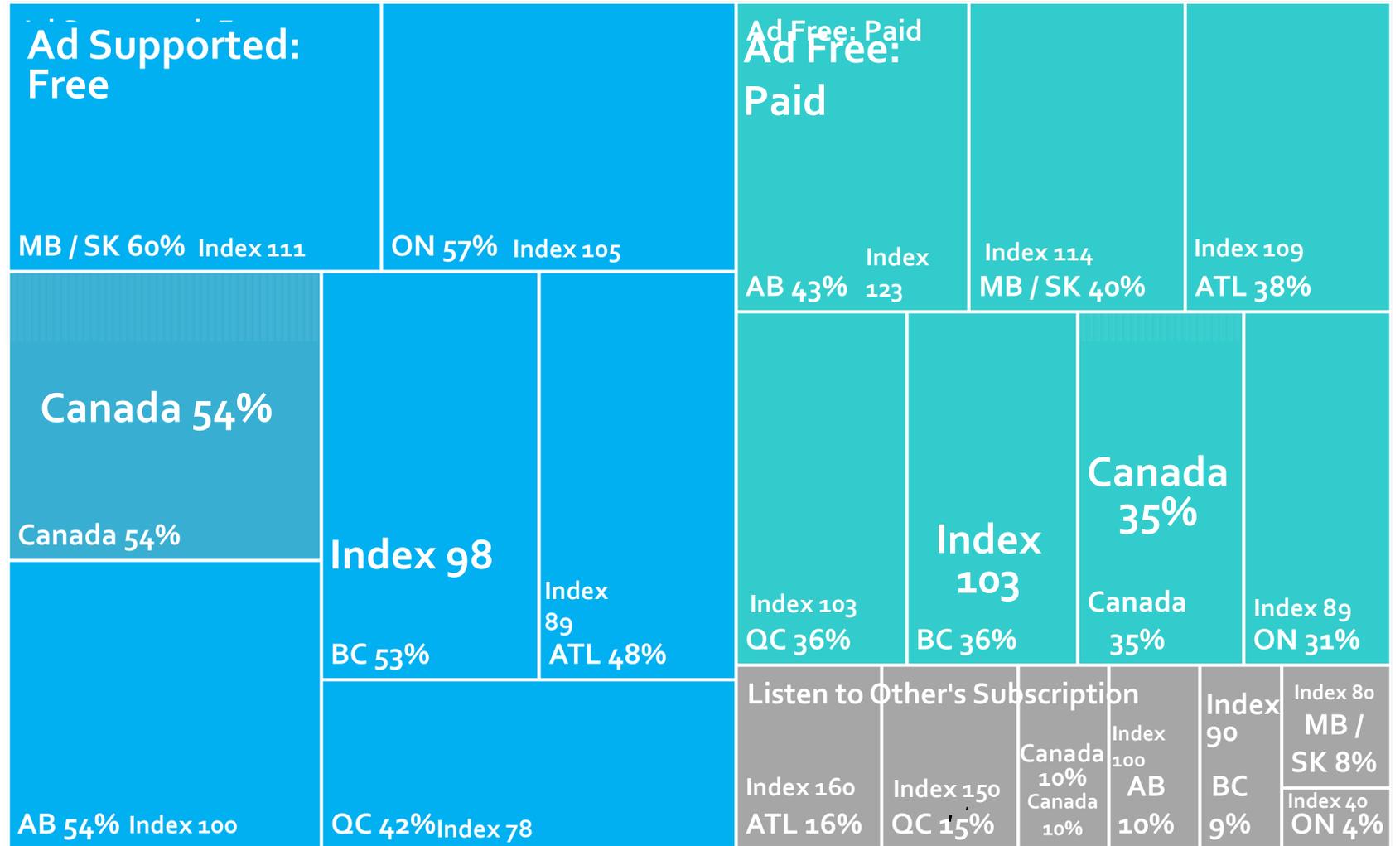
Q.F13 Overall, thinking of all locations, how often, if ever, would you say you listen to: Spotify?

Q.E1 Thinking of all the time you may listen at home, in the car, or at work, how much time in total do you spend listening to AM or FM radio stations during a typical weekday?

Base: Canadians, aged 18+ (n=3470)

More than one-in-three Spotify listeners in Canada are **AD FREE** subscribers.

A18+ Listen to Spotify Weekly:



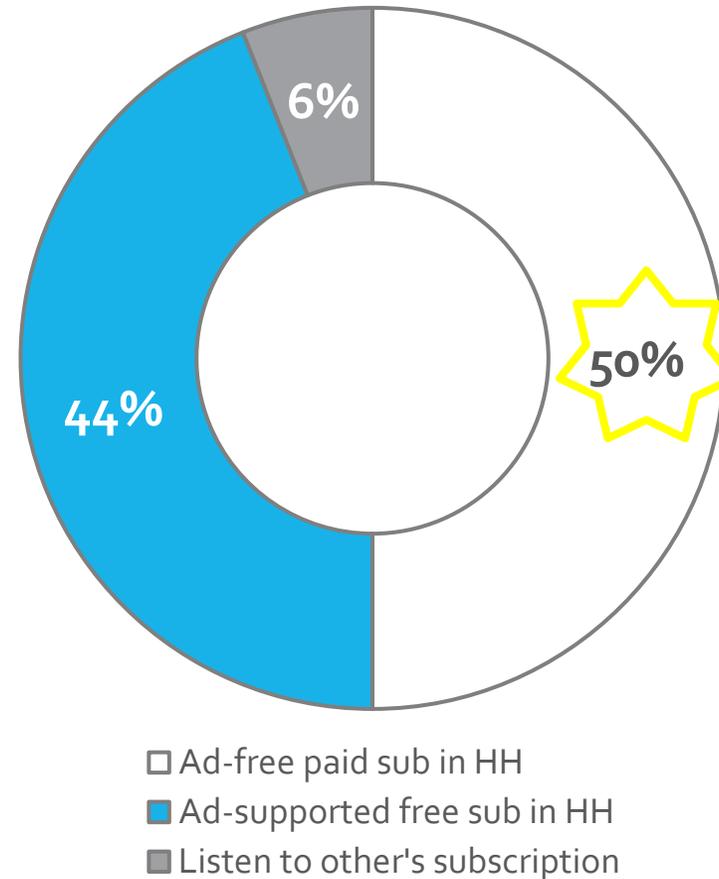
■ Ad Free: Paid ■ Ad Supported: Free ■ Listen to Other's Subscription

SOURCE: *Radio on the Move*
 Q. Overall, thinking of all locations, how often, if ever, would you say you listen to [service]?
 Base: Canadians aged 18+ (n=3470)



Half of Spotify's heaviest users access an ad-free subscription — frequency that lies beyond the reach of advertising.

*Subscription Type:
Listen to Spotify at least daily*

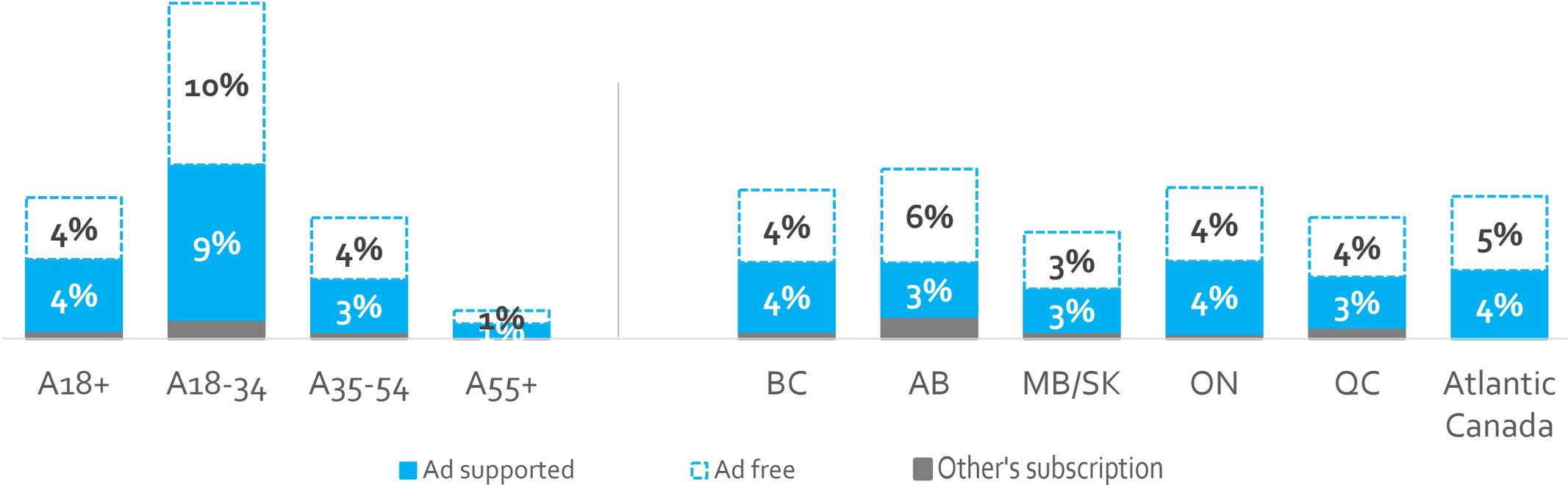


SOURCE: *Radio on the Move*
Q.F16a. You mentioned listening to Spotify. Which of the following best describes your Spotify subscription?
Base: Canadians aged 18+ who listen to Spotify daily (n=252)



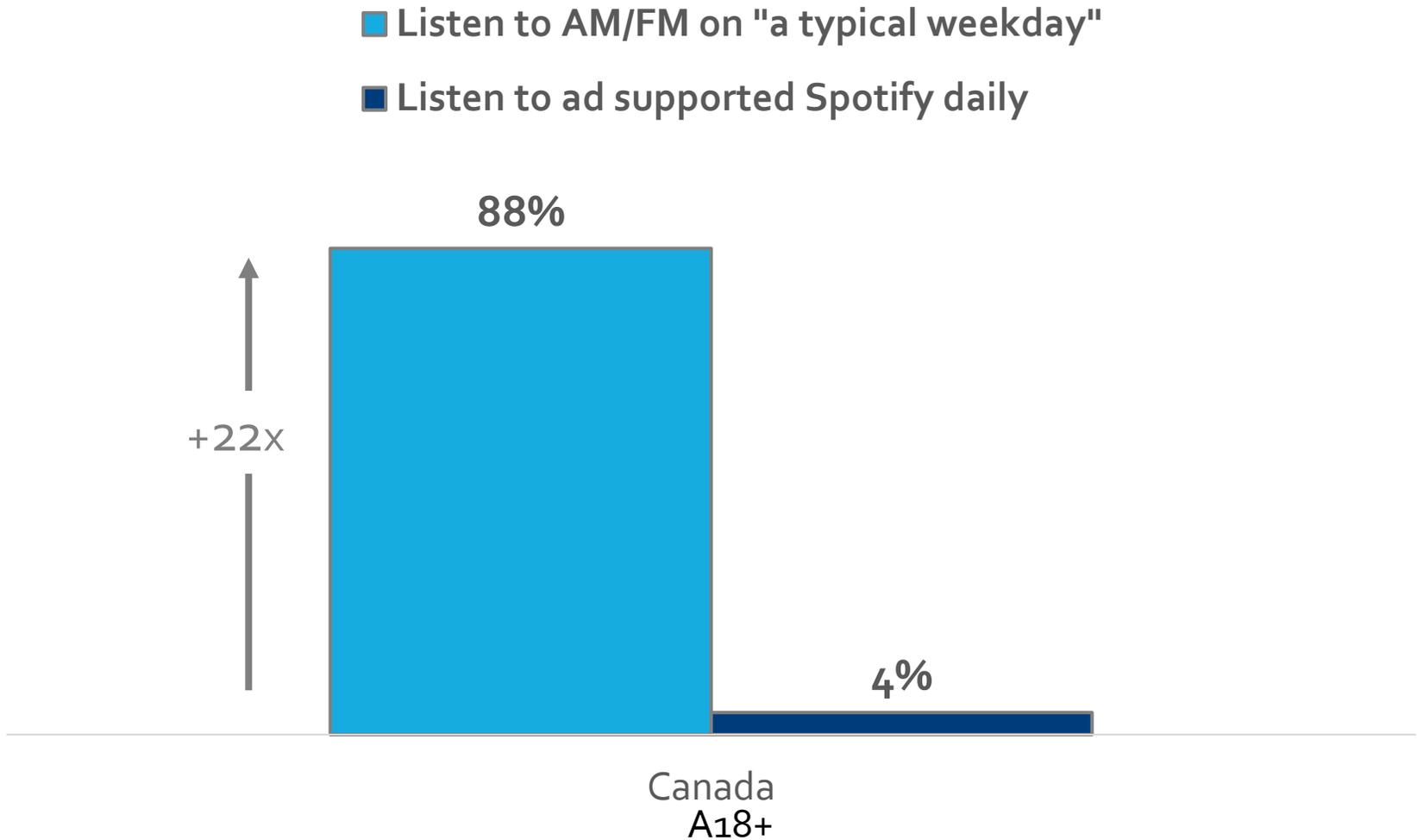
The split between ad-free paid and ad-supported Spotify subscribers is consistent across demos and regions.

Listen to Spotify daily: by subscription type



SOURCE: *Radio on the Move*
 Q.F16a. You mentioned listening to Spotify. Which of the following best describes your Spotify subscription?
 Base: Canadians, aged 18+ (n=3470)

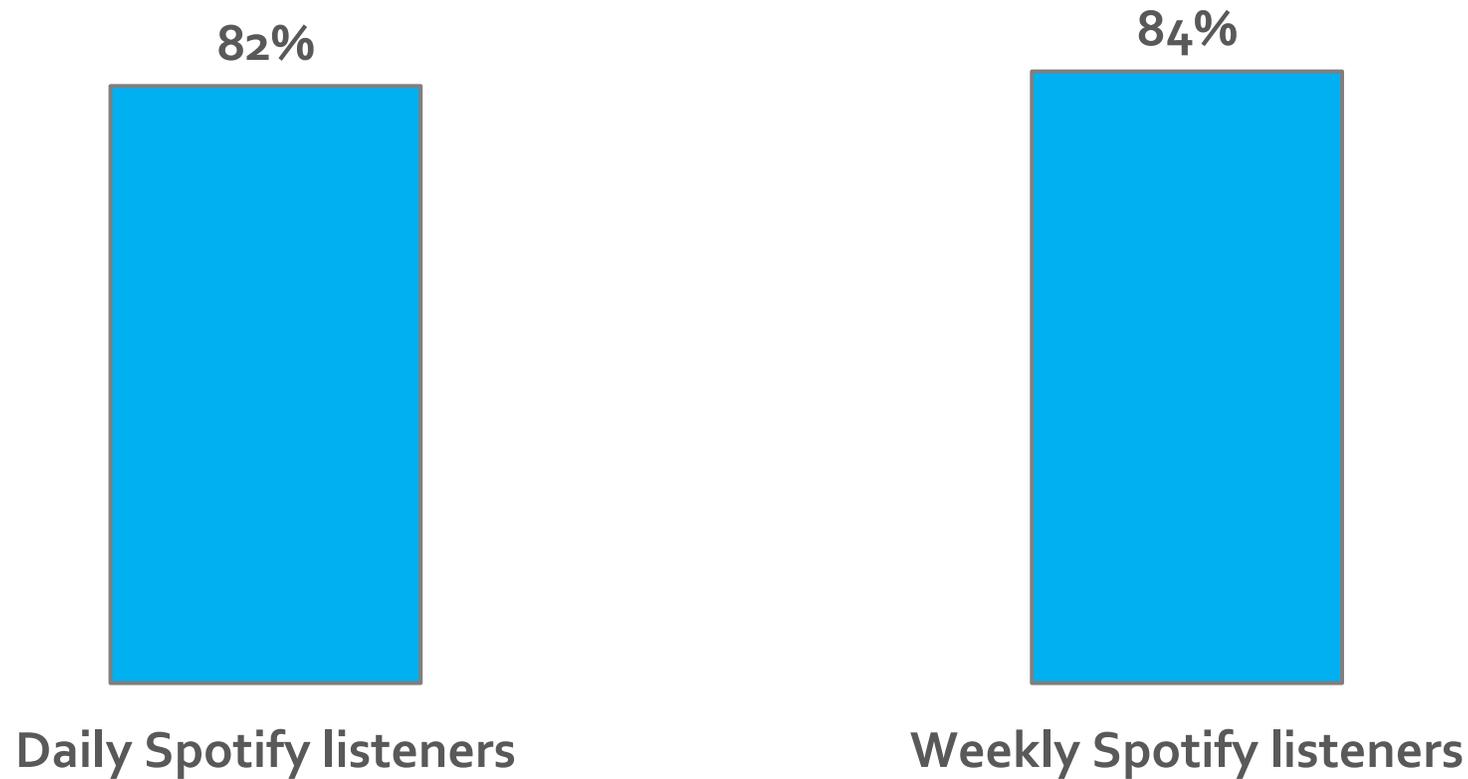
AM/FM radio reaches 22 times as many Canadians as ad supported Spotify.



SOURCE: *Radio on the Move*
Q.F13 Overall, thinking of all locations, how often, if ever, would you say you listen to: Spotify?
Q.E1 Thinking of all the time you may listen at home, in the car, or at work, how much time in total do you spend listening to AM or FM radio stations during a typical weekday?
Base: Canadians, aged 18+ (n=3470)



More than 8-in-10 Spotify listeners aged 18-34 say they listen to AM/FM Radio in “a typical weekday.”

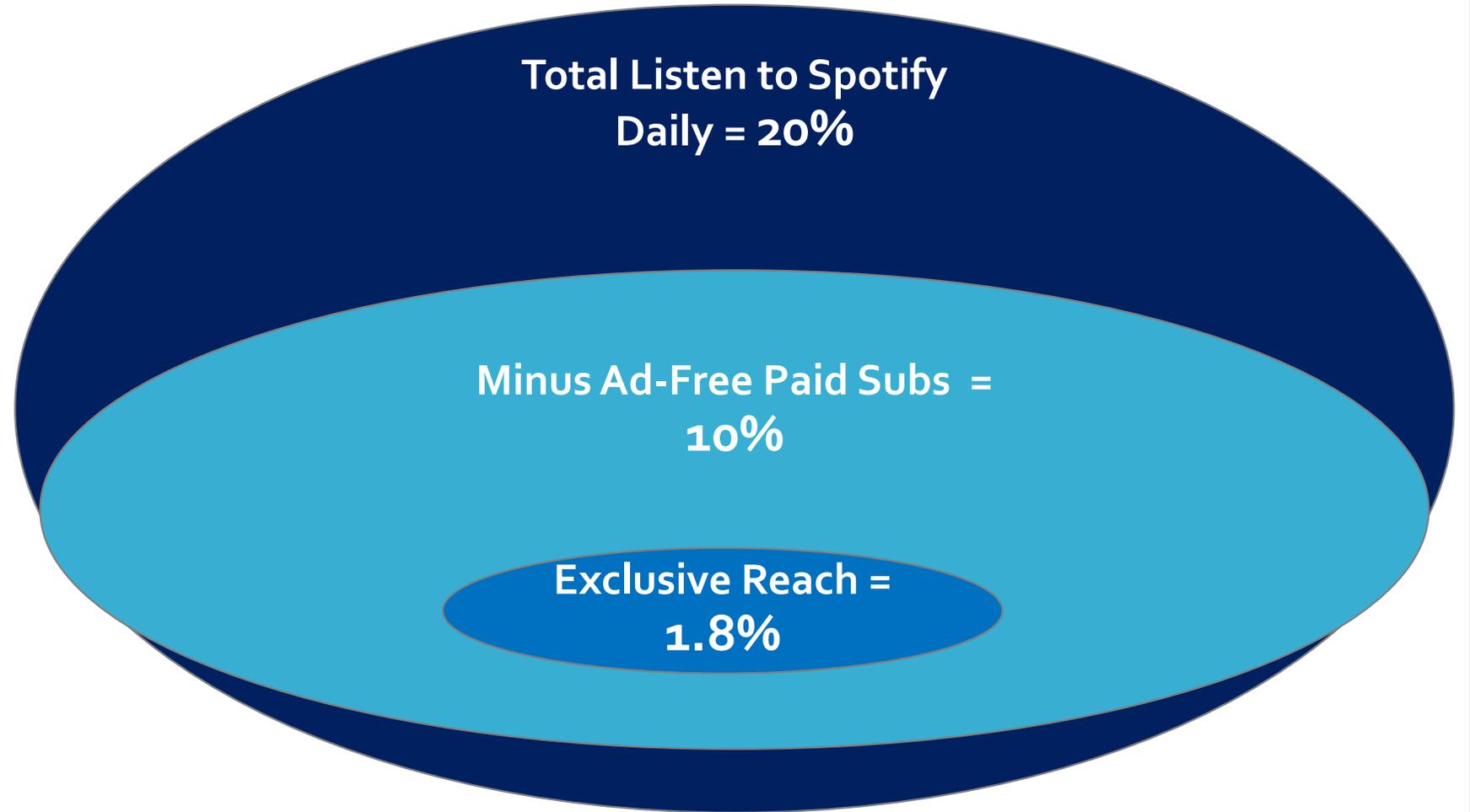


SOURCE: *Radio on the Move*

Q.E1 Thinking of all the time you may listen at home, in the car, or at work, how much time in total do you spend listening to AM or FM radio stations during a typical weekday?
Base: Canadians, aged 18-34; daily Spotify listeners (n=150); weekly Spotify listeners (n=232)

Ad-supported
Spotify
listening
delivers low
exclusive
reach from
AM/FM Radio.

% of 18-34 Canadians



SOURCE: *Radio on the Move*

Q.E1 Thinking of all the time you may listen at home, in the car, or at work, how much time in total do you spend listening to AM or FM radio stations during a typical weekday?

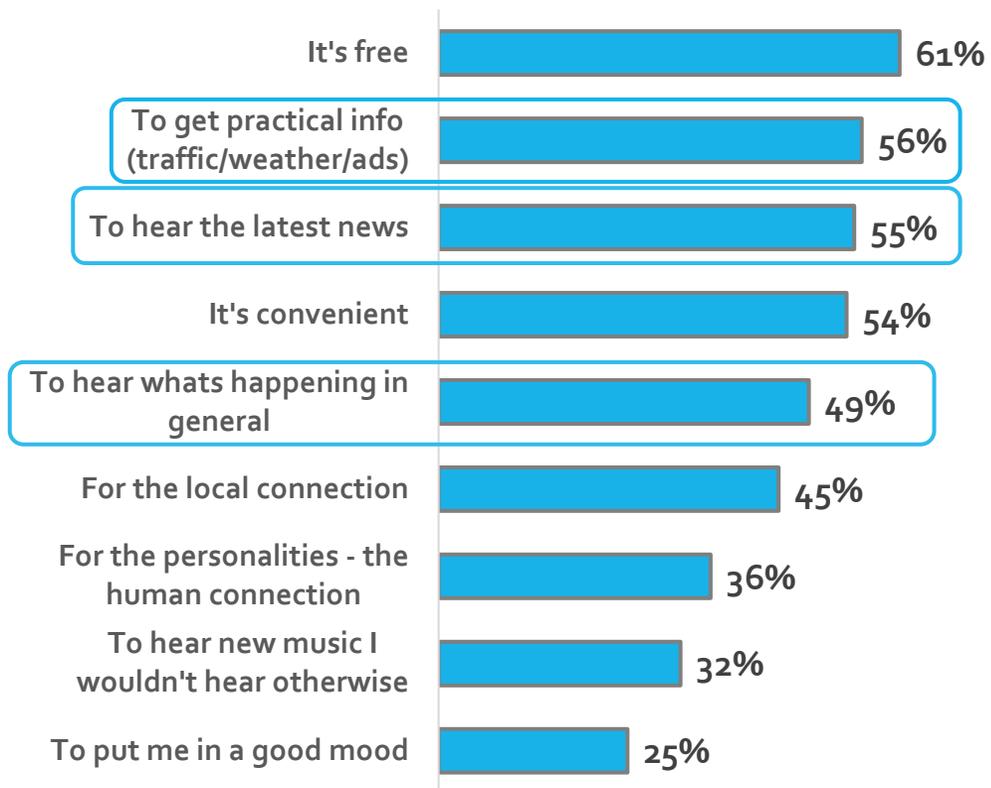
Q.F13 Overall, thinking of all locations, how often, if ever, would you say you listen to: Spotify?

Base: Canadians, aged 18-34; pureplay streamers in past 24 hours (n=457); pureplay streamers in past week (n=781); pureplay streamers in past month (n=1,004)

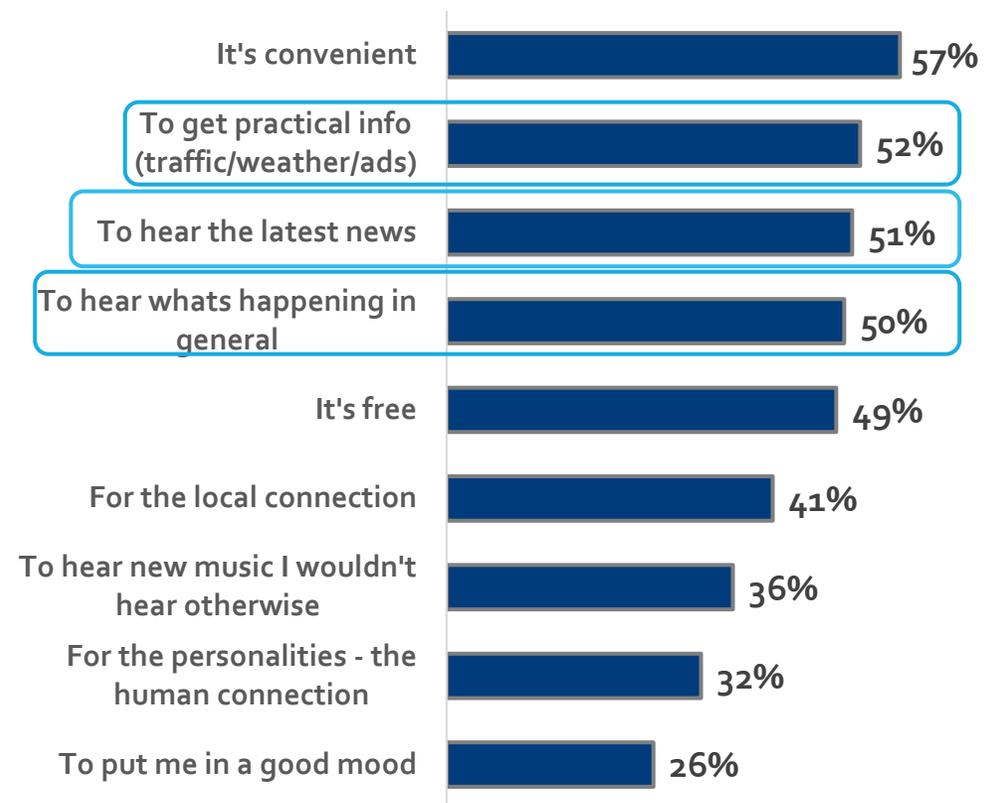


Pureplay streamers still go to AM/FM Radio for convenience, free content... and to be connected.

All Past Month Pureplay Streamers



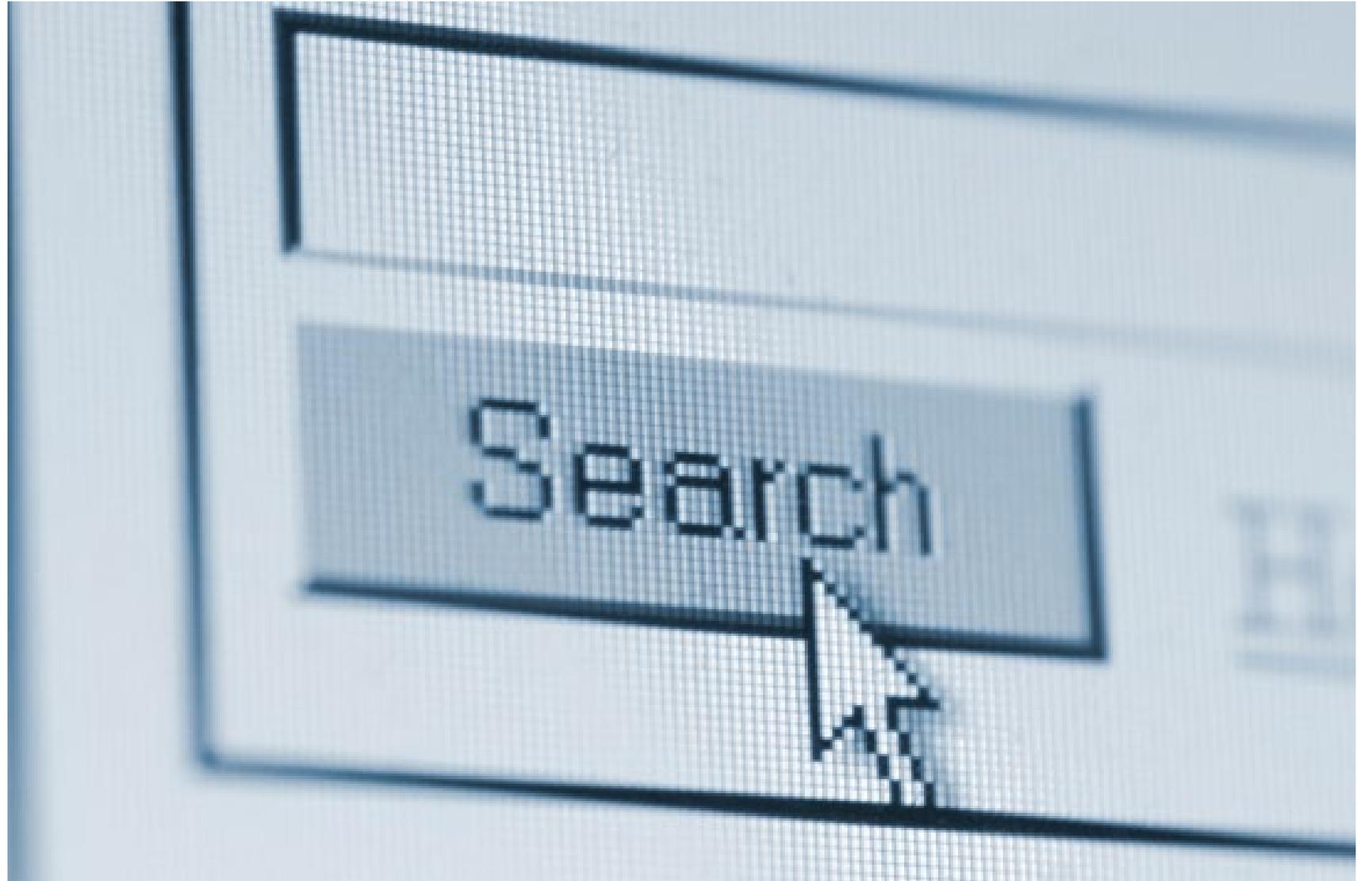
Daily Spotify Users



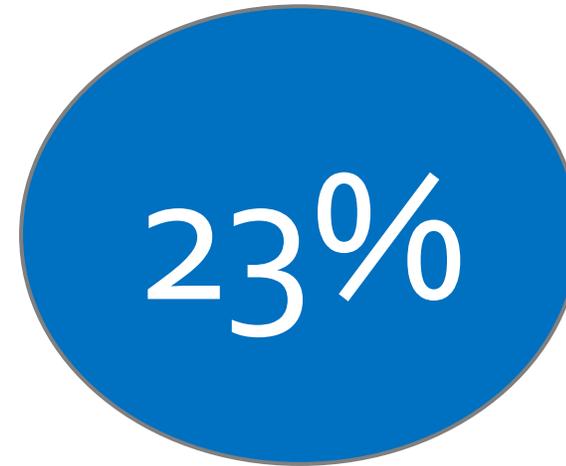
SOURCE: *Radio on the Move*

Q.F16e. Given all the other ways you have to listen to music, which of the following reasons best describe why you still listen to AM or FM radio?
 Base: Canadians aged 18+ who listened to music streaming services in the past month, and also to AM/FM 30+min in typical weekday (n=737)

Radio's Drive to Digital



AM/FM Radio drives listeners to action.



Nearly 1-in-4 Canadians took at least one of these actions in past month after hearing an ad on AM/FM Radio.

\$ Purchased It

\$ Told Someone Else About It

\$ Went Online to get More Information

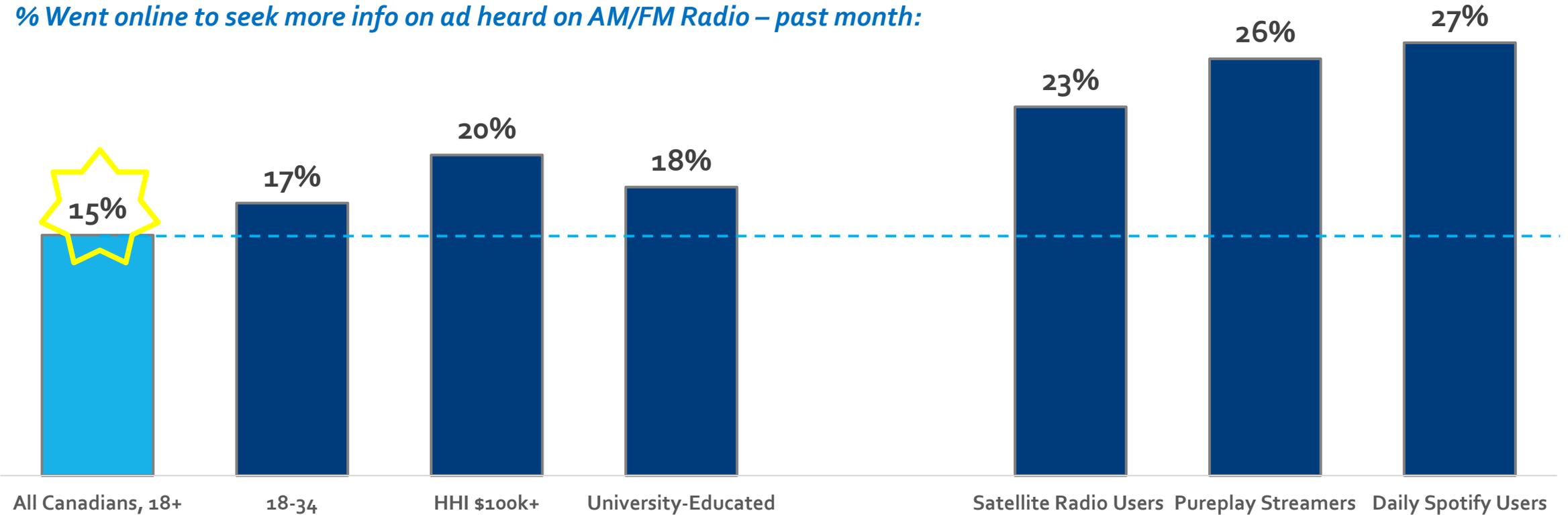


SOURCE: *Radio on the Move*
Q.Ad2a-Ad2C. When was the most recent time you {x} after hearing it advertised on AM/FM radio?
Base: Canadians, aged 18+, (n=3470)

One-in-seven Canadians say they went online in the past month to get more info on an ad they heard on radio.

Attribution confusion? How much is digital getting credit for what is being driven by radio?

% Went online to seek more info on ad heard on AM/FM Radio – past month:



SOURCE: *Radio on the Move*

Q.Ad2b. When was the most recent time you went online to get more information about a brand, product or service after hearing it advertised on AM/FM radio?

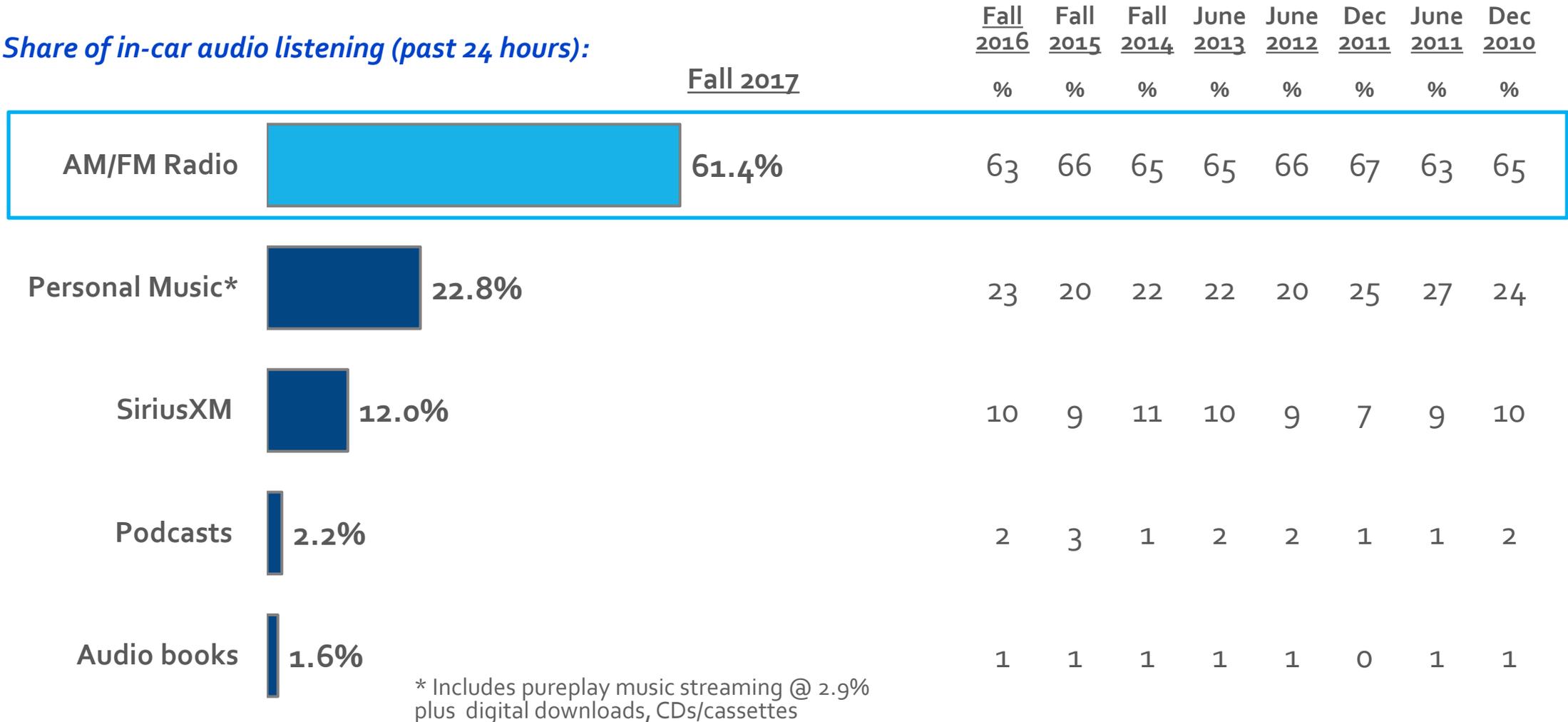
Base: Canadians, aged 18+, (n=3470)

In-Car Listening Update



AM/FM's share of in-car listening remains dominant—even with growth of new in-car audio options.

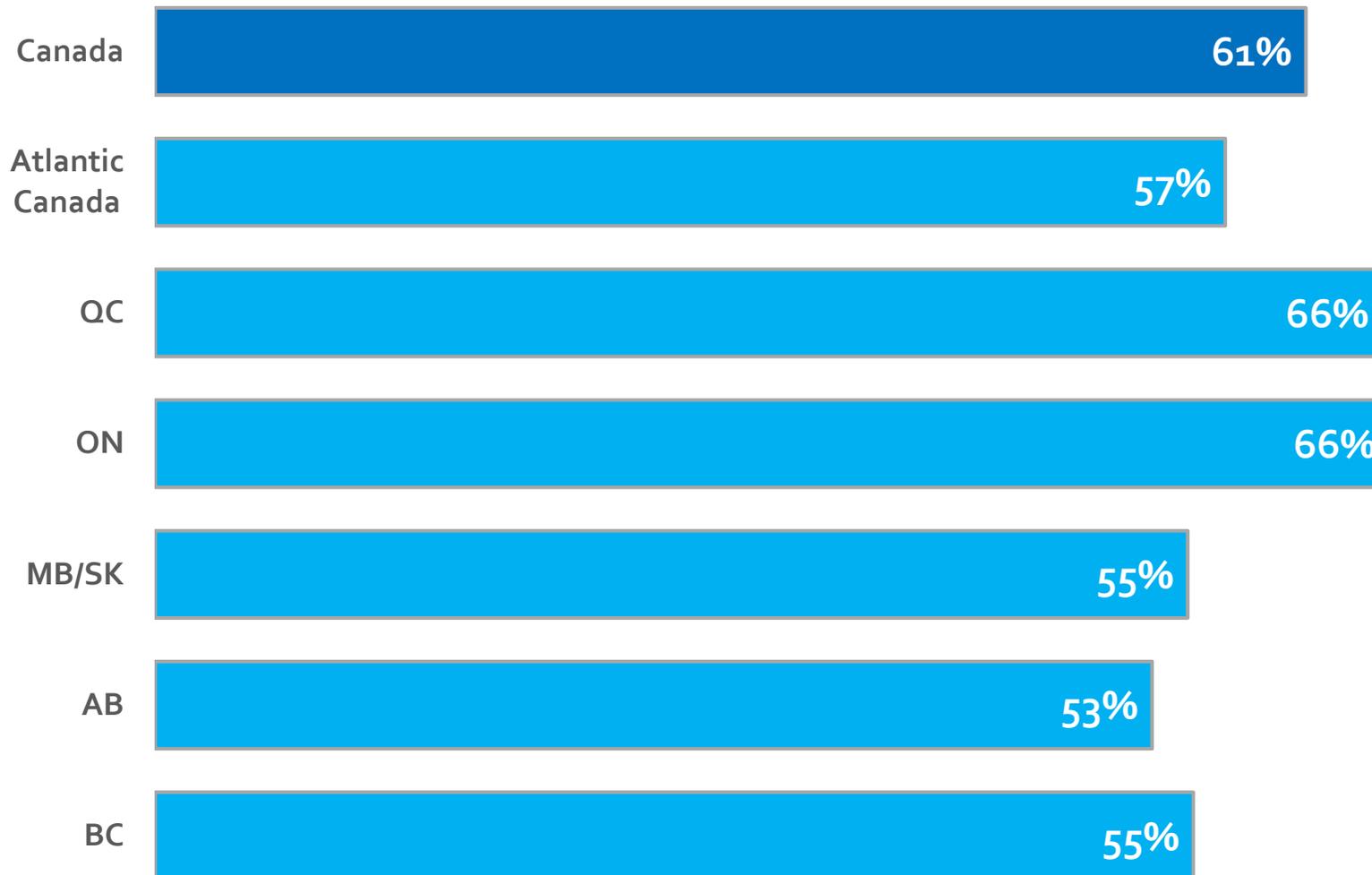
Share of in-car audio listening (past 24 hours):



SOURCE: *Radio on the Move*
 Q.C1a. When was the last time, if ever, you did the following in a private vehicle?
 Q.C2. Thinking of all the time you spent in the vehicle in the past 24 hours, how much time did you spend doing the following?
 Base: Canadians, aged 18+, in private vehicle at least once per week (Fall 17: n=3,069)
 *Personal Music = Music on Phone / iPod / MP3 / CDs / Cassettes / Pureplay Music Streaming

AM/FM
remains the
dominant in-
car audio
option across
all regions of
Canada.

AM/FM share of in-car listening – past 24 hrs:



SOURCE: *Radio on the Move*

Q.C1a. When was the last time, if ever, you did the following in a private vehicle?

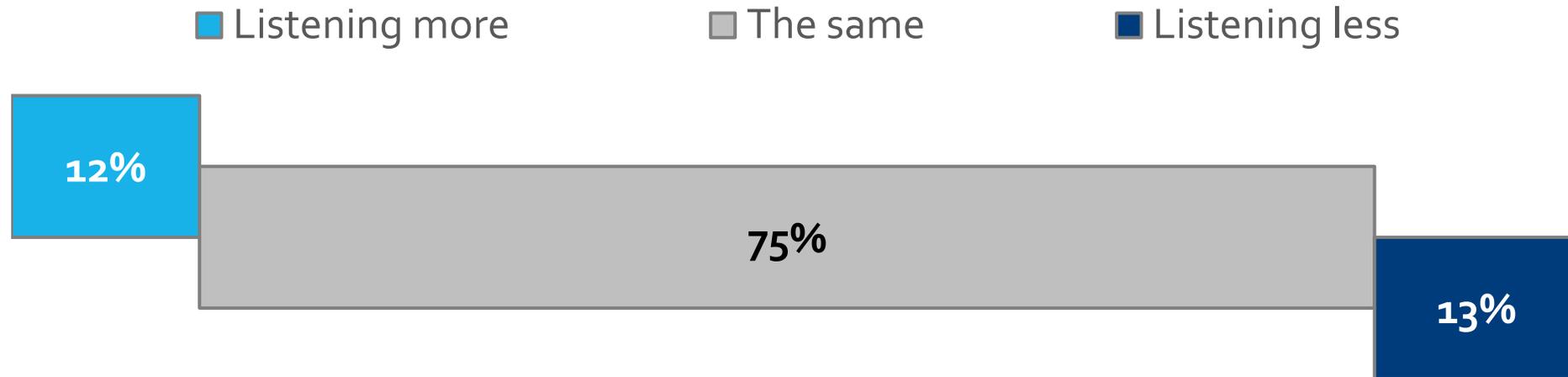
Q.C2. Thinking of all the time you spent in the vehicle in the past 24 hours, how much time did you spend doing the following?

Base: Canadians, aged 18+, in private vehicle at least once per week (Fall 17: n=3,069)



Three-in-four Canadians with new in-dash technologies say they have no impact on their in-car listening to AM/FM.

*Among Canadians with technology allowing in-dash access to on-demand audio in car
(20% of all Canadians, aged 18+)*



SOURCE: *Radio on the Move*
F6. To what extent would you say these new in-car technologies have affected the amount of time you spend listening to AM/FM radio in the car or truck?
Base: Canadians aged 18+ who say they have new technologies allowing in-dash access to on-demand audio, (n=677)

**AM/FM Radio
reaches
Canadians in
their cars –
75% weekly.**

All, aged 18+

Listen In Car Past Week

Canada, 75%

Listen In Car Past 24 hrs

Canada, 57%

SOURCE: *Radio on the Move*

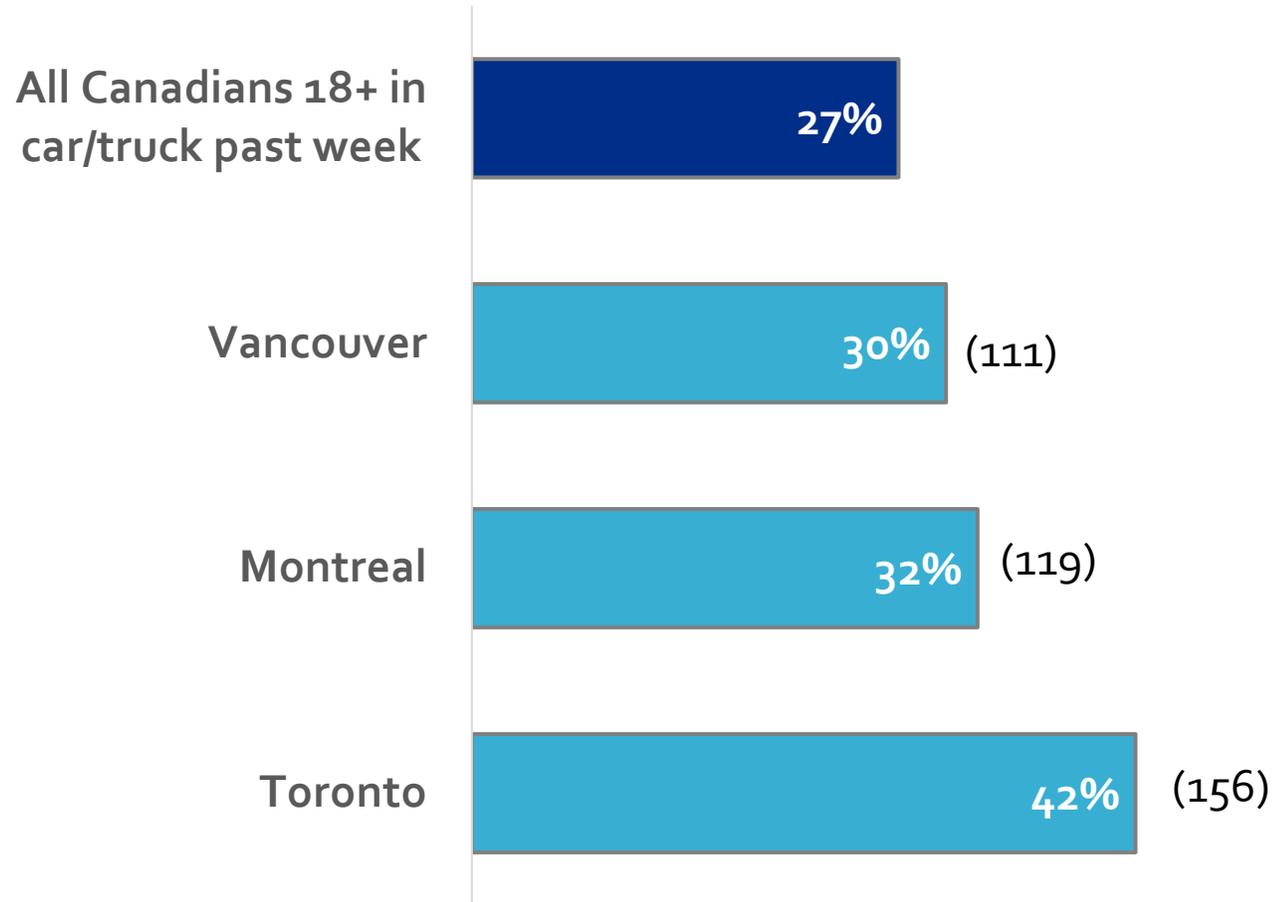
Q.C1a. When was the last time, if ever, you did the following in a private vehicle?

Base: All Canadians, aged 18+ (n=3,470); extrapolated from results among the 88% of Canadian adults who say they are either drivers or passengers in a private vehicle at least once a week



More than 1-in-4 drivers/passengers commute 1/2+ hr. on a typical workday—more in major centres.

% of each subgroup who commute 30+ min./day by car/truck:



SOURCE: *Radio on the Move*

Q.C1a. When was the last time, if ever, you did the following in a private vehicle?

Base: Canadians, aged 18+, in private vehicle past week (n=3,069)

A5. On a typical workday, how much time, if any, do you spend traveling to work or school by car or other type of private vehicle? (Both ways)

Base: Residents of Toronto CMA, aged 18+, in private vehicle past week (n=316)



Commuters represent an affluent & attractive target.

% of each subgroup who commute 30+ min./day by car/truck:

All Canadians 18+ in car/truck past week

27%

Plan to Buy a Car / Next Year

33%

(122)

Adults 25-54

37%

(137)

HHI \$100K

41%

(152)



SOURCE: *Radio on the Move*

Q.C1a. When was the last time, if ever, you did the following in a private vehicle?

Base: Canadians, aged 18+, in private vehicle past week (n=3,069)

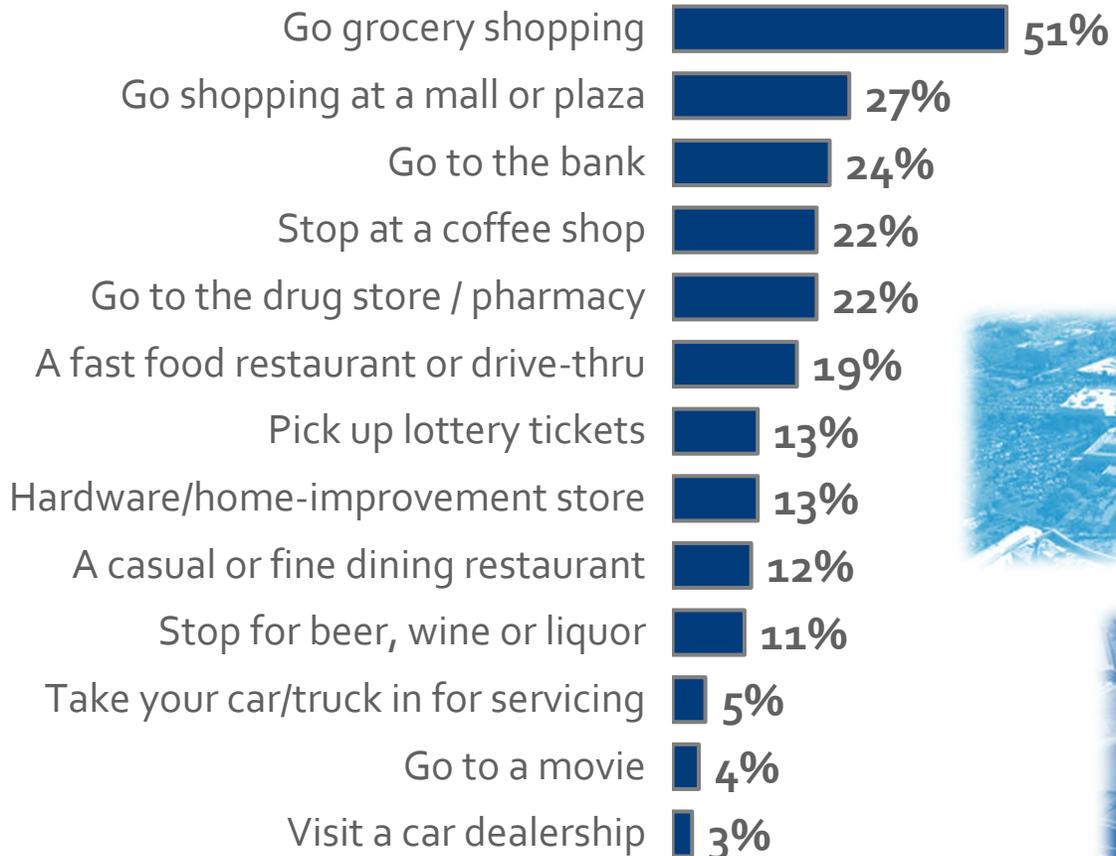
A5. On a typical workday, how much time, if any, do you spend traveling to work or school by car or other type of private vehicle? (Both ways)

Base: Residents of Toronto CMA, aged 18+, in private vehicle past week (n=316)

Eight-in-ten drivers/passengers used their car in the past 24 hours to buy products or services.

Radio on the Path to Purchase

Did at least one of these buying trips **82%**



SOURCE: *Radio on the Move*

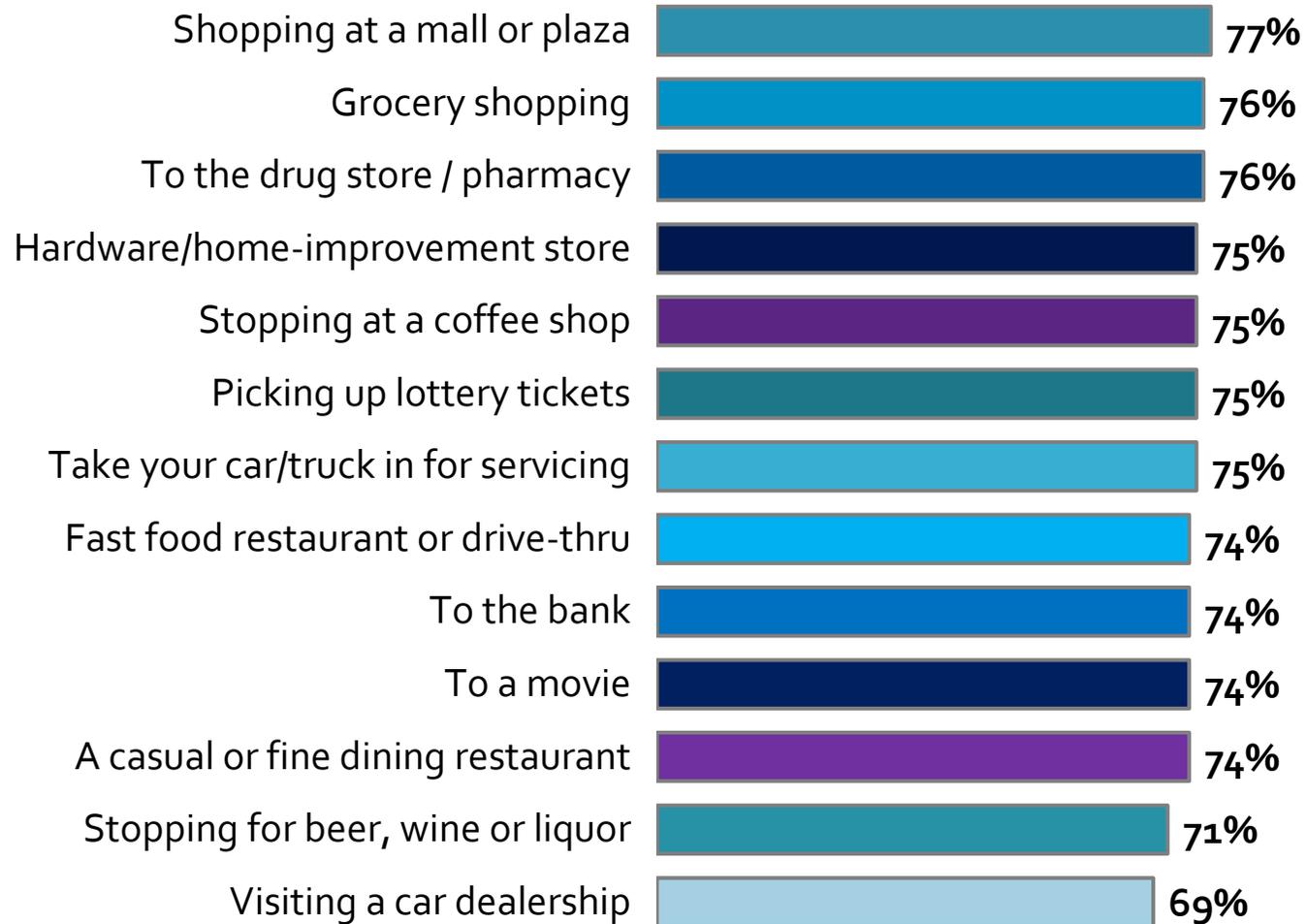
C5d. And still thinking about the time you spent in a private vehicle in the past 24 hours, did you do any of these things while driving, or use your vehicle to get there?

Base: Canadians, aged 18+, in private vehicle in past 24 hours (n=2,902)



AM/FM Radio provides the soundtrack for the last mile in the Path to Purchase.

Listened to AM/FM Radio while going to—or doing this – in the past 24 hrs:



SOURCE: *Radio on the Move*

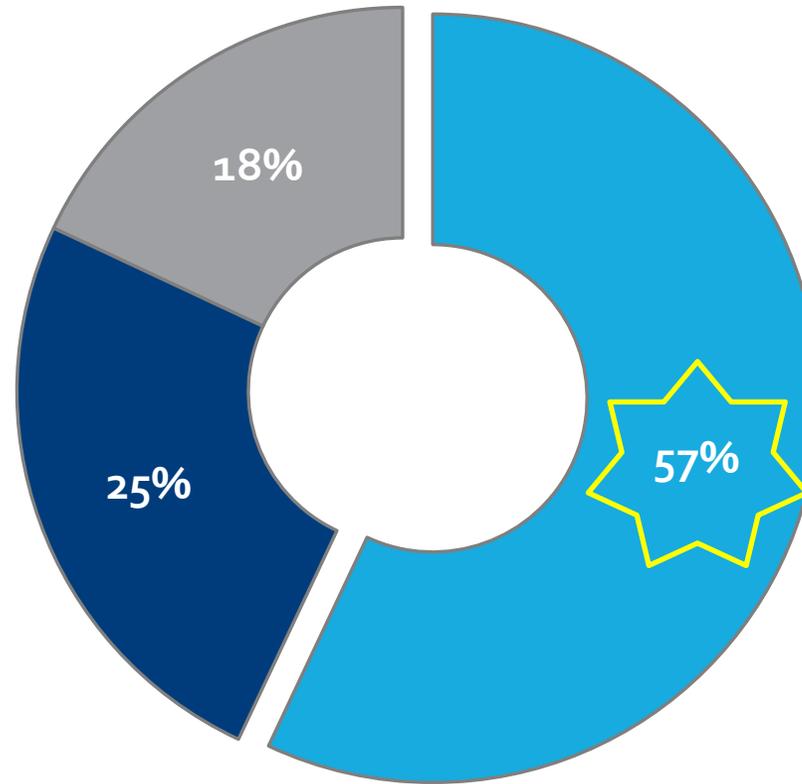
C5d. And still thinking about the time you spent in a private vehicle in the past 24 hours, did you do any of these things while driving, or use your vehicle to get there?

C5e. Were you listening to AM/FM radio in the car while doing or going to this?

Base: Canadians, aged 18+, in private vehicle in past 24 hours who used vehicle for activity in past 24 hours; base varies depending on activity



Nearly 6-in-10
Canadians
planning to buy
a new car in the
next year say
they wouldn't
buy it if it didn't
have an AM/FM
Radio.



- I wouldn't buy the car if it didn't have an AM or FM radio
- I'd miss it, but I'd make do with CDs, iPod, satellite radio or smartphone
- No big deal. I don't really listen to AM/FM in the car



SOURCE: *Radio on the Move*
Q.F7. To what extent would you miss an AM or FM radio if it wasn't available in the next car you bought?
Base: Canadians, aged 18, planning to buy a new car in the next year (n=327)

New Audience Opportunities



THE VERGE | GOOGLE | TECH | ANDROID | TECH | SCIENCE | CULTURE | CARS | REVIEWS | LONGFORM | VIDEO | MORE | f | t | r

New Samsung phones in the US and Canada will have an active FM radio chip

Having access to local radio stations through an FM chip during emergencies would be an asset

engadget

Samsung phones will have functioning FM chips from now on

Unlock the secret FM tuner in your Android phone

REVIEWS | NEWS | VIDEO | HOW TO | SMART HOME | CARS | DEALS | DOWNLOAD

c|net

PHONES

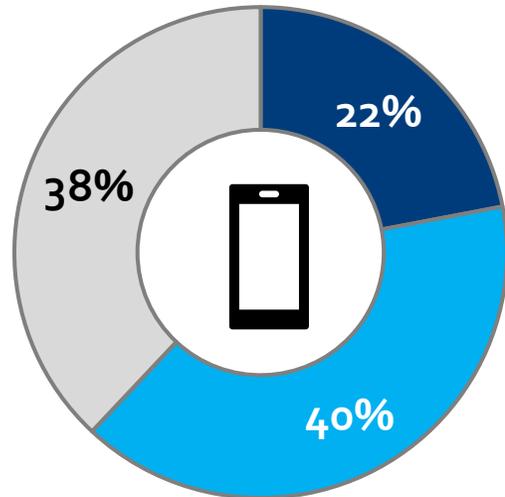
Unlock the secret FM tuner in your Android phone



Samsung and others unlocking their FM chips could take a bite out of Apple's market share.

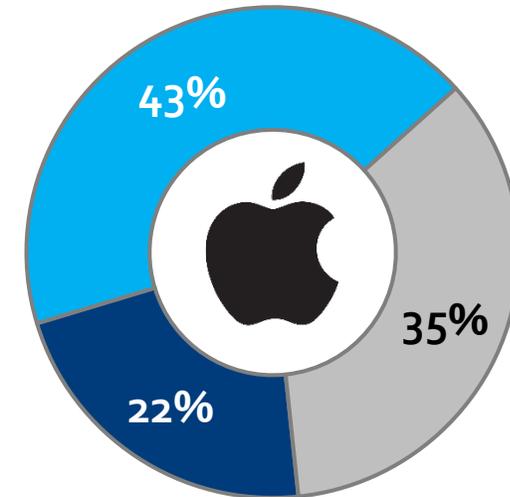
Nearly 2 out of 3 of iPhone owners say that chips that would allow them to listen to FM would influence the type of phone they use.

*Impact on Smartphone Choice:
All Smartphone Owners*



Any influence:
62%

*Impact on Smartphone Choice:
iPhone Users*



Any influence:
65%

■ Big Influence ■ A little influence ■ No influence

■ Big Influence ■ A little influence ■ No influence



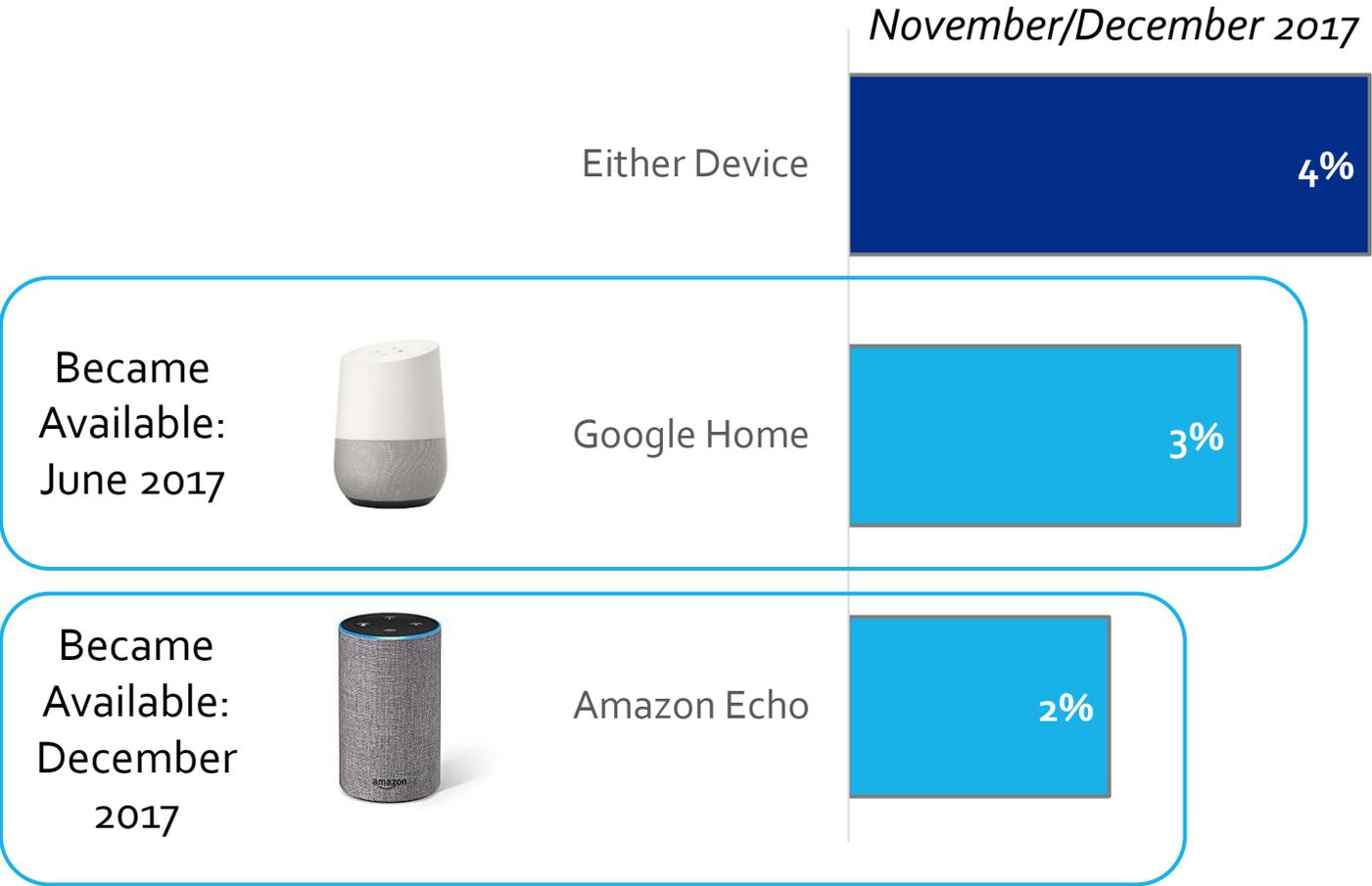
SOURCE: *Radio on the Move*

Q.F16. If you knew that a smartphone had an activated FM chip that would allow you to listen to over-the-air FM radio without any data charges, how much of an influence would that have on your decision on which smartphone to use/to choose?

Base: Canadians aged 18+ with Smartphones, (n=2601)

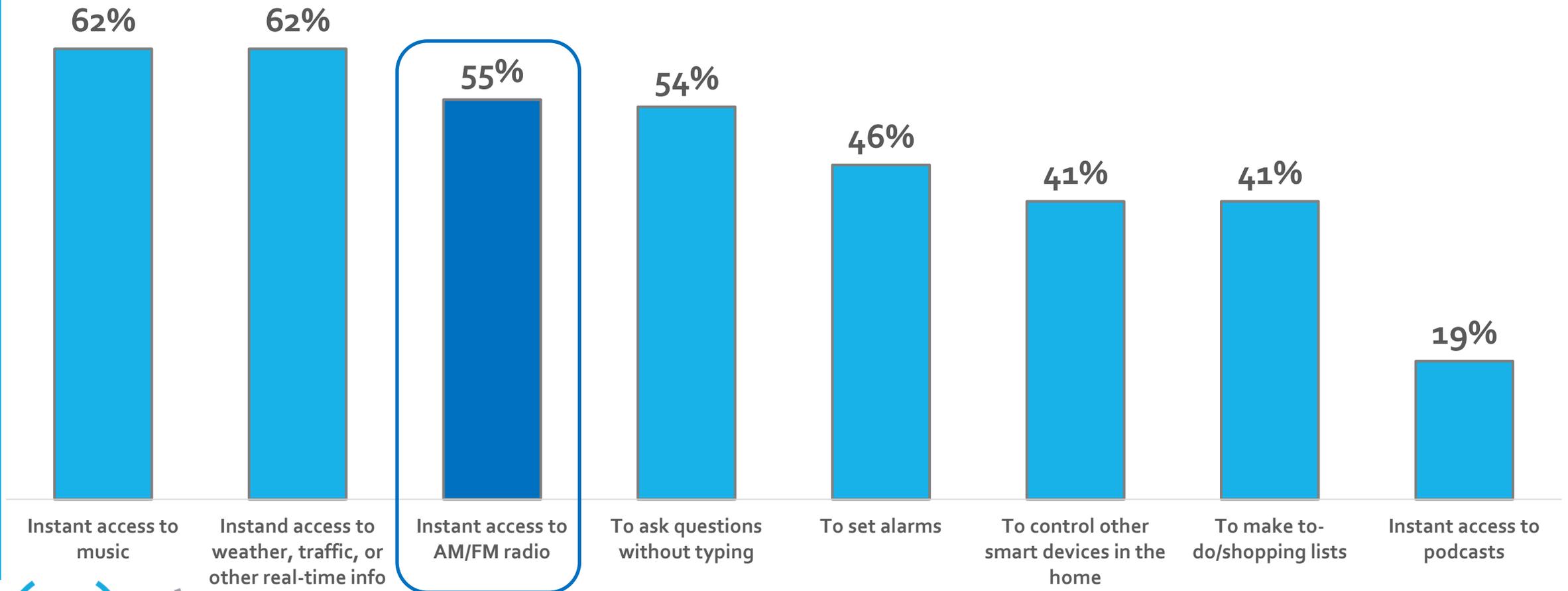
Prior to Christmas 2017, 4% of Canadians adults owned a Smart Speaker.

Smart Speakers—the Early Days



SOURCE: *Radio on the Move*
Q.F.17 Which of the following would best describe your experience with the Amazon Echo and Google Home “smart” speakers? [I already own an X]
Base: Canadians aged 18+ (n=3470)

Canadians planning to buy Smart Speakers cite instant access to AM/FM as a leading reason they would buy one.



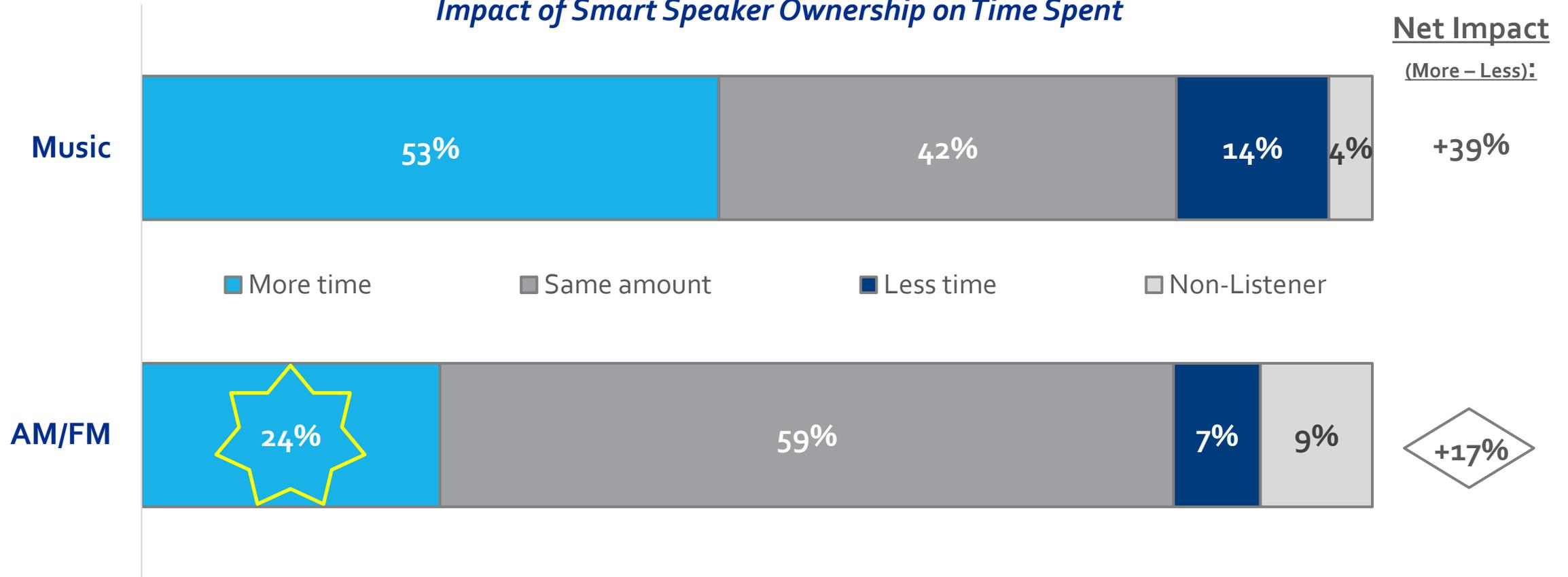
SOURCE: *Radio on the Move*

Q. F19. Which of these things would make you most interested in having one of these "smart speakers"?

Base: Canadians aged 18+, Very likely/somewhat likely to buy a Smart speaker in the next 6 months (n=575)

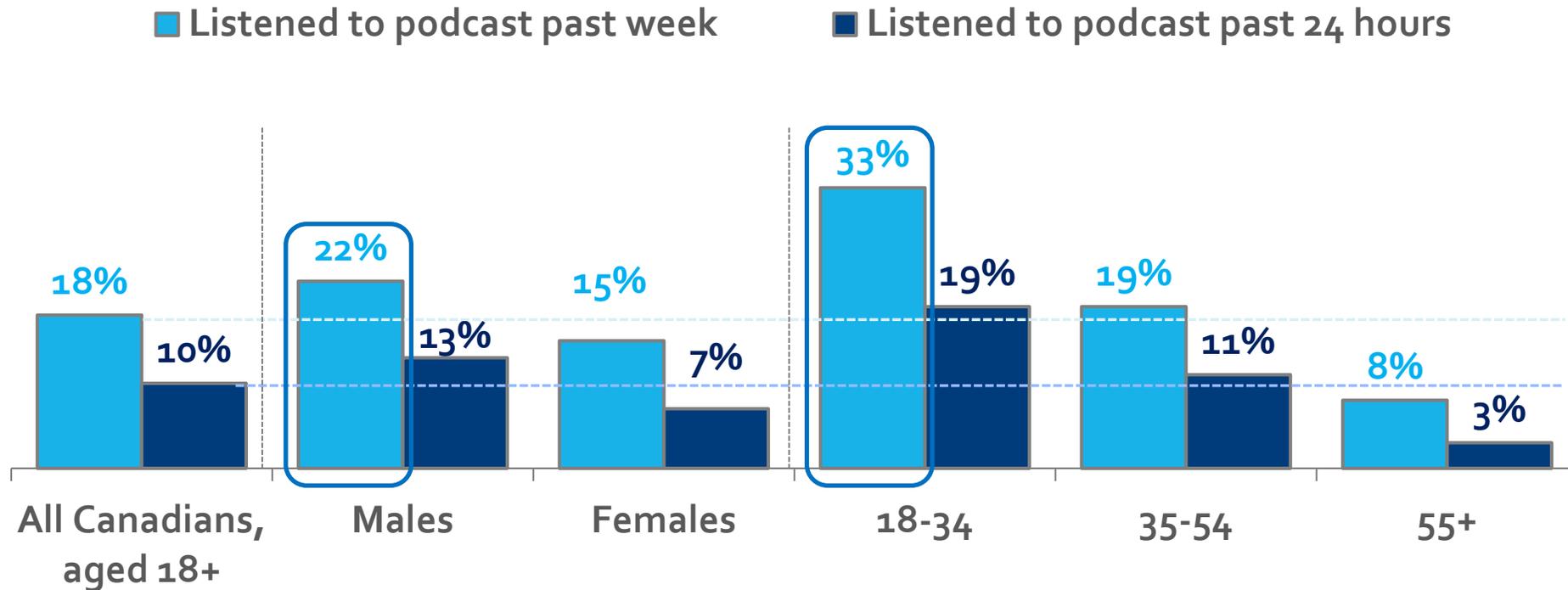
On the whole, early Smart Speaker owners say they are now listening to more music—and more AM/FM Radio.

Impact of Smart Speaker Ownership on Time Spent



SOURCE: *Radio on the Move*
 Q.F21. How would you say having a smart speaker at home has affected the amount of time you spend listening to each of the following?
 Base: Canadians aged 18+ who own a smart speaker (n=110)

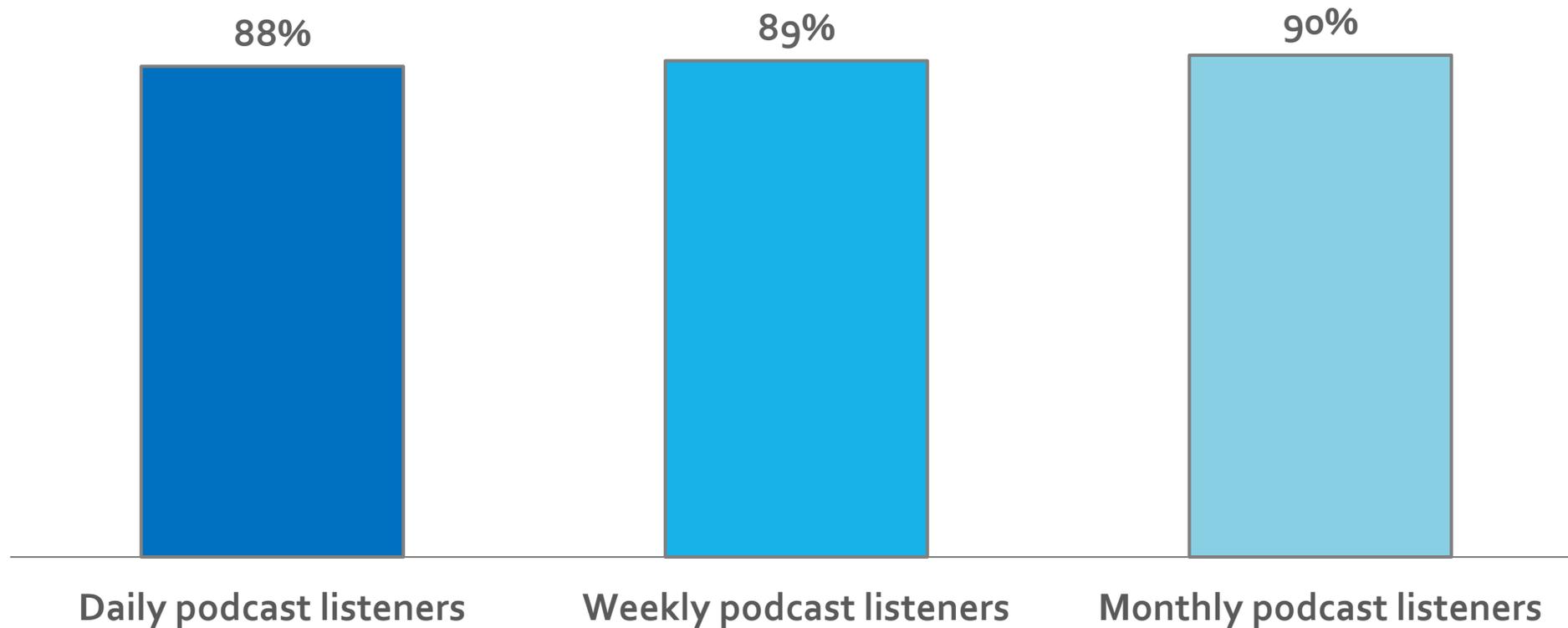
Podcast listening in Canada is growing with a clear early adopter profile—skewing towards males & 18-34 year-olds.



SOURCE: *Radio on the Move*
Q.B2b/B2c When was the most recent time, if ever, that you did the following via your SMARTPHONE/COMPUTER?
Base: Canadians, aged 18+ (n=3470)

Podcast listeners listen to AM/FM Radio.

Listen to AM/FM Radio on "a typical weekday"



SOURCE: *Radio on the Move*

Q.E1 Thinking of all the time you may listen at home, in the car, or at work, how much time in total do you spend listening to AM or FM radio stations during a typical weekday?

Base: Canadians, aged 18+ (n=3470)

The Big Takeaway

Broadcast Radio remains the first choice for Canadians in today's expanding audio landscape... and the future looks bright.



Contact



Jeff Vidler
President

Jeff.Vidler@audience-insights.com



Radio Connects

160 Bloor Street East

Suite 1005

Toronto

Phone: 416 787 7756

www.radioconnects.ca



@radioconnects



Radio Connects

It's been a pleasure to share this information with you. For much more on how AM/FM radio connects with Canadians, please reach out.

Caroline Gianias

President

caroline.gianias@radioconnects.ca

416 787 7756

Lisa Dillon

Director of Consumer and Media Insights

lisa.dillon@radioconnects.ca

647 484 8695

Chantal Leblanc

Direct of Client Services

Radio Connexions, Montreal

chantal.leblanc@radioconnects.ca

514 501 1549

