

THE 2021 MINDSET OF Radio Advertisers

Results from Our Survey of 944 Businesses that Buy Radio

EXECUTIVE SUMMARY VERSION

Publication Date: February 25, 2021



BORRELL

About This Report



PUBLICATION DATE: February 24, 2021

This analysis was drawn from our latest survey of local ad buyers – the largest survey of its kind in the nation. It was conducted in Q2/Q3 2020 and examined their spending in 2019 and 2020 and their plans for 2021.

We surveyed 2,262 local advertisers, of whom 944 (42%) said they were buying radio advertising in 2020. This report examines responses from those buyers, as well as responses from a survey of 342 local ad agencies, of whom 241 (70%) buy radio advertising.

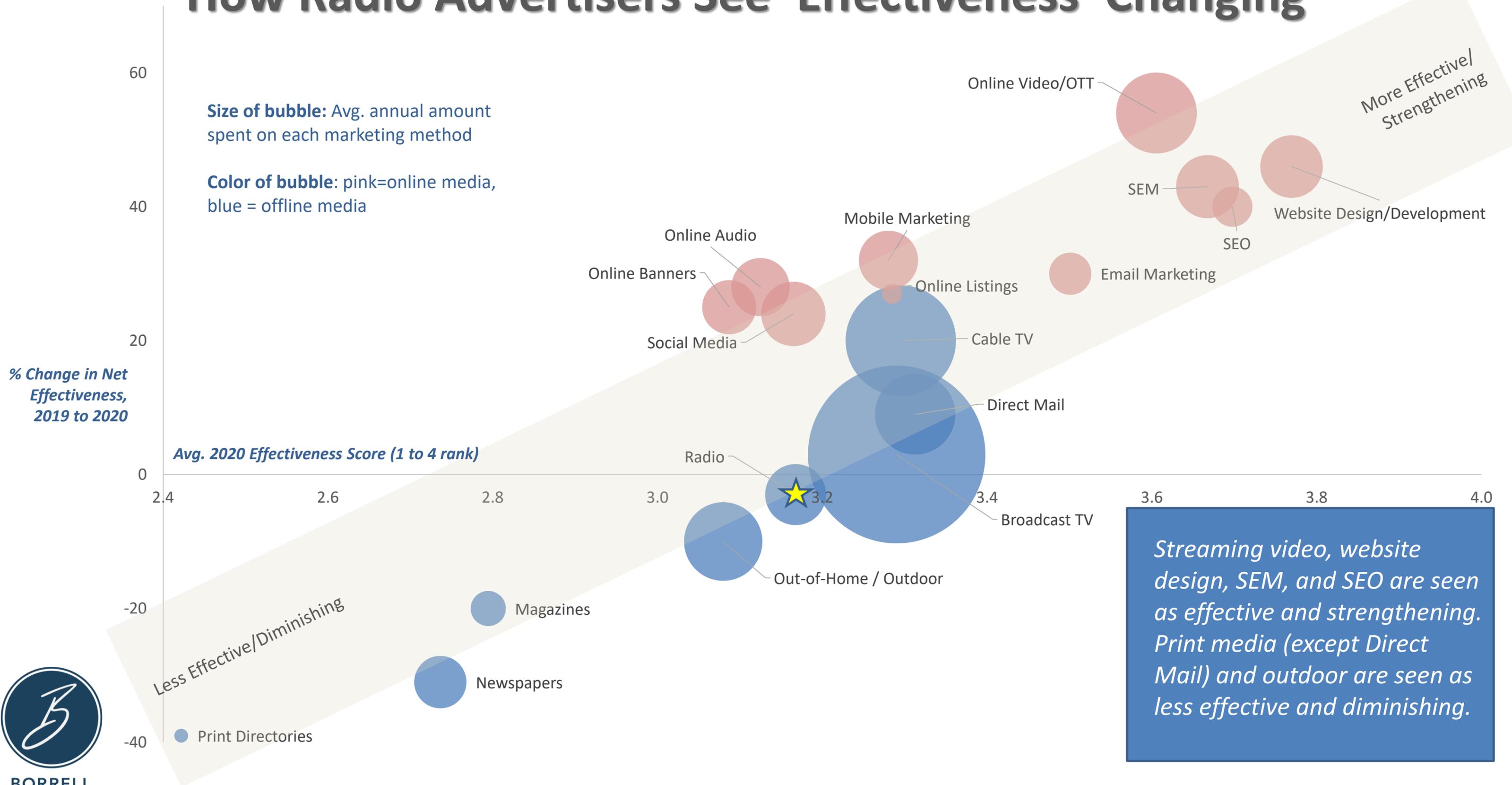
For additional detail on our annual surveys, visit borrellassociates.com and click on the **SMB Survey** tab.

1. Half of radio buyers are in **retail, health care, arts & entertainment, and restaurants**.
2. Radio buyers are **more skilled, larger, and have been in business longer** compared with those who don't buy radio.
3. Their **ad budgets are 2.2x larger** than businesses that don't buy radio, and they engage in more types of marketing.
4. They spend **more on TV and Cable spots** than on any other type of media and plan to hold them to single-digit increases.
5. They deem **Web Design, SEO, and SEM** to be the most effective forms of marketing. Radio ranks 11th of 18 types of marketing.
6. They believe **Online Video, Web Design, SEO, SEM, and Email** have grown more effective.
7. They are planning their largest budget increases in 2021 for **Online Video, Social Media, SEO, and Email**.
8. They plan to increase their 2021 **overall ad budgets by 12% and radio budgets 6%**.
9. **Seven types of media have been in steady disfavor** with radio buyers since 2019. Four have seen steady growth in usage.
10. Thirteen percent who bought radio in 2019 stopped in 2020. **COVID-19** was the top reason, with "**difficult to measure**" No. 2.
11. There's strong evidence that radio buyers are shifting budgets from radio to buy **Online Video** marketing.
12. They consider **Online Video to be very effective**. The most popular distribution platforms are **their own sites**, not OTT or YouTube.
13. For **local ad agencies**, radio is among the most popular traditional advertising medium, with **70% of agencies using it**.
14. Nineteen percent of agencies said they felt that **radio grew more effective in 2020**.
15. Seventy-eight percent have someone on staff to manage their social media; **29% engage an agency for social marketing**.



Summary of Findings

How Radio Advertisers See 'Effectiveness' Changing

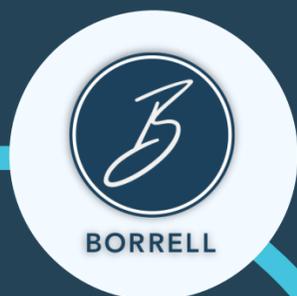


Streaming video, website design, SEM, and SEO are seen as effective and strengthening. Print media (except Direct Mail) and outdoor are seen as less effective and diminishing.



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2021 Publishing Schedule

We're churning out more than two dozen exclusive reports in 2021, including newly revised ad-spending forecasts in early spring and an early glimpse at local advertising forecasts for 2022 this fall, just in time for budget season. Here is our schedule (subject to change as the marketing environment and economic conditions dictate).

- **Monthly topical reports** from our panel surveys
- **"Inside the Minds of"** insights to be published in Q1 on ad-buying habits of:
 - Newspaper Buyers (2/10/21)
 - Broadcast TV Buyers (2/11/21)
 - Streaming Video Buyers(2/17/21)
 - Streaming Audio Buyers (2/18/21)
 - Radio Buyers (2/25/21)
 - Franchise Owners (2/24/21)
 - Marketing "Masters" (3/3/21)
 - Health Care Providers (3/4/21)
 - Direct Mail Buyers (3/10/21)
 - Outdoor Buyers (3/11/21)
 - Home Services Cos. (3/17/21)
 - Pinterest Users (3/18/21)
- **Benchmarking Local Media's Digital Ventures.** This annual, data-rich report provides analysis on how much digital revenue is generated by radio stations, TV stations, cable companies, and newspapers, and shows how much digital advertising is available to them in each U.S. market.
- **Annual Real Estate Advertising Outlook**
- **Annual Automotive Advertising Outlook**
- **Local Advertising Outlook for 2022.** Published in early fall, Just in time for budgeting, with forecast for every U.S. market
- **Results from our Spring/Summer 2021 Local Advertiser Survey.** Insights into what thousands of ad buyers are doing as they look beyond the pandemic, published in late summer.
- **"Inside of the Minds of"** Part II, looking at their plans for 2022, published in the fall.

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