

# 8 Misperceptions Brands Have About Radio

December 2022



Radio Connects examines prevalent advertiser/agency **perceptions** about consumer media habits as reported by Advertiser Perceptions, the gold standard in understanding marketer/agency sentiment.

To determine the **realities** of consumer behavior, we turned to Nielsen, Numeris, Statistics Canada and Signal Hill Insights for proof of Radio's impact and effectiveness.

*“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.”*

Duncan Stewart  
Director of Research, Technology, Media &  
Telecommunications  
Deloitte's Technology, Media, and  
Telecommunications, Predictions report 2019



*“The biggest risk for AM/FM radio is the 26-year-old planner who lives in New York or Chicago and does not commute by car and does not listen to AM/FM radio and thus does not think anyone else listens to AM/FM radio.”*

Colin Kinsella, the CEO of Havas Media North America

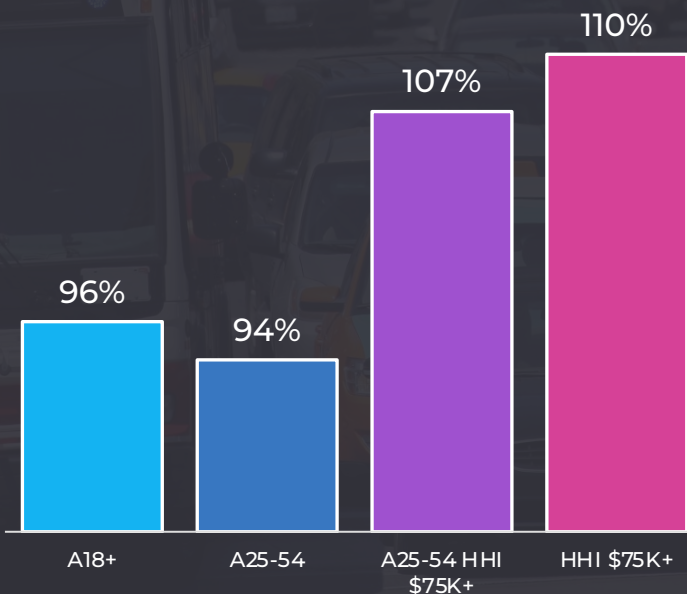


An aerial, high-angle photograph of a multi-lane highway. The road is mostly empty, with only a few cars visible. A green traffic sign with a white arrow pointing right is visible in the distance. The surrounding area includes trees and buildings, suggesting an urban or suburban setting. The overall tone is somewhat desaturated and dark.

# Perception # 1

**“Due to the pandemic, no one is listening to AM/FM Radio.”**

**Reach recovery index:  
Numeris PPM Total NC Canada Fall 2022 versus Spring  
2019, weekly reach Monday-Sunday 6a-6a**



**Reality:**

AM/FM radio has **retained 96%** of its 18+ reach. And for the most sought-after consumer, those with a **\$75K+ income, reach exceeds** Spring 2019 levels.

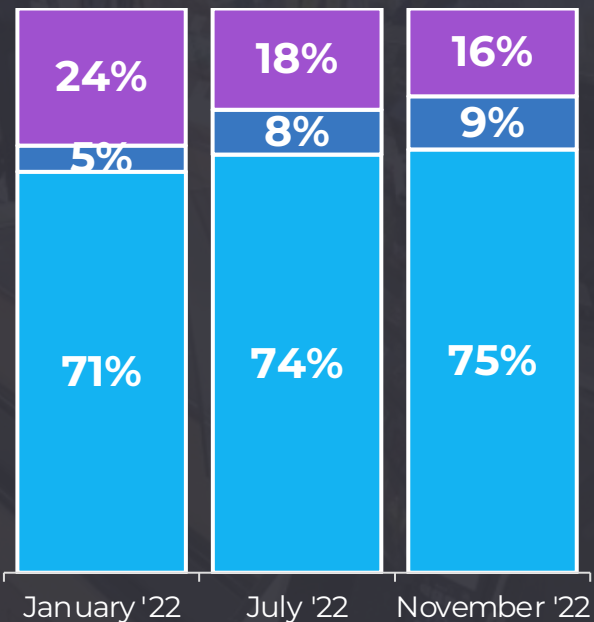
## Perception # 2

“Due to the pandemic, everyone’s working at home and no one is commuting.”



### Workplace changes

■ Out-of-Home 
 ■ Hybrid 
 ■ Home



## Reality:

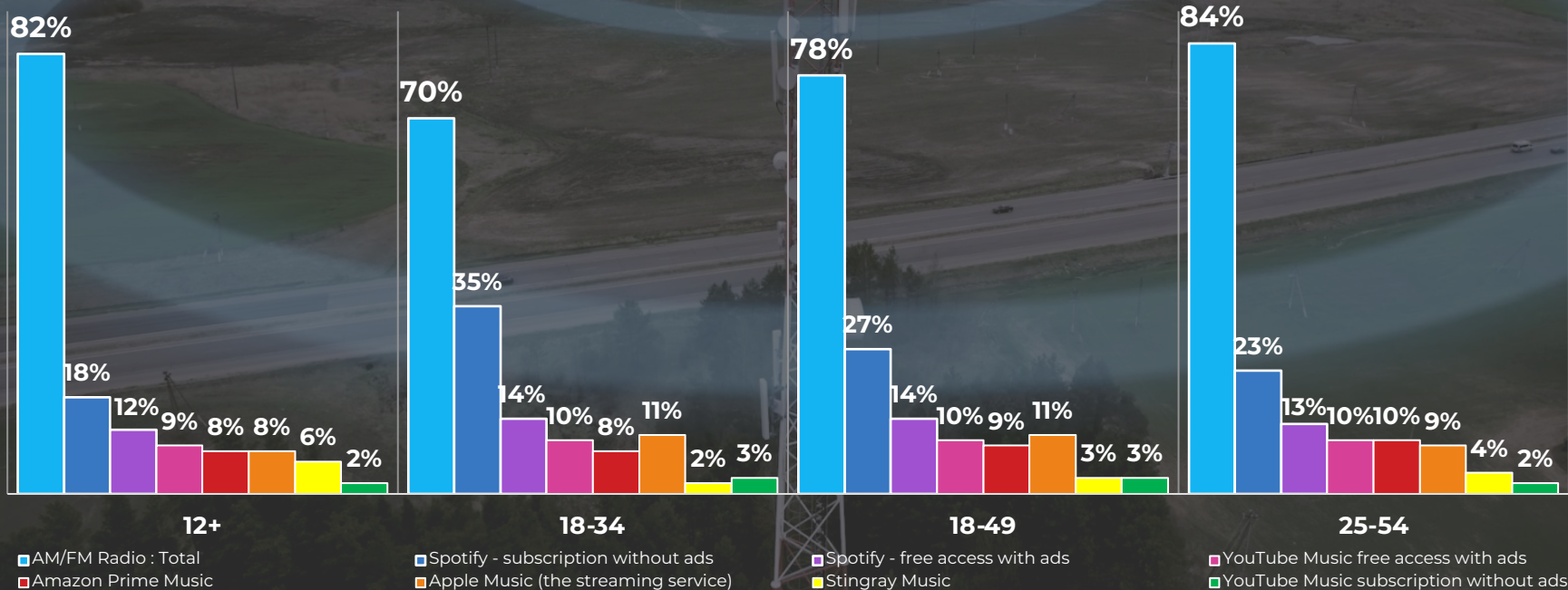
Working Canadians are increasingly moving back to the workplace. Statistics Canada reports that only 16% of employed Canadians are working exclusively out of their home, **down 50%** from the beginning of 2022. **84% of working Canadians are now working away from home at least some of the time.**



## Perception # 3

“AM/FM Radio has very low reach.”

# Reality: AM/FM Radio **weekly reach** is **greater** than any other audio platform.

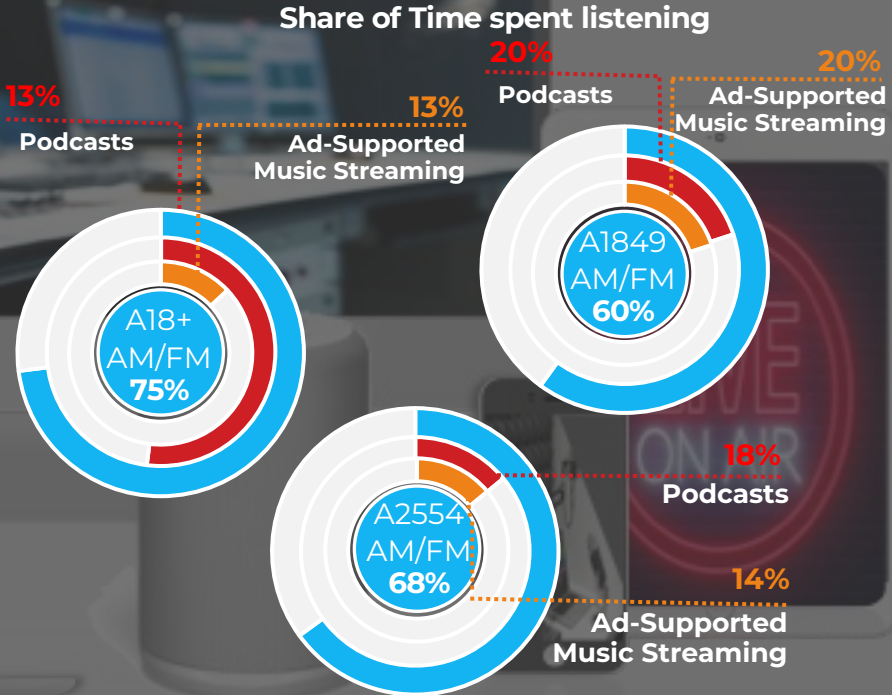


## Perception # 4

“Audience shares to Spotify are nearly equal to AM/FM Radio.”

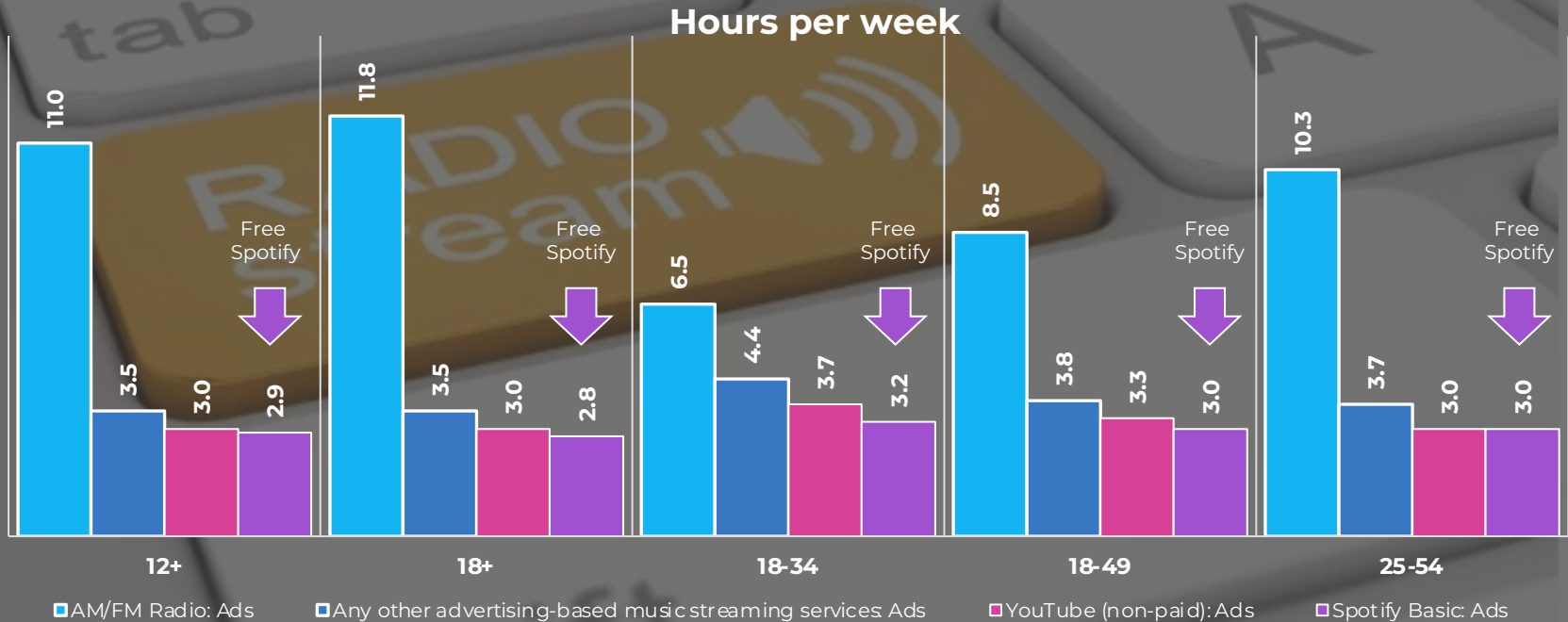
**Reality:** AM/FM Radio delivers the **largest buyable reach and audiences** against key advertising demos.

**68%**  
**Is AM/FM Radio's share of the buyable audience to reach the key A2554 demo**  
 Among the audio inventory available to Canadian advertisers, AM/FM leads for time spent among Canadian adults



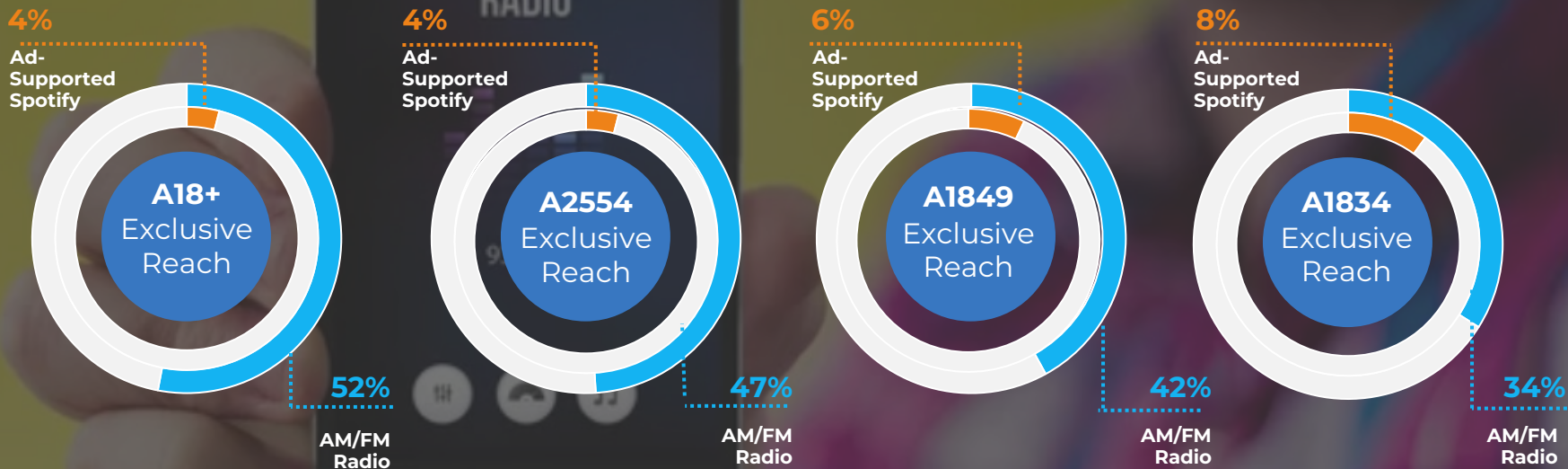


**Reality:** When compared to **ad-supported audio platforms**, Canadians spend **more time with AM/FM Radio**. They spend **3.8x more time with Radio than with free Spotify**.

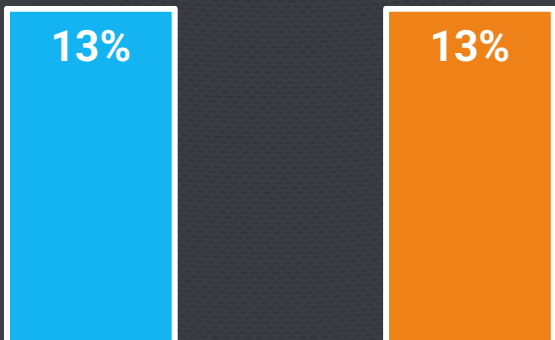


# Reality: AM/FM Radio delivers **greater exclusive weekly reach** than ad-supported Spotify, across **all** key demos.

AM/FM delivers 52% exclusive reach against Canadians 18+ vs. 4% delivered by Spotify.



Past week usage A18+  
Streaming audio only



AM/FM Streaming

Ad-Supported Spotify

Reality:

Addressable digital audio is not the sole domain of ad-supported Spotify.

Even without its dominating over-the-air reach, for advertisers looking to reach streamers, **AM/FM Radio**

**streaming delivers as many past week listeners as ad-supported Spotify.**

## Perception # 5

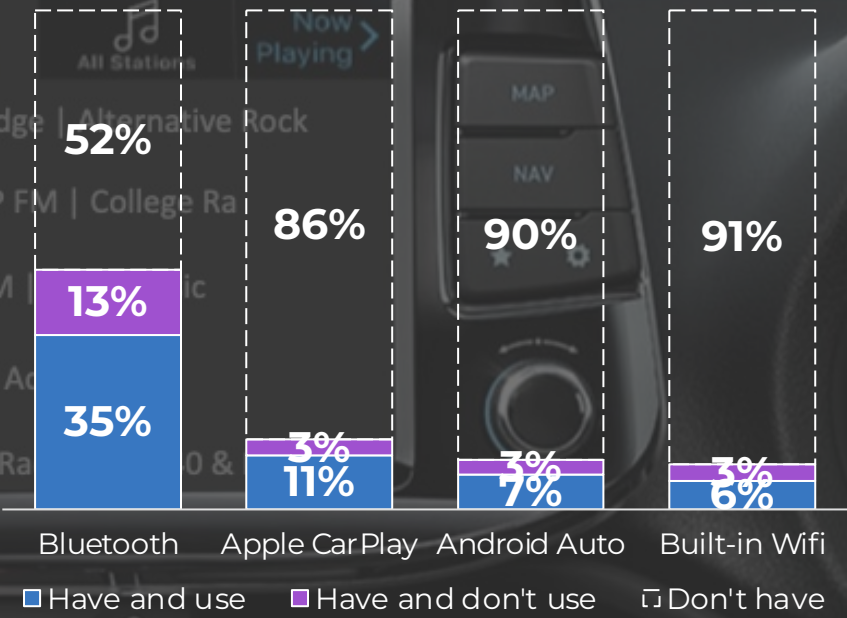
**“In the world of the connected car, the number one thing people do in their car is stream online radio on their smartphones.”**



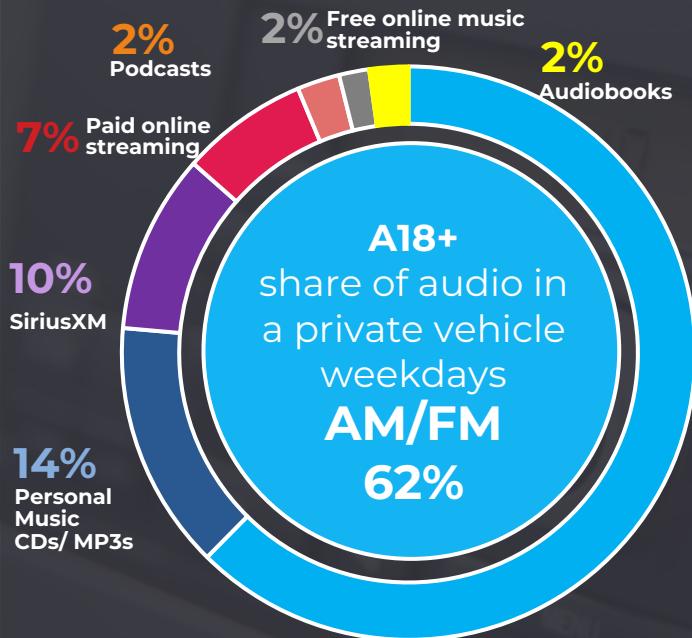
# Reality: Having access doesn't mean using it

**Owning a “connected” vehicle doesn’t mean using its connectivity**  
 Only **11%** have and use Apple Carplay, while only **7%** have and use Android Auto

Type of connectivity in Canadian vehicles



A18+ share of audio in a private vehicle weekdays



Reality:

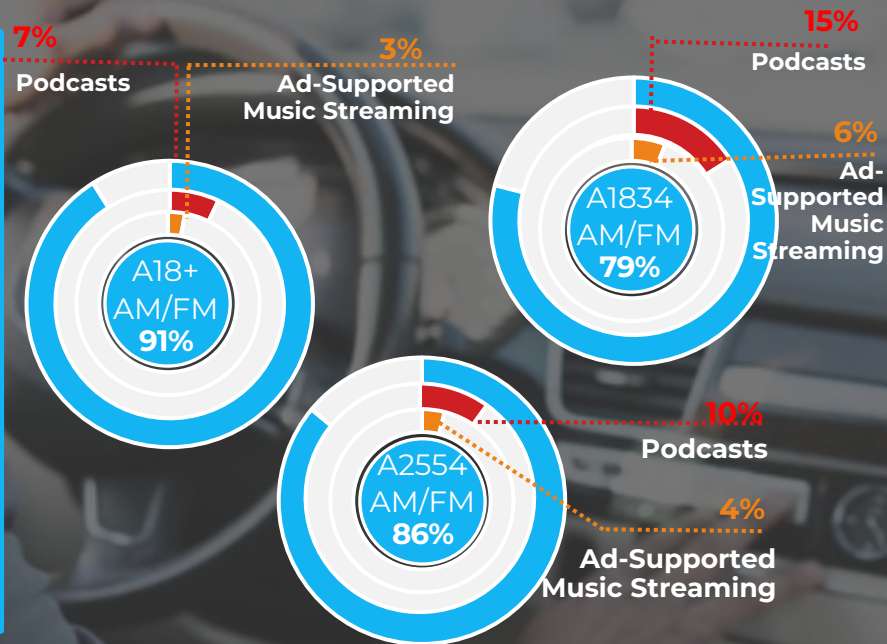
With **62% of all in-car audio tuning**, AM/FM Radio provides the soundtrack for in-car listening. **Streaming music** accounts for **only 9%** and Podcasts only 2%.

**Reality: AM/FM Radio** is the **clear choice** to catch Canadians on the go.

Share of buyable audio in a private vehicle on a weekday

**AM/FM Radio has a captive in-car audience with a 91% share of audio**

More than 9 out of every 10 hours of in-car audio available to advertisers is spent with AM/FM Radio

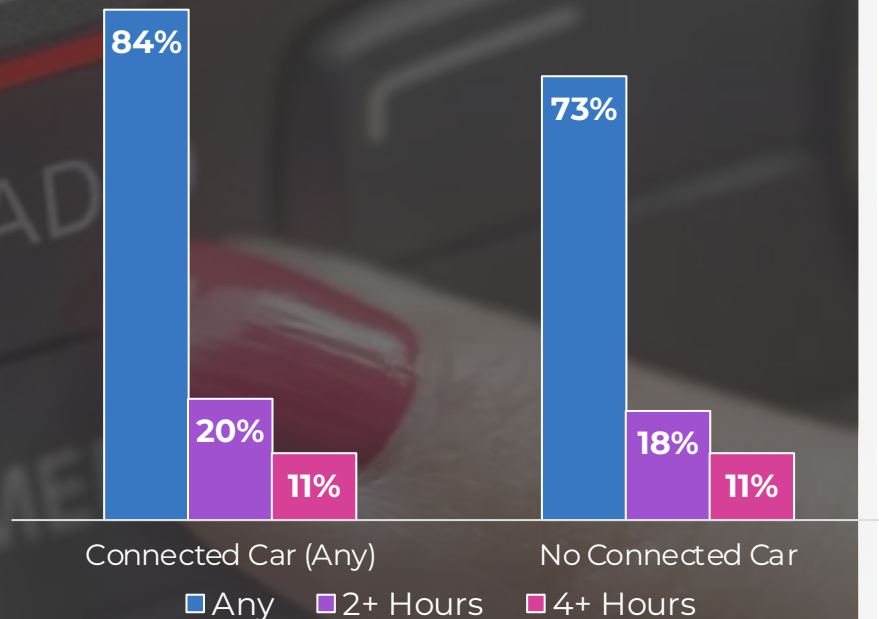


**Reality:** Connected car owners are more likely to **listen** to **AM/FM Radio** “on a typical weekday.”

Time Spent with AM/FM on “typical weekday”

**They’re heavy AM/FM listeners**

84% of “connected” car owners spend more time with AM/FM Radio





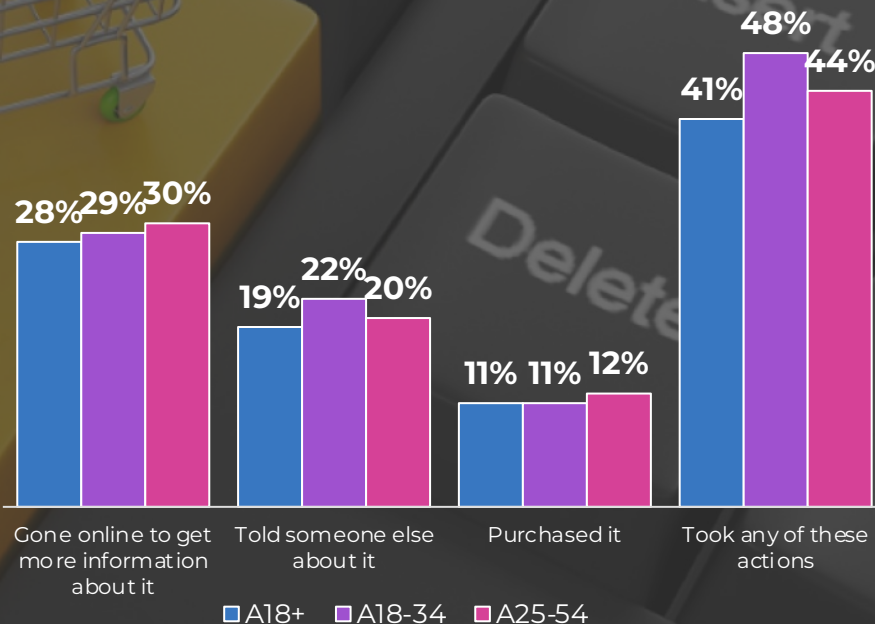
## Perception # 6

"My digital plan is driving my search results."

# Reality: Hearing ads on AM/FM Radio motivates action.

Action taken after hearing an ad on AM/FM Radio

**44% of A25-54 and 48% of A18-34, who heard an ad for a product or service on AM/FM Radio, took action**  
30% visit an advertiser's website after hearing an ad on AM/FM Radio

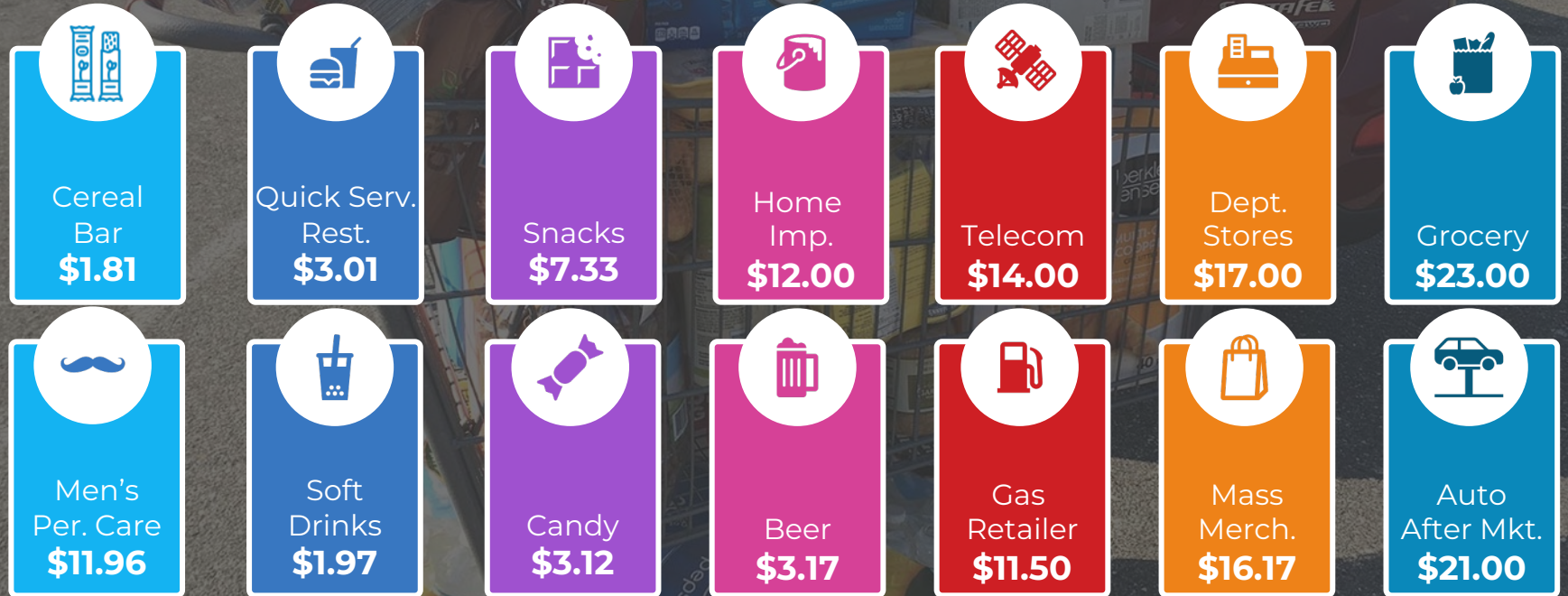


## Perception # 7

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

**Reality:** AM/FM Radio **delivers excellent ROI** across various categories.

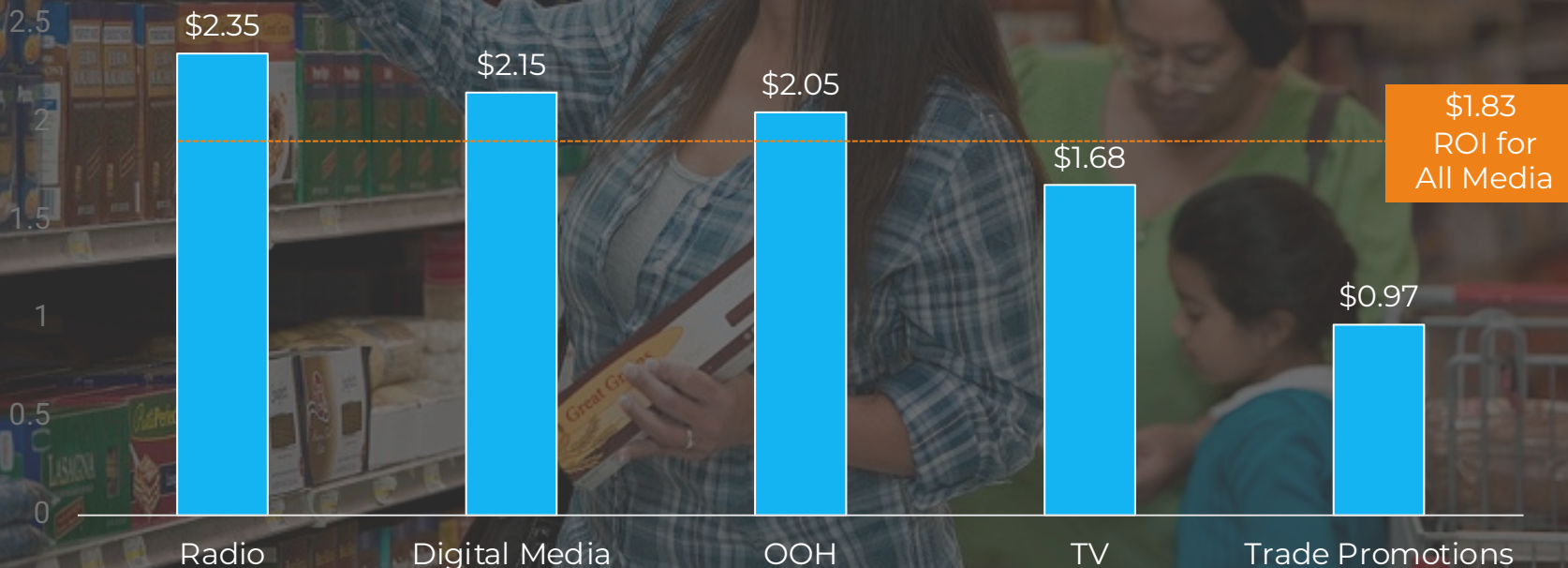
**AM/FM Radio sales return for every \$1 ad investment**





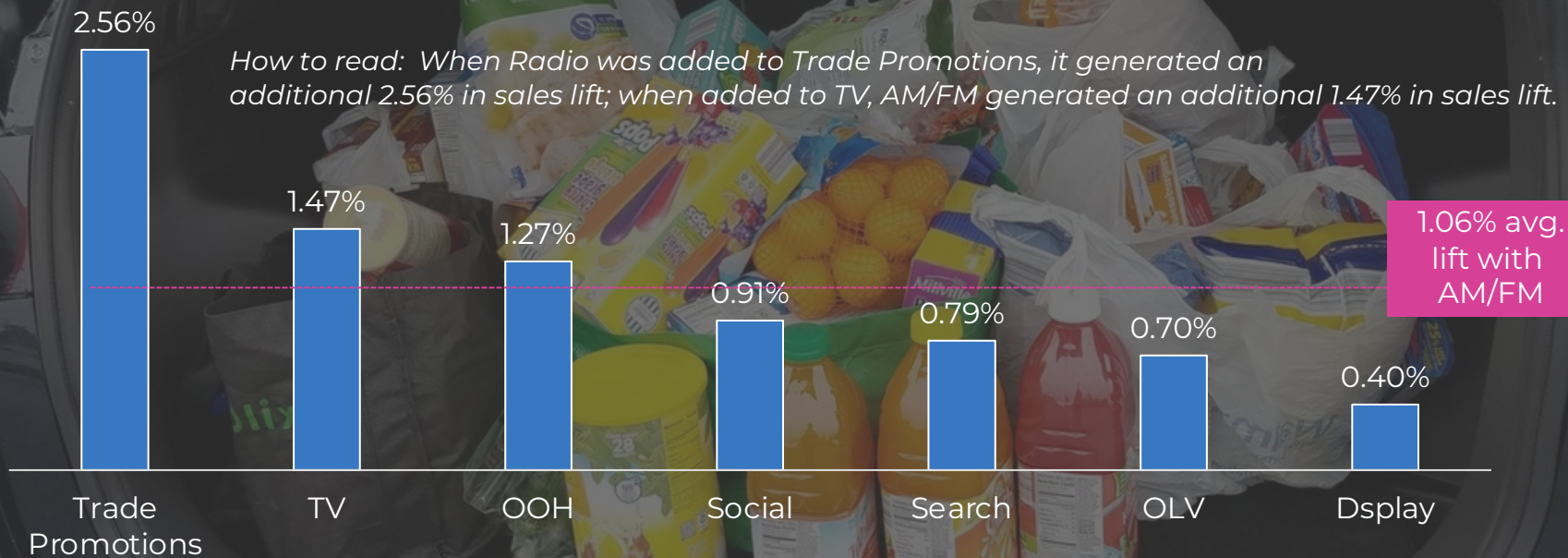
**Reality:** When AM/FM Radio is added to campaigns, it **improves overall ROI** and generates **sales volume lift**. Across 1,000 examples of Canadian CPG Norms, when **AM/FM Radio was included** in the media mix, its ROI **outperformed other media** used.

*How to read: Nielsen calculated AM/FM Radio ROI @ \$2.35; the Total ROI calculated for all media @ \$1.83*





**Reality:** AM/FM Radio generates **additional sales volume** when added to the media mix. Radio in combination with Trade, TV and OOH **drives the largest media synergy** sales volume lift for CPG brands.



**Reality:** When **AM/FM Radio is added** to CPG campaigns, it **improves overall ROI** and generates **incremental sales volume** lift.

For Every \$1 Spent

**\$2.35**

Radio generates over 2X the value in short-term sales (1.3x higher than the Total Media ROI)

Supporting Trade

**2.4x**

Radio is more synergistic than all other Media in supporting prioritized Trade Activity

Improved Sales

**28%**

Improvement to synergistic sales volume when added to other Media Tactics



## Perception # 8

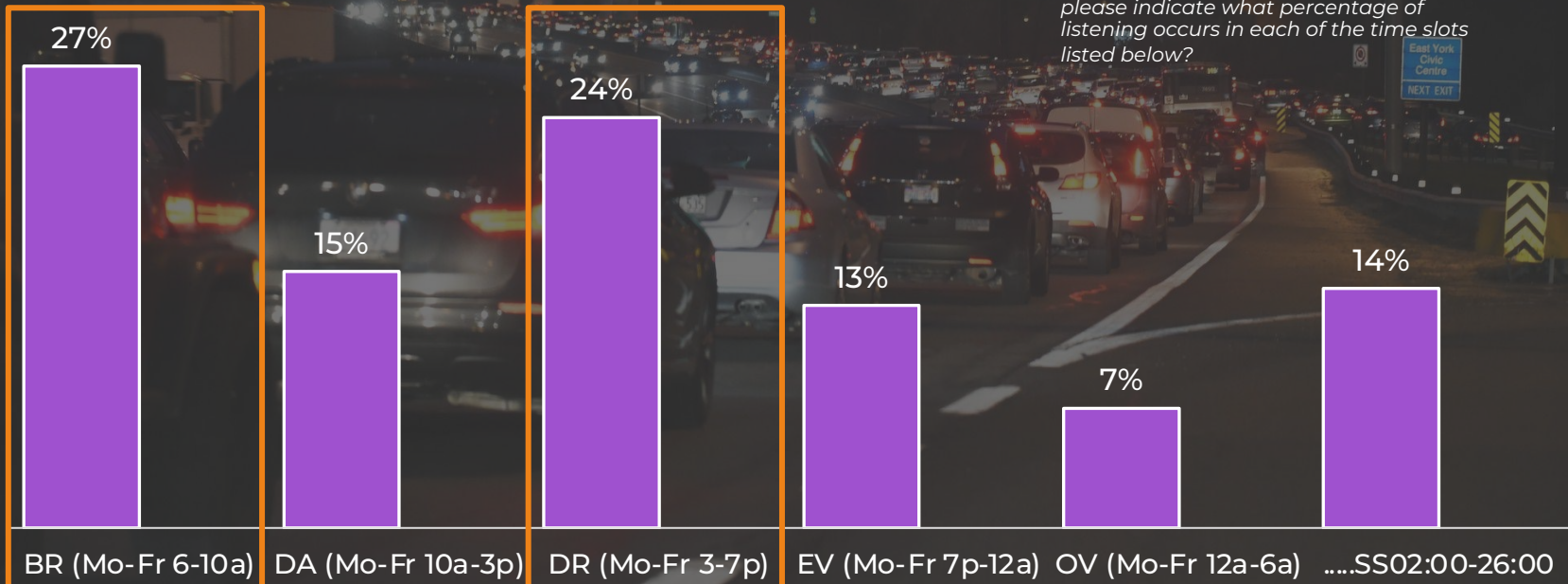
“AM/FM radio listening only occurs during drive times.”



# Perception: Advertisers estimate more than half of all AM/FM Radio listening occurs during “drive times.”

■ Perception: Avg. % of Tuning

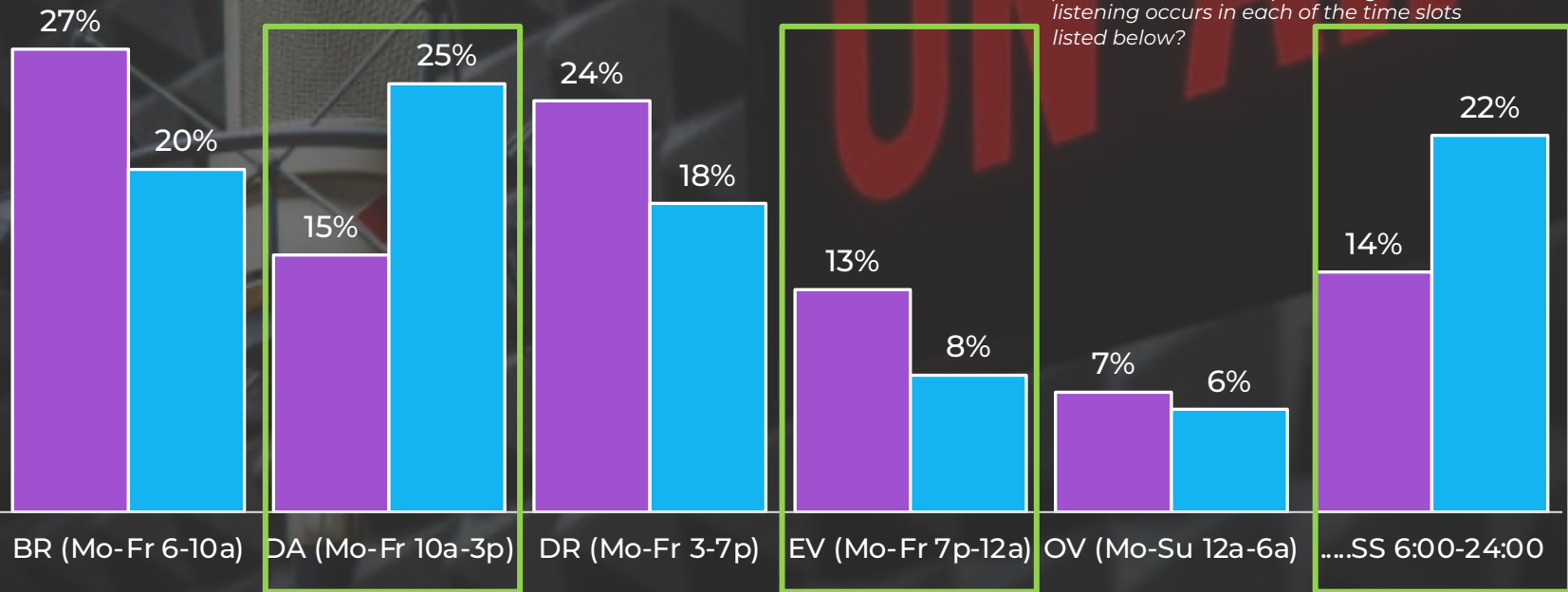
Q. Thinking about traditional AM/FM radio, to the best of your knowledge, please indicate what percentage of listening occurs in each of the time slots listed below?



**Reality:** Almost **60% of listening** occurs **outside of drive times**; **middays and weekends** are far stronger than advertisers perceive.

■ Perception: Avg. % of Tuning    ■ Actual 12+ Tuning

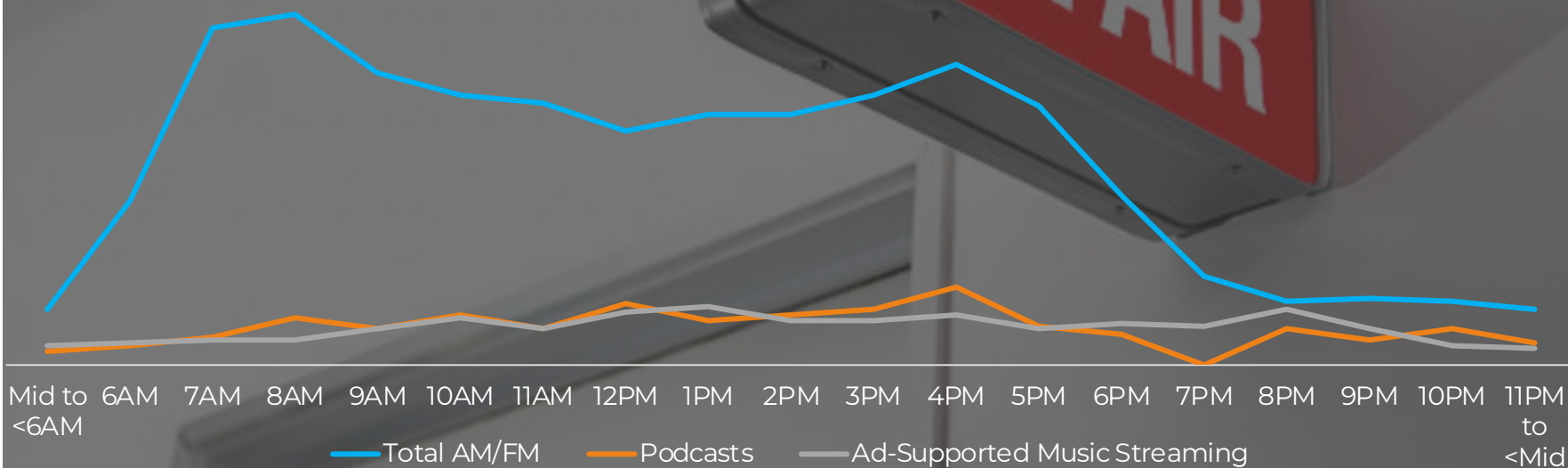
*Q. Thinking about traditional AM/FM radio, to the best of your knowledge, please indicate what percentage of listening occurs in each of the time slots listed below?*





## Reality: AM/FM Radio leads for buyable audiences all day.

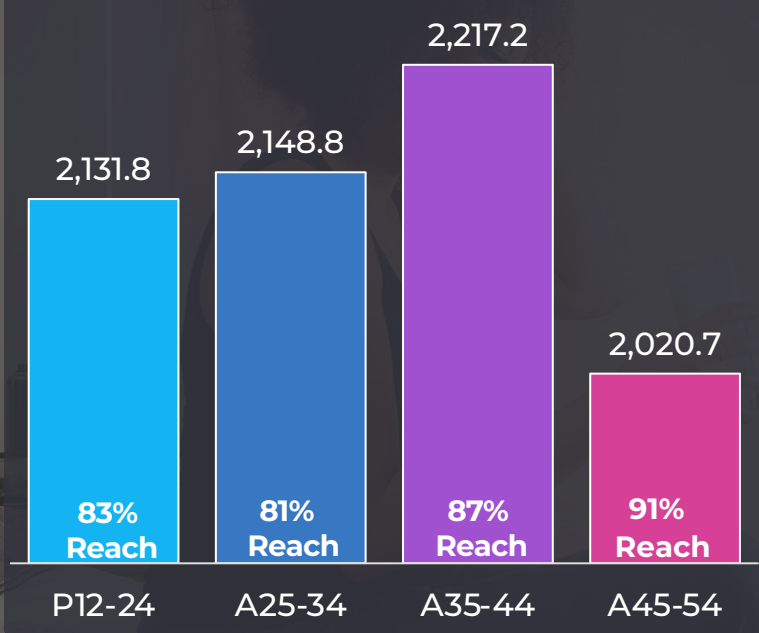
Throughout the working day and when stores are open, AM/FM Radio has a **wide lead over** Podcasts and Ad-Supported streaming services.



# Bonus Perception

**“No one under 35 listens to AM/FM  
Radio anymore.”**

**Weekly Reach PPM Mkts. (000)**



**Reality:**

AM/FM Radio connects with Canadians **of all ages**. In Canada's largest markets, as measured by PPM's, **83% of Canadians 12-24, and 81% of 25-34's are listening** to AM/FM Radio on a weekly basis.

# Setting the Record Straight.

**AM/FM Radio is retaining its reach**

AM/FM Radio's weekly reach against HHI\$75+ is higher than pre-COVID Spring 2019

**Canadians are back on the road**

75% of Canadians state they working away from their homes

**AM/FM's reach beats all audio platforms**

Radio reaches more Canadian's than any other audio platform available, with or without ads

**More Canadians are streaming AM/FM Radio**

AM/FM Radio's share of streaming is equal to Spotify's ad supported platform

**Even in a connected car, Canadians are choosing AM/FM Radio**

9 out of 10 hours spent listening to ad-supported audio in the car is spent with AM/FM Radio

**Ads heard on AM/FM motivates consumers**

30% of A2554 went online to search a product or service after hearing about it on the Radio

**Across all key categories, AM/FM delivers ROI**

AM/FM has a particularly strong impact on sales volume when synergized with Trade Activity

**When screens are off, Radio is on**

Not just during drive time, but throughout the day, no other audio reaches as many Canadians



# Thank you

[caroline.gianias@radioconnects.ca](mailto:caroline.gianias@radioconnects.ca)

[lisa.dillon@radioconnects.ca](mailto:lisa.dillon@radioconnects.ca)



**RADIO**  
CONNECTS