Executive Summary

Radio drives store traffic

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Presented by Dial Report and the Radio Advertising Bureau

Radio Drives Store Traffic

Introduction

The shift towards data-driven advertising, within radio and across channels, has prompted advertisers to demand access to campaign performance data – data that broadcast radio has been challenged with.

Study Objectives

Advertisers need access to data for all mediums to get greater clarity on how much each channel contributes to overall campaign goals and objectives in turn optimizing media spend.

The goal of the study was to prove that data enables deeper targeting and contributes to the effectiveness of each particular radio buy. In this study we addressed the question: “Does Radio Drive Store Traffic?”

How the Study Was Conducted

For each of the 10 brands, Store Traffic data was matched to listeners on stations to which the spots played.

Average retail visits were calculated for those exposed to the spots and for a control group of unexposed visitors listening within the same timeframe.

The percentage change in average retail visits between the exposed group and the unexposed group was calculated – giving us Store Traffic Lift.

- **April 1 – June 30, 2018**
- **Top 100** US markets
- Includes **10 brands** across **4 categories**
- Number of radio spot plays analyzed **1.5M**
- Study covered **7** week days, **variety of formats** relative to each brand’s spots
- Of **515k FM smartphone listeners 107K** were **exposed** to the radio spots
- Listeners were matched to **Freckle** location data

Study Highlights

Findings are based upon an analysis of over 1.5 million radio spot plays across 10 different brands and 4 categories.

- Radio drove an average increase of 22% store traffic lift for retailers
- Exposure to radio during PMD and over the weekend drove the highest foot traffic
- Radio's ability to drive store traffic varied significantly by brand within category

Methodology

How It Was Done: The analysis was based on national spot plays across a cohort of large, well-known brands – capturing local listening with a wide reach. Each brand's spots were evaluated for inclusion based on minimum target thresholds and guidelines set across various measurements:

- Potential audience base
- Brand spot exposure
- Frequency
- Store visits

Data was collected through the Dial Report ecosystem. Radio station playout systems are directly connected to TagStation cloud service. Broadcast metadata is sent to TagStation through multiple sources including Ad-ID, the industry standard for commercial ad coding. This process ensures the accurate delivery of FM + streaming radio programming and advertising content through the NextRadio app.

Image A

***Freckle**, our exclusive provider of offline attribution, matches mobile user locations to real world places*

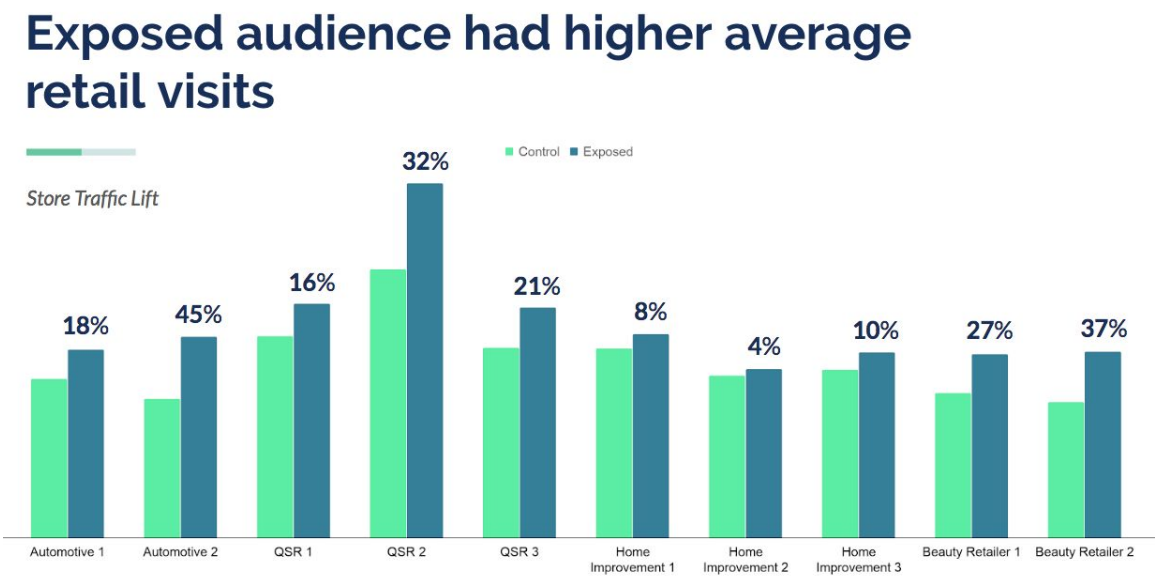
***Ad-ID** is the industry standard for identifying advertising assets across all media platforms, including broadcast radio*

For each of the 10 brands, store traffic data was matched to listeners on stations where the spots played.

The control group – those not exposed to the spot – serves as our baseline, and addresses the question, “What results would be seen without spots?” Average retail visits were calculated for those exposed to the spots and for the control group of unexposed visitors listening within the same timeframe.

Then we calculate the percentage change in average retail visits between the exposed group and the unexposed group – giving us Store Traffic Lift.

Image B

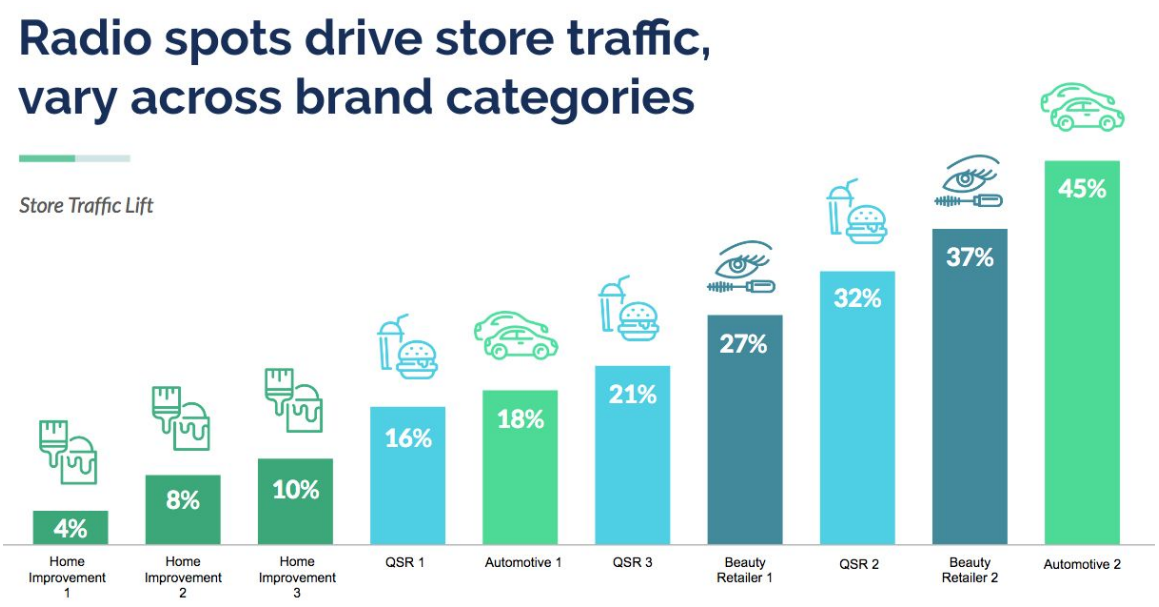


Study Findings

As noted in Image B, store traffic lift varied significantly by category and by brand within category. Across categories, lift varied anywhere from 4% for Home Improvement to 45% for Automotive.

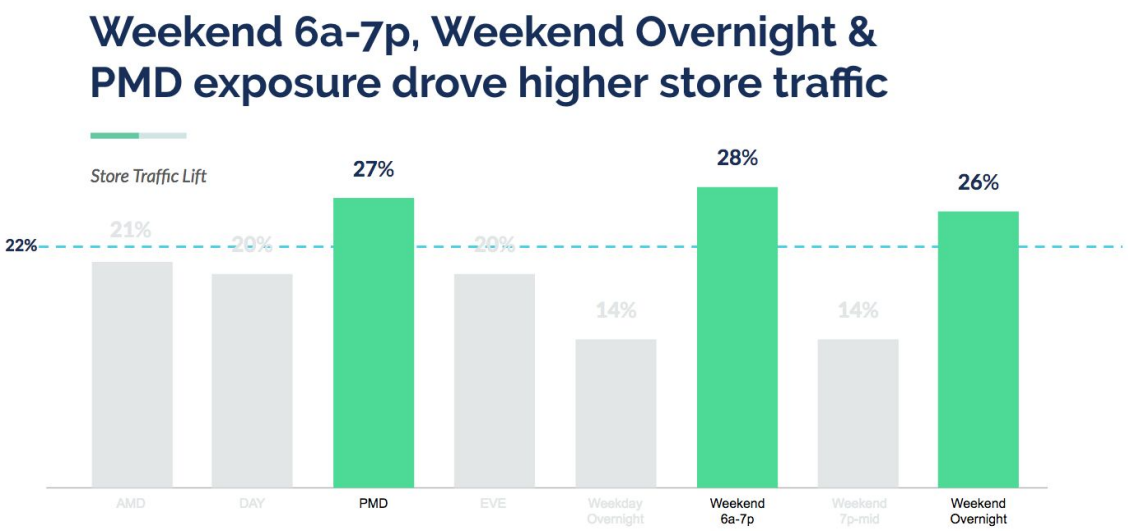
Even within categories we saw variance. Looking at the two Automotive brands, for example, Automotive 1 had a lift of 18% and Automotive 2 had a lift of 45% – a 27% gap between the two Automotive brands. On the other hand, we saw little difference in store traffic lift among the Home Improvement category. (Image C)

Image C



Daypart Exposure Performance: Listeners exposed to spots on the weekend and during PMD had higher average retail visits as compared to those listeners not exposed to the brand spots. Weekend overnight is reflective of QSR data. Most other brands ran few, if any, spots on weekend overnight. This demonstrates that access to data that enables audience targeting in conjunction with appropriate messaging is essential to KPI performance. (Image D)

Image D



Format Exposure Performance: We analyzed 23 different formats across the 10 brands and highlighted the 7 which were most encompassing of all the brands.

Looking at the format breakout, we found that listeners exposed to spots on Top 40 and Adult Hits formats had higher average retail visits as compared to those listeners not exposed to the brand spots. (Image E)

Image E

Conclusions

Radio's ability to drive store traffic is highly influenced by accurate audience targeting within format, station, daypart and day of week. Every brand and category is different. Audience targeting within these segments is highly dependent on each brand's demographic goals and campaign objectives. Through this study, we were able to show that lift in store traffic among those exposed to a brand's spots were significantly higher than those who were not exposed. Therefore, radio does drive store traffic.

About Dial Report®, powered by TagStation, LLC: TagStation, LLC is a wholly owned subsidiary of Emmis Communications Corporation. TagStation's cloud service provides radio station data to the NextRadio® App and the Dial Report portal. Developed by the industry for the industry, Dial Report is the only first-party attribution and listener intelligence platform measuring the performance of radio. Founded in 2013, TagStation, LLC is headquartered in Indianapolis, IN with offices in Indianapolis and Chicago, IL. For more information about TagStation®, visit TagStation.com. For more information about the Dial Report, visit DialReport.com.

About Radio Advertising Bureau: The Radio Advertising Bureau serves more than 6,000 member Radio stations in the U.S. and over 1,000 member networks, representative firms, broadcast vendors, and international organizations. RAB leads and participates in educational, research, sales, and advocacy programs that promote and advance Radio as a primary advertising medium. Learn more at rab.com.

About Ad-ID: Ad-ID is the industry standard for identifying advertising assets across all media platforms. The Web-based system is a central, secure source for the industry's asset identification information and ensures that all assets are delivered correctly to media and consumers. Ad-ID is a joint venture of the American Association of Advertising Agencies (4A's) and the Association of National Advertisers (ANA) and serves more than 3,000 advertisers of all sizes and most advertising agencies in the United States. For more information visit Ad-ID.org.

About Freckle IoT: Freckle IoT is the global leader in multi-touch, offline attribution. Their proprietary cross device solution supports all advertising mediums including mobile, desktop, social, radio, search, TV and out of home. Using opted-in, first-party data, Freckle IoT helps brands measure the effectiveness of their advertising by independently matching media spend to in-store visits while remaining media agnostic. For more information visit freckleiot.com