

RAB Advertising & Prospecting Activity Indicator Report

A tool designed to help identify advertising categories for new business prospecting.

This indicator report has been developed by monitoring and summarizing advertising and prospecting activity from various RAB sources including:

- RAB Instant Background Report Requests
- RAB Co-op Categories Queries
- Media Monitors Spot 10 National Radio
- Highest Monthly Sales Categories from RAB Top 40 Business Survey
- Miller, Kaplan, Arase & Co., LLP Ad Spending By Category
- Promotional Calendar

The information from each source is the most current available to RAB at the time of the publication of this report and is updated on a weekly or monthly basis as indicated in the source line for each data set.

RAB INSTANT BACKGROUND REPORTS



RAB received the most requests from **June 27-July 03, 2016:**

Advertiser Category	% of Top 10	RAB Observations
Auto Dealers	30%	Industry looking to capitalize on consumer demand for new (or newer) vehicles; July 4 th sales push
Legal Services	14%	PI, DUI services popular
Real Estate	13%	Home sales gain as economic improvement continues
Auto Service and Repair	10%	Consumers want to keep vehicles safe or add aftermarket products/accessories
Financial Institutions	07%	Competition to provide services to consumers, businesses
Home Improvement/Hardware Stores	07%	Home fix-up and remodeling needs; seasonal outdoor products
Life Insurance	05%	Carriers vie to provide coverage
Liquor/Wine Retailing	05%	Wines and spirits for summer events, entertaining
Dentists	05%	Healthy-mouth maintenance; whitening; cosmetic and restorative dentistry; orthodontia
Motorcycles/All-Terrain Vehicles	04%	Choice for regular transportation, leisure riding

Source: RAB.com, Instant Backgrounds, Top 10 Page Views (Weekly)

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RAB Co-op Categories

RAB received the most requests from member stations for information through our Co-op Service desk for the week of **June 27-July 03, 2016:**

Advertiser Category	% of Top 10	RAB Observations
Automotive Accessories	12%	Consumers want to keep vehicles safe or add aftermarket products/accessories
Automobiles & Trucks	11%	Consumer demand for new (or newer) vehicles, led by trucks/SUVs; July 4 th sales push
Farming Equipment & Supplies	11%	Ag market invests in state-of-the-art equipment; general supplies required year-round
Heating, Air Conditioning & Plumbing	10%	New installations, maintenance, repairs for warmer weather
Flooring, Carpet & Ceilings	08%	Growth based on increased demand for housing, home renovations
Building Materials & Construction	08%	Growth based on increased demand for housing, home renovations
Insurance, Investments & Real Estate	07%	Home sales gain as economic improvement continues; carriers vie to provide coverage; consumers seek advice on investments, retirement plans, etc.
Major Appliances	07%	Consumers gravitate to luxury and energy-saving appliances
Paint & Wall Coverings	07%	Growth based on increased demand for housing, home renovations
Other	19%	N/A

Source: RAB.com, Co-op, Page Views (Weekly)

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MEDIA MONITORS SPOT 10 NATIONAL RADIO ADVERTISERS

Media Monitors reports the most-played commercials for national advertisers on the top-rated Radio stations in major markets the week **June 27-July 03, 2016**:

Account	Parent Company	Category
The Home Depot	The Home Depot USA, Inc.	Retail; Lawn & Garden
GEICO	Berkshire Hathaway, Inc.	Insurance
AutoZone	AutoZone, Inc.	Retail; Automotive
Lowe's	Lowe's Companies, Inc.	Retail; Lawn & Garden
iHeartRadio	iHeartMedia, Inc.	Media
Burger King	Burger King Corporation	Restaurants
McDonald's	McDonald's Corporation	Restaurants
HHS US Dept. Health & Human Services	U.S. Government	PSA – Public Service Announcements
Macy's	Macy's	Retail
O'Reilly Auto Parts	O'Reilly Automotive, Inc.	Retail; Automotive

Source: MediaMonitors Spot Ten National Radio Report (Weekly)

RAB Observations on Media Monitors National Spot: The Home Depot and Lowe's feature seasonal goods for warm weather, including gardening supplies, outdoor furniture, building and remodeling supplies. GEICO addresses cost conscious consumers in need of comprehensive auto, property/casualty insurance coverage. AutoZone and O'Reilly Auto Parts target those who are interested taking care of auto service and repair. iHeartRadio affords digital audio options to compete with the pure-play online audio services. Burger King and McDonald's take different approaches to on-the-go consumers' desire for quick, tasty, and nutritional eats. The U.S. Department of Health & Human Services offers travel and safety tips for the upcoming July 4 holiday. Macy's promotes 4th of July sales and bargains.

Although some of these specific advertisers may not be present in your market, you can point out to a local hardware dealer that Home Depot ran more spots on Radio than any other national advertiser; what works for Home Depot should be good for local retailers and contractors in this broad category.

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TOP 40 BUSINESS SURVEY

Among Radio's top advertiser categories, the following businesses post high percentages of sales in the months of July, August, and September. Ranking based on highest percentage of sales in month (versus other categories).

AUGUST

<u>Business Category</u>	<u>% of Annual Business in Month</u>
Book Stores	14.5%
Bridal Market	10.7%
Shoe Stores	10.7%
Office Supply Stores	10.6%
Recreation Vehicles	10.5%
Mobile Home Dealers	9.5%
Sporting Goods Stores	9.5%
Floor Covering Stores	9.4%
Optical Goods Stores	9.4%
Auto Dealers (New)	9.2%

SEPTEMBER

<u>Business Category</u>	<u>% of Annual Business in Month</u>
Bridal Market	9.6%
Book Stores	9.3%
Mobile Home Dealers	9.1%
Floor Covering Stores	8.6%
Office Supply Stores	8.6%
Building Supply Stores	8.4%
Recreation Vehicles	8.4%
Used Merchandise Stores	8.4%
Appliance Stores	8.2%
Furniture Stores	8.2%
Nightclubs/Bars	8.2%

OCTOBER

<u>Business Category</u>	<u>% of Annual Business in Month</u>
Mobile Home Dealers	10.1%
Bridal Market	9.4%
Used Merchandise Stores	9.3%
Floor Covering Stores	9.0%
Building Supply Stores	8.9%
Auto Parts Stores	8.8%
Men's Wear Stores	8.8%
Tire Dealers	8.8%
Hardware Stores	8.7%
Drug Stores	8.6%

Source: RAB Top 40 Business Survey 2016 – Monthly percentage of category's yearly business in applicable month.

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MILLER, KAPLAN, ARASE & CO., LLP - AD SPENDING BY CATEGORY – UPCOMING HOT CATEGORIES

Data from Miller, Kaplan, Arase is received by RAB approximately six weeks following the reporting period. Advertisers in the following key categories INCREASED spending in September 2015 in comparison to their August 2015 expenditures:

Advertiser Category – 9/15 vs. 8/15	% Increase	RAB Observations:
Television/Networks/Cable Providers	+152%	Promos for upcoming Fall program lineup, sports events, other special programming
Lawn & Garden	+ 87%	Seasonal promotions, vary by region
Recruitment/Employment	+ 74%	Increased activity as economy, hiring improves; many workers change jobs after summer vacation, before year-end holidays
Transportation	+ 53%	Appeals to business and leisure travelers
Foods	+ 46%	Back-to-school lunches, fall menu planning
Real Estate/Retirement Communities	+ 33%	Seniors, empty-nesters investigate options; home sales continue to gain pace based on economic climate
Home Improvement	+ 30%	Hot category based on both home sales and people staying in place
Hotel/Motel/Resort/Tours	+ 28%	Attracting business travelers, fall vacationers
Insurance Companies	+ 22%	Highly competitive among auto, property & casualty, health and life insurers
Casinos/Lottery	+ 20%	Consumers taking a chance on winning big; casino daytrips popular

Source: Miller, Kaplan, Arase & Co. X-Ray Markets Composite (Monthly)
(The 35 market X-Ray pool may not be indicative of industry results as a whole)

Advertisers in the following key categories INCREASED spending in October 2015 in comparison to their September 2015 expenditures:

Advertiser Category – 10/15 vs. 9/15	% Increase	RAB Observations:
Political	+318%	Spending increases in advance of early November general election date
Amusement/Theme Parks/Museums	+102%	Promos geared to attract fall travelers, advance holiday planners
Music Stores/Videos/DVDs	+ 61%	Fall releases of new music, summer movie blockbusters to DVD
Internet/e-Commerce	+ 40%	Increasingly popular shopping option for consumers of all ages
Department/Discount Stores & Shopping Centers	+ 47%	Columbus Day sales, other promos to combat online shopping trend
Drug Stores/Pharmaceuticals	+ 33%	Promote general merchandise in addition to prescription and OTC pharma
Specialty Stores	+ 20%	Columbus Day sales, other promos to combat online shopping trend
Jewelers/Clocks/Pawn Shops	+ 15%	Pre-selling for holiday gifts; winter bridal jewelry
Health Care	+ 14%	Hospitals and other facilities promote services, preventive care
Recruitment/Employment	+ 11%	Many seek employment in fall, following summer breaks and in advance of holidays

Source: Miller, Kaplan, Arase & Co. X-Ray Markets Composite (Monthly)
(The 35 market X-Ray pool may not be indicative of industry results as a whole)

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PROMOTIONAL OPPORTUNITIES

These promotional events listed in Chase’s Calendar of Events can be used to attract promotional or non-spot dollars -- monies that are not traditionally allocated to a broadcast schedule -- to your station:

SEPTEMBER	OCTOBER
<ul style="list-style-type: none">• Labor Day (9/5)• Happy Cat Month• Hunger Action Month• National Prostate Cancer Awareness Month• Ovarian Cancer Awareness Month• National Skin Care Awareness Month• National Assisted Living Week (9/11-17) National Grandparents Day (9/11)	<ul style="list-style-type: none">• Adopt-a-Shelter Dog Month• Breast Cancer Awareness Month• Co-op Awareness Month• National Audiology Awareness Month/Protect Your Hearing Month• National Chiropractic Health Month• Columbus Day (Observed 10/10)• Halloween (10/31)

Source: Chase’s 2016 Calendar of Events (Monthly)

RAB Observations on Promo Opportunities:

There has been much focus on the American worker throughout the 2016 primaries; celebrate workers’ important historical and current role in our nation on Labor Day – and don’t overlook all the picnics and other events that tie in with this “end-of-summer” holiday. The U.S. cat population outnumbers dogs by more than 13 million, yet they enjoy fewer vet visits, and are less likely to be selected at shelters or reclaimed when lost – work with local veterinarians and shelters to promote and celebrate the joy of cat ownership. We are a land of plenty, yet many go to bed hungry every day in this country. Work with organizations in your community to raise awareness and provide relief for those in need. Encourage men and women to get screened for their well-being during National Prostate Cancer, Ovarian Cancer Awareness Month. Tie in dermatologists, salons, spas and stores selling skin-care products to promote healthy, beautiful skin for both females and males. National Assisted Living Week is geared to raising awareness of the role of assisted living in serving the nation’s seniors. Also designed to honor our elders, National Grandparents’ Day aims to celebrate grandparents and give them an opportunity to show the strength, knowledge and guidance that older people can offer.

Plenty of opportunities for cause-related tie-ins in October: Get together with your local shelter(s) to bring dogs out to events around town with the goal of adoptions to qualified “parents” that listen to your station. Everyone’s on board for wiping out breast cancer, opening the door to all kinds of fund-raising and awareness-raising messaging and events. National Audiology Awareness Month/Protect Your Hearing Month aims to inform people about hearing loss and steps they can take to protect their hearing; sponsored tips or even a hearing-test event might be the way to go. Similarly, bring local chiropractors to your air to promote their alternative-care services. Everyone wants to tout their special sales over Columbus Day weekend (10/7-10/10). Retailers are also hot for Halloween, and promotional events featuring candy and costumes are tons of fun. Finally, cash in on Co-op Awareness Month by reminding your accounts to take advantage of the vast amounts of co-op funding made available by manufacturers to subsidize the cost of local advertising. Most funds are designed to expire on 12/31, so advertisers not taking advantage could be literally throwing money away!

