



Perception vs. Reality

Test Your Knowledge

The radio industry wanted to understand the relationship between the perceived and actual audience size of AM/FM radio and streaming services.

We turned to the leaders in advertiser sentiment (Advertiser Perceptions), online radio usage (Edison Research), and media measurement (Nielsen) to conduct a first-of-its-kind study.

See how your answers compare.



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ON
AIR

Test Your Knowledge

What percentage of Americans are
reached weekly by AM/FM radio?



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Advertisers and agencies think the **weekly reach** of AM/FM radio is 64%.

Advertiser Perception

64%

*Source: Advertiser Perceptions, May 2015, 327 advertisers and agencies
"What percentage of Americans would you say are reached by each of the following?"*



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The reality is 93% of all Americans are reached by radio each week.

Reality: Nielsen weekly reach

93%

Advertiser Perception

64%

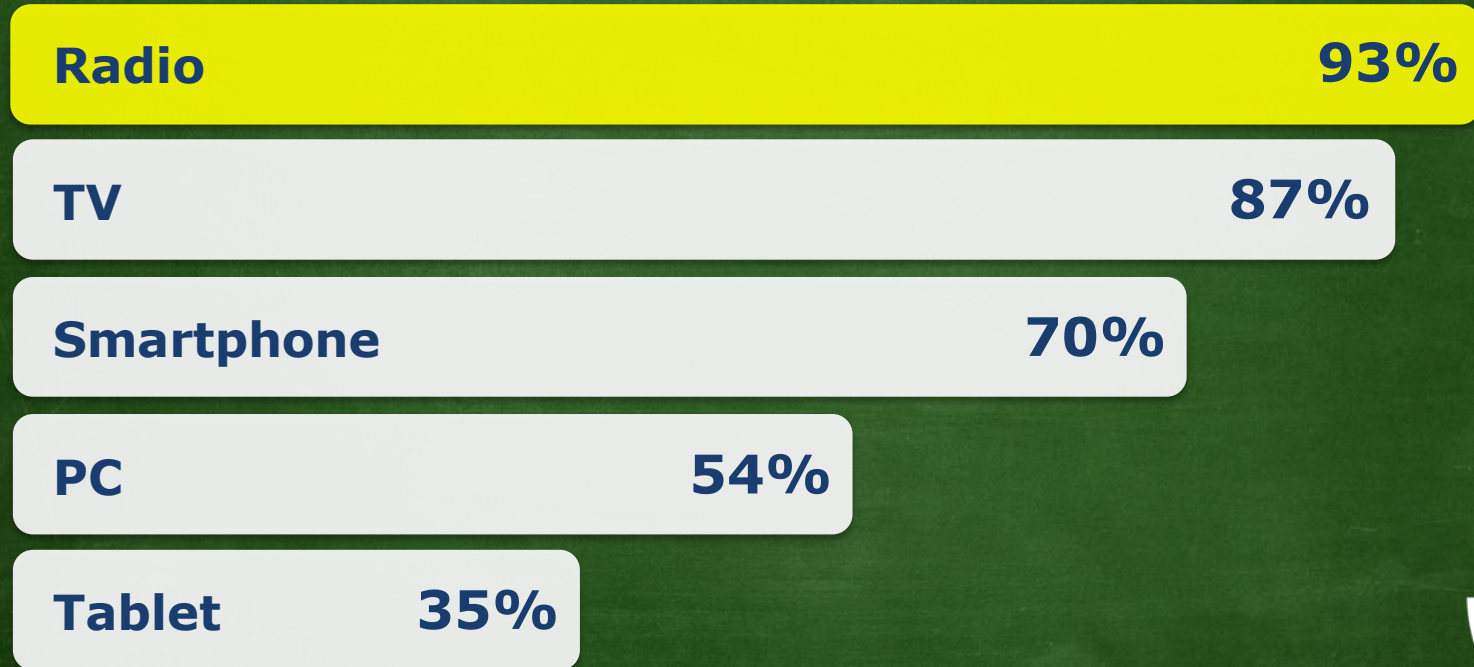
*Source: Perception: Advertiser Perceptions, May 2015, 327 advertisers and agencies
Reality: Nielsen Total Audience Report, Q1 2015*



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Radio is America's #1 mobile mass reach medium.

Adults 18+ Weekly Reach (% of Population)



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Test Your Knowledge

**What is the weekly reach of
AM/FM & television among
much-coveted Millennials (18-34)?**



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Among Millennials, radio dominates TV.

One of four Americans 18-34 are not reached by ad-supported television.

Radio weekly reach (18-34)

93%

TV weekly reach (18-34)

76%



Test Your Knowledge

**How much time is spent with AM/FM
versus Pandora and Spotify?**



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Advertisers and agencies think the share of audio time spent with AM/FM radio is nearly the same as streaming.

AM/FM radio

55%



Spotify



45%



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The reality? AM/FM's share of time spent is significantly greater.

AM/FM radio share is 9x greater than Pandora & 17x larger than Spotify

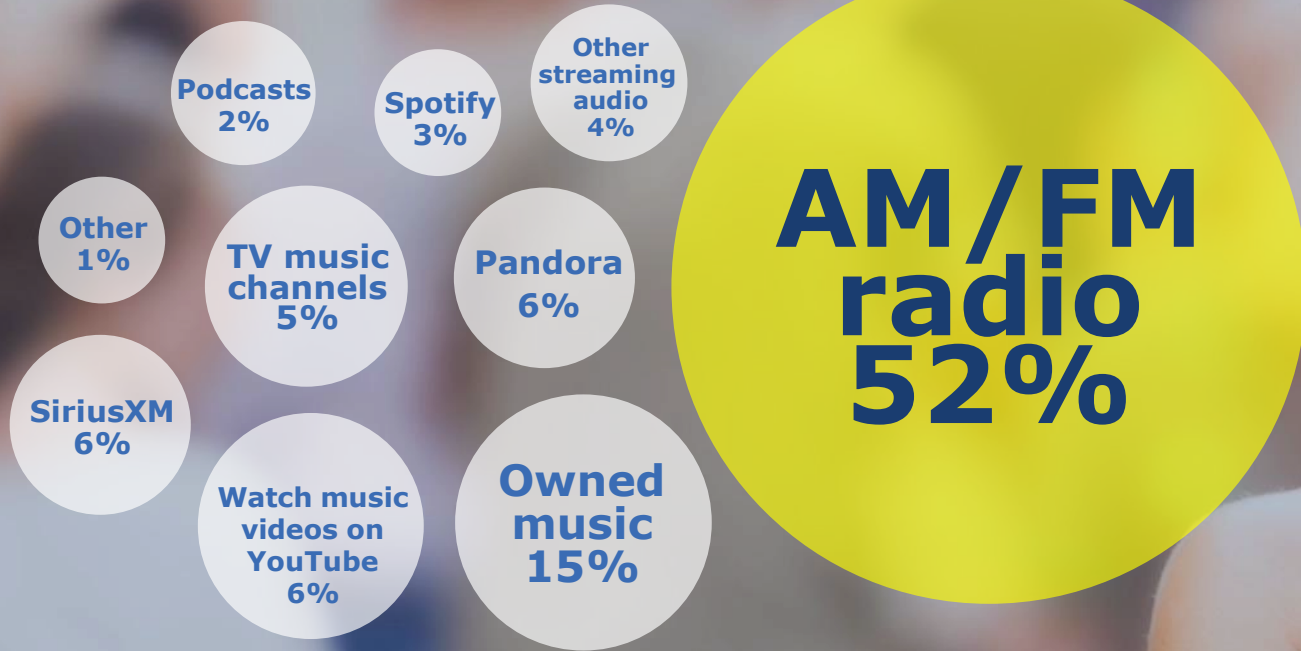


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*Source: Perception: Advertiser Perceptions, May 2015, 327 advertisers and agencies
Reality: Edison Research "Share Of Ear" Q2 2015*

AM/FM radio is the king of all audio.

Share of audio time spent.



Test Your Knowledge

**How many Americans are reached
by Pandora and Spotify?**



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Advertisers and agencies think Pandora and Spotify reach 27% and 20% of Americans.

27%



20%



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Source: Perception: Advertiser Perceptions, May 2015, 327 advertisers and agencies

In reality, streaming services reach a small percentage of Americans.

Each day, 85% of Americans are not reached by Pandora; 95% are not reached by Spotify.

15%



5%



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Source: Edison Research "Share Of Ear" Q2 2015; daily reach

PERCEPTION

REALITY

AM/FM weekly reach is 64%

AM/FM weekly reach is 93%, making radio America's #1 mobile mass reach medium

People spend almost equal time with AM/FM and streaming

AM/FM's share is 9x larger than Pandora and 17x larger than Spotify

Pandora reaches 27% and Spotify reaches 20% of Americans

Each day, Pandora only reaches 15% and Spotify 5%



Conclusion

IT'S ON US

The radio industry needs to do a better job telling our story.



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"As a marketer, I've always found radio to be a medium that effectively and efficiently delivers reach over an extended period of time, while driving ROI within the total communications plan. But radio has been too low profile with brands, especially in light of other advancements in technology. Radio needs to be more aggressively marketing their story as the leading mass reach media."

Mark Kaline, former head of media at Ford Motor Company & Kimberly-Clark; Former co Chair of the ANA's Media Leadership Committee



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