

A Bright Future: *The Evolution of Radio*



Introduction

Radio remains relevant more than a century after its invention. Over two weeks in April-May 2022, we set out to ask influential and experienced players in the industry about their visions for the future of radio.

This report will also show how the medium is evolving and continues to embrace technological advances to stay current and to continue to engage with the modern consumer.

Key Findings

Radio provides the ideal targeted and immersive media environment to reach and engage consumers with the power of a brand's voice. The status of radio as a respected, trusted and reliable medium, with a long and expansive history, makes it a hugely influential player in the audio advertising space.

What can you expect to learn?

Broadcasters can expect to understand what other broadcasters are saying about their current position and growth, as well as *identifying opportunities for increased engagement* and how that can impact commercial models for ad sales.

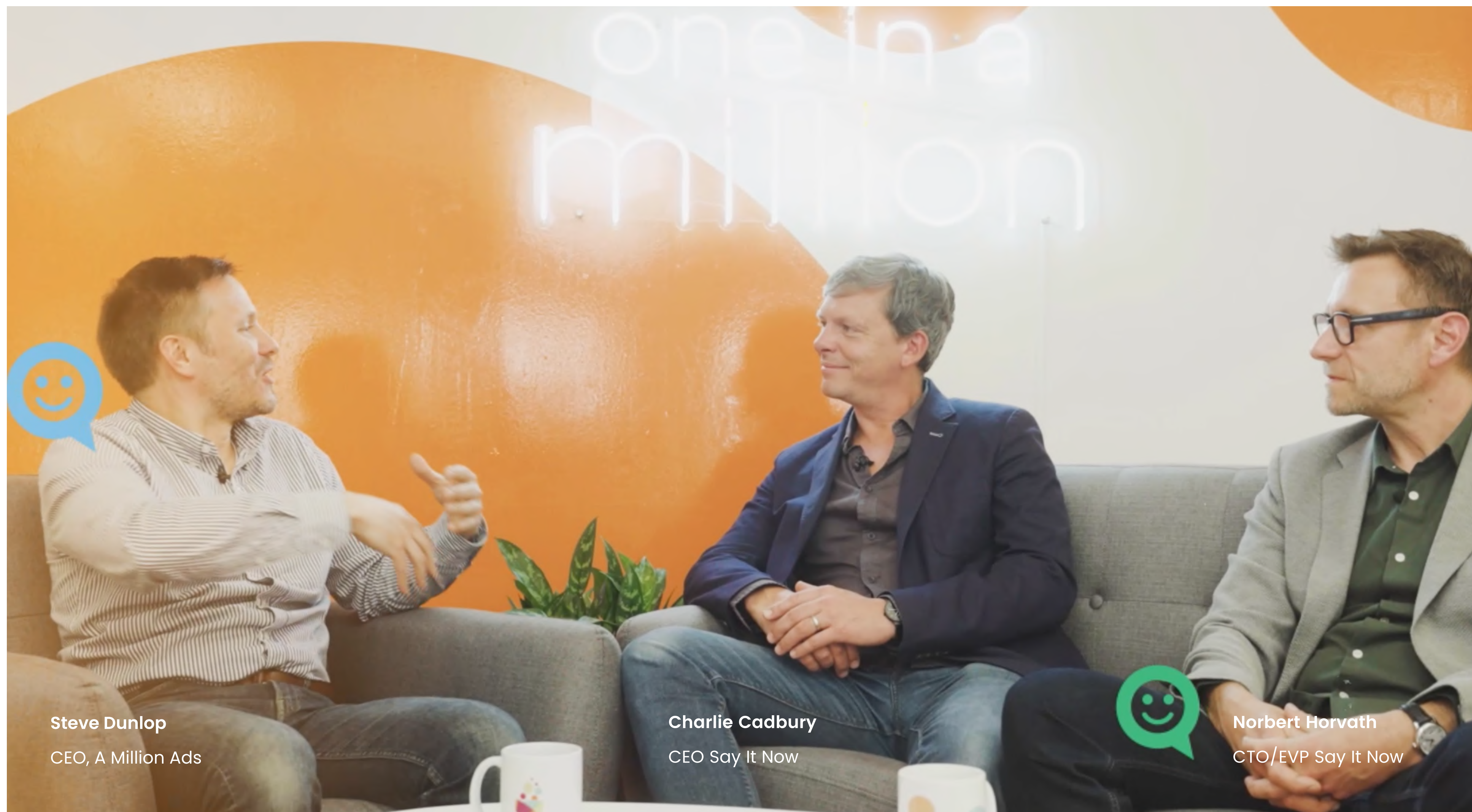
The interviews at the heart of this report focus, in part, on the *changing shape of the broadcasting industry*, highlighting the impact of new media channels and how these can be used to the advantage of broadcasters in reaching a wider demographic.

The radio industry taps into technology to continually enhance the listener experience.

At its core, radio delivers content, experiences and engages listeners in conversation. As technology is introduced, radio's platforms expand.

Advertisers and agencies will be able to draw on this research to gain a strong understanding of the current state and strength of radio, as well as the opportunities this key medium continues to present for driving results. The report and interviews highlight how new technologies are enabling rapid innovation, revolutionizing engagement models and sharpening the tools available for effective marketing attribution.

Readers can learn some powerful lessons from the experts who spoke with us, as we identify common themes in what best practice looks like for campaign creative.



The report is broken down into four areas for further exploration.

- 1. The Pace of Change**
- 2. Attitude to Audience**
- 3. Future of Engagement**
- 4. Advertising Best Practices**

As you read on, we hope you find inspiration in our findings and insights.

Please feel free to get in touch with us directly if you have any questions — info@sayitnow.ai

A man with grey hair, wearing a dark button-down shirt, is shown in profile, looking towards the left and speaking. Behind him, a surfboard with yellow and blue stripes is mounted on a grey wall. To the right, a window with horizontal blinds is visible. A large green circle is overlaid on the bottom left of the image, containing the title text.

The Pace of Change

Bruce Walden
General Manager,
Waterloo Media

1. The Pace of Change

“The whole landscape of media is changing so fast. And audio is being delivered in so many different ways.”

Bruce Walden, General Manager, Waterloo Media

“In this industry, it is seismic change multiple times a year, constantly.”

Les Seifer, Global Head of Creative, Tremor International

Technology is revolutionizing how we engage with audiences, and in doing so, presents not just a challenge but a golden opportunity. Radio broadcasters and marketers recognize and are welcoming that opportunity **to retain and further penetrate** audiences while they travel, while in their own home and everywhere in between. Innovation underway prior to the pandemic was turbo-charged when listeners found themselves less tied to a commute or an office environment.

Radio has traditionally been most dominant as an in-car medium – and indeed still is, with many of those existing listeners having returned to their daily commute or traveling to visit family and friends. Now, though, through increased engagement with home-based smart

speakers, online audio or an ever-growing number of podcasts, those listeners have rapidly gained the ability to continue those audio interactions almost seamlessly from one setting to another.

Audio has digitized at great speed. The radio industry is capitalizing on these developments, and its position as the **No. 1 reach medium** in the U.S., to activate listening and in turn ensure that radio ads work to convert new and existing audiences into purchasers. The swift advent of streaming opened up and grew the influence of AM/FM radio to the extent that nearly nine out of ten listeners now use that method to listen to this **trusted medium**, available through multiple platforms.



Attitude to Audience

Christina Escobar
President & General Manager, Univision Austin

2. Attitude to Audience

“I think there was a day when there was a cookie cutter format across the board. And you can take it and do it in LA, New York, Miami or Austin. And now you really have to cater to the needs of who's listening.”


Christina Escobar, President & General Manager, Univision Austin

Modern listeners are spoiled for choice with both subject matter and platform, and they expect to be engaged consistently with information and entertainment that they find interesting or useful – wherever they happen to be at the time. This knowledge needs to inform both the content put out across different mediums, and the advertising that accompanies that content. Knowing in-depth who the audience is allows not only for targeted and relevant content but **enhanced advertising capabilities**.

The way radio embraces and engages community in the U.S. is a real success story and an example of innovation driving engagement among more comprehensive and wider audiences. Diverse local, regional and national communities participate and establish loyalty when they feel they are represented and understood in the media they choose to consume.

- For broadcasters, it is ever important to **be aware of the demographic and corresponding behavior and needs** to constantly monitor and reevaluate the impact of the dialogue with the target audience.
- For marketers, as techniques improve for advanced targeting, **measuring impact and return on investment**, positive partnerships with the broadcaster and a bespoke approach to advertising strategies, are what will deliver the most meaningful results.

To ensure relevancy, a nuanced approach is vital and is the backbone of strategies aimed at the retention and expansion of listener numbers by ‘home’ stations across the U.S. With ever more ways to understand the context of your audience and gain insight into their state of mind at any part of their listener journey, now more than ever you have the opportunity to tailor content and advertising messages to make them land better and build meaningful connections.



Future of Engagement

Vinny DiMarco

Market Manager, ESPN New York

3. Future of Engagement

“I think that the smart speaker has really opened up a new channel for audio specifically.”

Vinny DiMarco, Market Manager, ESPN New York

Conversations with professionals on different sides of the industry consistently pointed to the idea that the evolution of audio engagement – and therefore marketing – lies with enabling the listener to have **immediate interaction** with the mediums they use to listen to content. The smart speaker has already revolutionized how many American families weave audio into their daily lives. As new channels and formats drive innovation and bring in new potential audiences (and indeed content creators), there has never been a better time to focus on developing enhanced **trackability of user habits and interests** to inform future spending.

As tech has evolved the distribution of content, it is also driving the capability for audio campaign measurement. Some of the newer types of audio media platforms, such as podcasting, are – in some cases – still operating in a relatively inconsistent way. The penetration of these nascent

channels allow the audience to have an interactive yet natural relationship with the audio content. This represents the next innovative step in the evolution of audience engagement, which at the same time provides the ability to precisely measure the impact of audio advertising. Directly connecting listening to desired action represents a game changer allowing audio – and radio specifically – to flourish as **a central pillar of advertising strategies**.

With radio stations and personalities amongst the most trusted of all media vehicles, radio has the ideal platform to embrace the **plethora of audio channels** now available. While broadcasters continue to focus on making great content that reflects the interests of their listening communities, advertisers can be assured that radio’s adaptability to change stands it in good stead for a **buoyant future**.



Advertising Best Practice

Arianne Walker

Chief Evangelist,
Amazon Smart Vehicles

4. Advertising Best Practice

“Historically, the interaction with the audience was the most important thing. Jingles were giving the audience a reason to like and to interact with the brand.”

Cat Thomas, Operations Manager, Beasley Broadcasting Group

“We want to be where the listeners are.”

Jeff England, Vice President, Market Manager, Hubbard Radio

Successful audio content – and therefore advertising – is becoming ever more **sophisticated and targeted**. It must feel directly relevant to the listener in order to deliver results. There is no one-size-fits-all approach when creating impactful audio creative and, in radio, the importance of a truly local feel is huge. Reflecting the interests of the local community is what really gives radio such remarkable influence and reach. This manifests in programming championing the local music scene or offering HD or digital channels entirely in a second language to appeal to a sub-sector of the community. For sports-based channels, all advertising needs to be informed by an understanding of the passionate fan base listening in to follow live games or to tailor messaging by predicting the mood of the supporters the next day, depending on the outcome.

An element of personalization remains important for national advertising as well. Taking the audience on a journey can build recall and buy-in, so allowing for different versions of the same content with minor tweaks – date/time/weather – combined with sequential advertisements instead of direct repetition, creates an ongoing consumer relationship with the brand.

Advertisers must **use consumer habits to their advantage** when developing their media strategies for audio platforms. Drawing on information about where audiences are when they listen, and the ways in which they access content presents opportunities to make ads more actionable. The Actionable Audio Ad format allows in-the-moment insights and data built from ad engagement data and you can also work closely with broadcasters who have powerful tools to offer insight into audiences and consumer habits.

Engage the audience...

Know *who* they are,
where they are
& *how* they listen

Key takeaways >

Marketers now need to successfully navigate **consistent brand management** across multiple media formats. Best practice involves engaging consumers effectively from every angle – not just the audio ads, but numerous digital media platforms and associated advertising within those platforms.

There is a reason that the radio jingles we all remember were so successful in creating lasting associations. What worked in the past and remains at the core of audio advertising now and into the future is the ability to draw in, **immerse and interact with the listener**, build brand familiarity, and in turn, convert more audience members into purchasers.

Key takeaways

For Broadcasters

Change in the industry is constant, and adaptability is key:

If recent times have taught us anything, it is that the lives of listeners – and therefore their habits, needs and interests – never stay static. Radio must track and reflect that change.

Embrace technological change from a content, distribution, engagement and advertising measurement perspective.

Cater to audiences in varied headspaces and media – use the existing reach of radio and listener loyalty to evolve and grow:

Radio occupies a unique position as an established and trusted medium. Broadcasters can use this to their advantage when exploring and expanding the platforms used to transmit radio content, and in doing so retain their listeners and reach new audiences.

For Advertisers

Engage the audience – know who they are, where they are and how they listen:

It is imperative that advertising strategies are finely tuned to the nuances of their target listeners. Success lies in reflecting the characteristics, needs and interests of each community.

Advances in measurement mean more effective media spend:

This represents a positive development for assuring the future of audio advertising, with the potential to drive more focussed and impactful approaches by advertisers throughout the industry.

Test, and learn from, innovative platforms to deeply engage target consumers:

Advertisers who closely monitor evolution in the wider audio space, and adapt their campaigns to take on board lessons learnt from those observations, stand to gain the most return on their investments.

Conclusion

Radio advertising is trusted, engaging and ubiquitous. It continues to be highly relevant and effective. As a mature medium, it is confident with its place in the media landscape from both a consumption and advertising perspective. There is great opportunity to challenge, test and learn via innovations as both consumer behavior and technology evolve.

Broadcasters and advertisers alike are constantly looking to drive more understanding and engagement with their audiences. Social media has extended the conversation and new technologies like smart speakers allow for opportunities of two-way dialogues with audiences that connect directly to commerce.

Entertainment, commerce and engagement through the smart speaker will continue to advance. Radio is well-positioned to leverage this technology to further engage consumers, enhance their listening experiences and drive real-time results for advertising partners.

About Say It Now

Say It Now is an advertising technology business that enables marketers and brands to take advantage of the power of voice by enabling meaningful conversations at scale.

Say It Now's platform enables the creation of Actionable Audio Ad campaigns that are proven to deliver deep connection and engagement and their data tracking suite delivers immediate insight. These components drive audience engagement through frictionless conversational

experiences and real-time understanding allowing optimisation that results in better-performing campaigns for brands across all audio channels. Say It Now has worked with the likes of Pizza Hut, Berocca, Specsavers, and Disney, are 'Alexa Cup', 'Campaign' and 'AOP' award winners and in 2021 were selected as the voice partner of choice for Group M, the world's leading media investment company.

<https://sayitnow.ai>

About RAB

The Radio Advertising Bureau (RAB) serves more than 6,000 member Radio stations in the U.S and over 1,000 member networks, representative firms, broadcast vendors, and internal organisations. The RAB leads and participates in the education, research, sales, and advocacy programs that promote and advance Radio as a primary advertising medium.

Their primary objective is to drive revenue growth through advocacy, providing the tools and resources to help the industry attract new sales talent to the medium and enhance industry professionalism through training and support.

<https://www.rab.com>

To dive deeper into any of the interviews that formed the basis of this report, please click on any of the below links:



► **Bruce Walden**

General Manager, Waterloo Media



► **Christina Escobar**

President & General Manager, Univision Austin



► **Jeff England**

Vice President, Market Manager, Hubbard Radio



► **Jay Gelardi**

CEO, Gypsy Inc



► **Zack Kazin**

Senior Director, Vox Media



► **Arianne Walker**

Chief Evangelist, Amazon Smart Vehicles



► **Natalie Marsh**

General Manager, Lotus Broadcasting



► **Cat Thomas**

Operations Manager, Beasley Broadcasting Group



► **Steve Dunlop**

CEO, A Million Ads



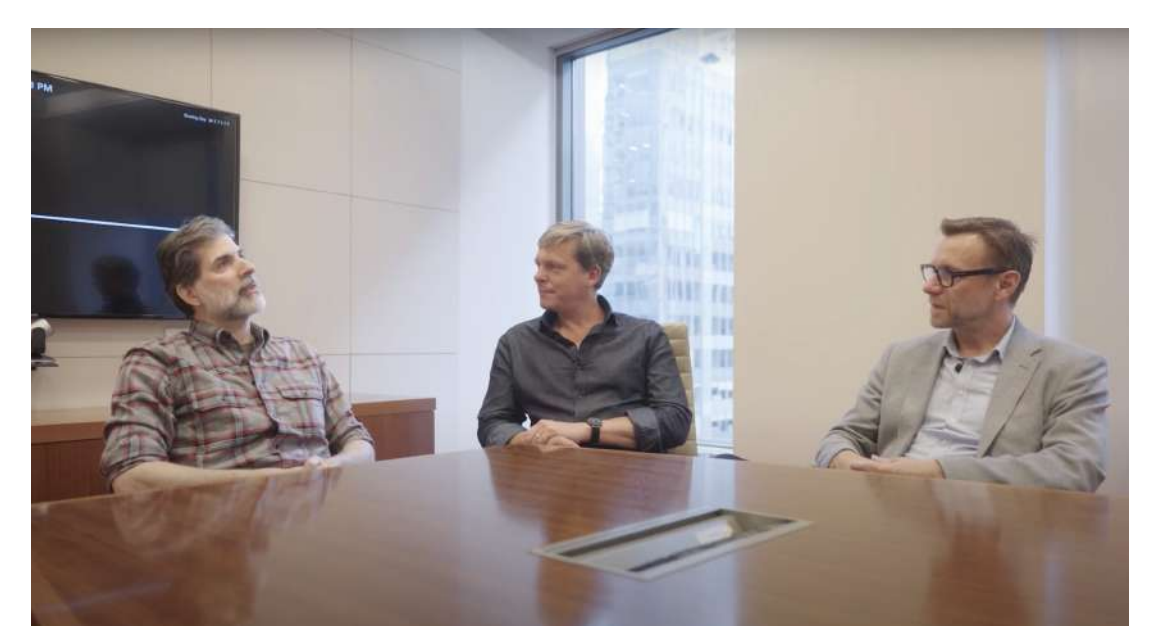
► **Vinny DiMarco**

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► **Les Hollander**

CEO, DAX North America



► **Les Seifer**

Global Head of Creative, Tremor International



► **Nick Cedar**

Investment Director, Havas Canada