I’m Not Dead Yet! OTA Radio

National Student Electronic Media Convention
Thursday, October 23, 3pm
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Ross Reynolds, KUOW-FM, Seattle, WA
KEEP CALM 'CAUSE I'M NOT YET DEAD
Have You Heard Someone Say Something Like This?

• Young people don’t listen to the radio anymore

• College kids only listen to radio in their parents’ car

• The only radio people under 30 listen to is Pandora

• People don’t listen to radio for music, they get their music from iTunes and YouTube

• Our college doesn’t need an over-the-air radio station because students don’t listen to radio and don’t care
Well, Just Like Punk, Radio Is Not Dead!
Radio is Still a Dominant Medium

• Radio reaches 92% of all Americans 12 years and older every week...that’s 245 million people!

• Radio’s reach in the 18–54, 25–54 and 18–34 demos have all INCREASED over the past three years

• 91% of Americans 12–24 listen to radio every week

• Radio is the number one out-of-home entertainment source, beating even mobile devices by 19%.

• Radio accounts for 86% of in-car audio listening
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<th>Still Dominant</th>
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<td>• 92% of African-Americans tune in to radio each week</td>
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<td>• 94% of Hispanics listen to radio each week</td>
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<td>• Hispanic teens (12–17) are one of the fastest growing radio demos</td>
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<td>• In 2013, radio reached slightly more 18–34 year-olds than the internet and about 10% more than broadcast/cable TV</td>
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<td>• Radio is still the #1 source for new music discovery in</td>
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Share of Daily Media Minutes
Adults 18–54
Radio’s Per-Day Time Spent Listening

Hours Per Day Spent With Radio, Internet, Smartphone and TV

- AM/FM Radio
- Internet
- Smartphone
- TV
Consumers Are listening to Less of Their Personal Music Collections, Not
Millennials (The Folks Supposedly Killing Radio) Are Big Radio

Millennials are defined as born between 1981 and 2000

• Radio reaches 90.3% of millennials every week
• The average millennial listens 11.5 hours of radio each week
• Afternoon Drive (3–7pm) is the peaking listening daypart for millennials
• 72% of millennial radio listening is outside the home.
• Millennials account for more than a quarter of national network radio listening. 51.1 million Millennials tune to
Radio’s Reach With Millennials vs. Other Media Options

- Listened to Radio in the last 7 Days
- Watched any TV in the past 7 days
- Spent any time on the Internet in past 7 days
- Checked their Smart Phones at least 300 times in the past week
Millennials Feel Positive About FM Radio

Millennials Rate FM

- Love it: 0
- Like it: 13
- Neutral: 25
- Dislike it: 38
- Hate it: 50
- Don't know: 0

Total: 116
But Find AM Radio Out-of-Date and Boring

Reason Millennials Dislike or Hate AM Radio

- For Older People
- Boring
- Out of Date
- Talky

Millennials Rate AM
A New Renaissance For Audio

• Total audio consumption in America is growing

• Americans consume more than four hours of audio content everyday

• Digital platforms complement radio listening rather than cannibalizing it. For example: 95% of people who use Pandora in the past month also listened to over the air radio in the past week.
A Few Reasons For This Renaissance
Radio Has Gained New Listeners Even As Digital Audio Has Grown
Weekly Online Radio Listeners Who Also Listen to Broadcast Radio Each Week

- Also Listen
- Don't listen
Radio’s Share of the “Daily Ear”

On Average, Americans Spend 4:05 Hours Each Day Consuming Audio. Here Is the Share Each Medium Slic
This Just In!

From the just released Piper Jaffray & Company’s “Taking Stock with Teens”

• 55% of teenagers say they listen to over-the-air radio more than anything else while in the car.

• Teens are nearly three–times as likely to listen to FM/AM in the car as Pandora.

• FM/AM was the first choice among more teenagers than all other options including Pandora and SiriusXM Radio combined.

• This study of the more than 7,200 teenagers also showed that 30% of them were spending less time streaming Pandora than they did a year ago.

• Their top 3 social media networks in order: Instagram, Twitter,
Challenges and Opportunities

What, Me Worry?

MAD
Causes For Concern

• Broadcast music radio’s biggest competitor isn’t pure-play services (Pandora, Spotify, etc.) or SiriusXM, it turns out to be stuff like YouTube

• So far in 2014, 57% of CHR, 53% of Urban, and 48% of Rock listeners have used a streaming video service at least once a week, far outpacing Pandora

• Today’s teens rank AM/FM radio 4th when it comes to new music discovery. #1 for them? YouTube, followed by family/friends, and then pure-play services
Causes for Concern

• The monthly online radio audience is approaching half of all Americans 12+

• Internet radio listening is rapidly shifting to mobile devices

• The smartphone has become the new transistor radio. For millennials 82% of all streaming audio is through a smartphone, compared to 16% for a tablet and 2% for a PC. For those 50+, 74% of all their audio streaming is through a smartphone.
Causes for Concern

- Over-the-air radio’s share of daily audio minutes is declining in each generation
  - For Baby Boomers, broadcast radio accounts for 72% of all daily audio consumption
  - For Generation X, it’s 68%
  - For Millennials, it’s 58%

- College media outlets often lack the resources to compete in the 21st century media environment

- As more and more activity shifts to mobile, how does traditional over the air radio keep its audience? How does
Radio: A Scrappy Survivor

- Radio has survived multiple predictions of its demise: TV, eight-track tapes, cassettes, The Walkman, CDs, iPods, Napster, Satellite Radio, Internet radio, podcasting, and now (so far) streaming music.

- The percent of Americans that tune in to radio at least once a week is virtually unchanged since 1970.

- This ability to survive constant environmental change prompted Bloomberg News in May 2014 to call radio the “cockroach of media.”
Sources

- Nielsen Audio
- Radio Advertising Bureau
- Edison Research
- Katz Radio Group
- Scarborough
- USA TouchPoints
- Triton Digital
- Kassof & Company
- AdWeek
- Bridge Ratings
Thank You!

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