Smart Marketers use Radio

The experts tell you why Smart Marketers Use Radio. Listen out for them in the new Commercial Radio Australia brand campaign when marketing experts talk about how radio can be used to achieve different marketing objectives and why radio is a cost effective and efficient advertising medium.

Some of those who feature in the on-air campaign as well as in podcasts of interviews on the website are Roger McBride, general manager, marketing and media, I-Select; Elena Pintado, senior brand manager, enterprise and nutritionals, GSK Consumer Healthcare Australia; David Hancock, managing director, Geeks to You and Bob Goodge, national client management and investment director, SMG Australia.

In these must-listen-to “podcasts” the marketers talk about why they use radio. They list radio’s benefits as providing a personal connection and direct response in addition to being cost effective and reaching a mass audience in a very targeted way. For a simple update on how these marketing experts ensure radio is part of their media mix, go our homepage, www.commercialradio.com.au, and click on the banner!

The best endorsement for radio is the results it continues to generate for advertisers. This latest series of ads is not only a campaign but it is supplemented by the podcasts which provide insights into how to use radio effectively as part of business and advertising strategy. How are others using radio to achieve their marketing objectives? These marketers offer so much great material we have extended this campaign from on-air to online, where you can hear full interviews (complete with more inane interruptions from That Radio Bloke) or download as a podcast and share with your team.

These Smart Marketers highlight how they are using radio to achieve different marketing objectives with great results. They share their secrets with you!

Futurist and social researcher, Mark McCrindle, also shares his views about the role radio plays in the lives of Australians: “Radio provides connection and interaction and creates community for every generation. Radio can reach a mass market audience, but in a much more targeted way.”

It’s a great time to focus on growing your business with many signs of market improvement. The radio industry recorded good growth in the last few months of 2009, signalling a more positive outlook for advertising revenue over this next year.
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Australians have never stopped tuning into radio. Always accessible, radio reaches into the heart of communities with news, insight, entertainment, companionship and a soundtrack for life.

- Australians spend almost 17 hours of their weekly media time with commercial radio.

- Commercial radio attracted an average cumulative audience of 8.94 million (76%) of all people each week in metropolitan markets during 2009.

- This figure was a 146,000 increase over 2008, when 8.79 million people tuned in on average each week.

- Busy, mobile Australians are particularly strong radio listeners because of its accessibility while they are on the go – at work, driving, relaxing at home or using the internet.

- In 2009, the majority of commercial radio listening occurred at home 49% (up 6% from 2008).

- In car listening represents 32% of all commercial radio listening, up from 26% in 2001, and up 3% from 2008.

- The remaining 17% of commercial radio listening occurs at work with an additional 2% designated as “other”.

- Radio’s cost-efficiency allows advertisers to be heard not only every day, but multiple times throughout the day. This average frequency is critically important for quickly delivering advertising response – web visits, store traffic, sales, brand recall and intent-to-purchase.

Roger McBride is a Smart Marketer
iSelect
General Manager – Marketing & Media

“Radio has lots of attributes. It’s very cost effective in that you can run quite a sustainable campaign for a long period at relatively low cost compared to other media. It typically, allows you speed to market so you can get new creative on relevant to any news or current events, or key uplift periods. It has been extremely beneficial in driving and building brand awareness and keeping iSelect top of mind, a natural first choice in selecting a range of insurance products.”

Source: Nielsen Radio Ratings, Average of Five Capital Cities, Survey 1-8, 2009. All people 10yrs+, Monday-Sunday 5.30am-12mn

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Radio is personal

Radio is a one-on-one medium. Listeners tune in regularly in their own personal space, developing a relationship with the stations that reflect their tastes and lifestyle. They listen to programming that is live and spontaneous; its tone genuine and its ambience intimate.

Studies show that listeners see radio as “speaking to me” and trust the information they hear, finding credibility and relevance in both the programming and the advertising. They feel more emotionally connected to radio, and to their community through radio, than with any other media.

Radio is a powerful marketing tool for speaking directly to consumers from various lifestyle segments

Radio is the pulse of the community. People listen to the radio to find out what is happening in their community such as special events, news, traffic updates, weather reports, sport and entertainment.

Radio is local

Radio is a local medium. It is an information and entertainment source that is central to each community’s culture and activities – from major news, entertainment and sporting events to the smallest community initiatives that bind people together in a common cause.

Marketers tap into a community’s way of life and consciousness through radio which offers a unique local flavour, tone of voice, and presence within communities across the country.

The local aspect of radio offers advertisers tremendous flexibility to target the consumers that are most important to reaching their business goals.

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Radio is specific

The ability to plan radio by market, and to concentrate on specific types of consumers through various radio station formats, adds to the efficiency of an advertising campaign.

Radio enables emphasis on markets with significant business challenges or opportunities. Radio provides an opportunity to target by age, income, gender, lifestyle characteristics, and radio-listening preferences of each station’s audience.

Radio is a proven results-driver for brands and businesses that “speak the language” of their target audience(s). Advertisers can effectively engage the right consumers with memorable conversations, stories and experiences through the right tone-of-voice and attitude – an ideal fit for the radio environment.

Radio targets at the right time

Radio is a highly effective and efficient medium for targeting mobile listeners while they are likely to be in the market for a specific product or service. For example, meal options on the drive home; retail advertising while people are out and about close to the point of sale; beer advertising prior to holidays and during weekends. The options are plentiful.

Targeting through creative

Targeting is further strengthened through carefully-designed creative that fits the station’s brand profile, programming and tone of voice, and “speaks the language” of the selected radio format’s listeners.

Radio affordably allows multiple creative executions enabling marketers to optimise engagement and to ensure that campaigns are interesting and memorable.
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Commercial Radio – still a dominant media choice!

Radio can greatly extend coverage and frequency among key groups. Across 2009, around 95% of Australian’s listened to the radio in an average week.

Commercial radio attracted an average cumulative audience of 8.94 million (76%) of all people each week in metropolitan markets during 2009. This figure was a 146,000 increase over 2008, when 8.79 million people tuned in on average each week.

On average, Australians spent 16hrs 50mins per week listening to commercial radio during 2009, or 2hrs 24mins per day.

Commercial radio provides more opportunities for a message to impact the listener. Across all day parts, an average 1.16 million people listen to commercial radio at any one time in metropolitan markets.

Breakfast is the most listened to session. Almost 7.11 million people tuned into commercial radio during breakfast in 2009 (up 417,000 people from 2008) during which time commercial radio’s average reach is 60% of all Australians.

The frequency of radio ads can jog the memory to reinforce the message. Radio allows advertisers to extend the frequency of the message to achieve specific objectives.

Place of listening

Commercial radio is a portable medium travelling with the listener where they go. In 2009, the majority of commercial radio listening occurred at home 49% (up 6% from 2008).

In car listening represents 32% of all commercial radio listening, up from 26% in 2001, and up 3% from 2008.

The remaining 17% of commercial radio listening occurs at work with an additional 2% designated as “other”.

Did you know?

Commercial radio listening midnight to dawn shows that:
- 15% of Australians tune in each week during this time slot.
- 9% of people 10-17yrs tune in, (up 2% from 2008).
- 15% of people 18-24yrs tune in
- 46% of listeners are over 25yrs+


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Commercial Radio – In a Multimedia Environment!

Media consumers are demanding, unique and engaged experiencing:
- tailored advertising, promotions, and relevant, valuable information
- access to and manipulate content and services
- more content and greater control
- ‘on-demand’ technologies

Emerging technology is being used in conjunction with, and as a complement to, existing radio technology

Radio is important to Mp3 owners – they spend more time listening to commercial radio than to their Mp3 devices

Downloading podcasts to Mp3 devices still remains a niche activity

Radio is developing podcasting into another useful tool for communicating and interacting with listeners

Radio was the first media to successfully make use of telephones, mobiles, internet, email and SMS to connect directly with audiences

Australian commercial radio stations use their online presence to complement their audio on-air services. Radio websites extend the stations reach, and that of the advertisers, into the multimedia domain with listeners.

Referring listeners to a website allows the brand to reinforce its brand name in the URL on-air in addition to being able to measure responses to a radio campaign call-to-action quite easily.
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Commercial Radio – in an Online Environment!

Radio and the Internet can be consumed simultaneously.
Radio delivers up-to-date messages and entertainment without making any demands on the consumer.
Radio is the best medium to direct people to web sites for more detailed information.
As the primary ‘at work’ medium, radio is ideal for reaching Internet users in the work place.
Radio adds a strong emotional profile to an Internet message.

Radio is complementary to other media. Radio can extend the reach of a campaign, focus the delivery, add to the frequency and enhance or reinforce a message.

The partnership between radio and online has been extended in recent years and this, together with the launch of digital radio will create growth opportunities for the radio industry.

Radio + Online Research

In 2007 Commercial Radio Australia commissioned TNS to study the effectiveness of radio advertising in combination with the internet to understand how Radio and Online work together as a powerful media duo.

The commercial radio industry committed around $1 million in airtime and research funding for the study.

Test and control markets allowed a better understanding of the impact that a strategy combining both Radio and Online activity has over online activity alone.

The test market in the study consisted of online and commercial radio activity and the control market was online advertising only.

Research Fact: Over 80% of people who hear a relevant radio commercial referring to a website have visited that website as a result.

Source: CommerciaRadio Australia, Radio + Online – we just click! 2007

Source: PriceWaterhouse Coopers: Outlook, Australian Entertainment and Media 2008-2012
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Commercial Radio – in a Digital Environment!

Digital Radio Switch-On
Australian digital radio services officially switched on in May 2009 in Sydney, Melbourne, Brisbane, Perth and Adelaide. Services for other parts of Australia are expected to be phased in following the capital city launch.

Digital Radio is Free-To-Air
One of the biggest attractions is that listening to the radio will continue to be free. With digital radio all you need is a digital receiver and that’s it – no subscription fees, no messing about with signing up, just tune in. Australians listen to an average of two and a half hours of commercial radio a day and there are an estimated 50 million analogue radios throughout the country.

Radio Goes Visual
For the first time radio will have an added visual feature. The DAB+ system will allow radio broadcasters to deliver a much more dynamic, multi-media experience to the listener. The spectrum efficiency of DAB+ means broadcasters can provide, on a small screen, scrolling news, sport and weather text and transmit a picture of a radio host or band, the cover of a CD or an animated logo, and create an Electronic Program Guide.

Additional Features
DAB+ allows each broadcaster to produce extra audio channels. Many DAB+ receivers will have a pause and rewind option.

Each station will be using the variety of new features to meet the needs of their target audience. Some may offer extra audio or text based channels, others may choose to offer a range of data services such as slideshows, graphics, product pictures and animation. News and sports stations may provide very different features and information to music stations.

AM & FM
AM and FM radio services will continue to be broadcast to allow consumers adequate time to replace their radios with digital receivers. Over time, digital could eventually replace analogue radio (AM and FM) but older radios won’t become obsolete for some time.

Radio Receivers
To listen to digital radio, consumers will need a new receiver. Digital radios will come in all shapes and sizes, including MP3 devices, hi-fi, portable players and clock radios. PC radios, which plug into a computer and allow receiver functions to be controlled from the computer screen, will also be available. In-car adaptors and upgrades are also expected to be available and there are likely to be adaptor kits for mobile phones. Major retailers have a full stock range.

Stations available on Digital Radio


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Radio ad revenue - strong end to year, 2010 looking positive

The commercial radio industry ended 2009 on a strong note with revenue growth in December of nearly five per cent – the second consecutive month of growth for the year, according to figures released by industry body, Commercial Radio Australia.

Figures for the month of December 2009 show growth of nearly five per cent (4.67%) in the five metropolitan markets, with the strongest growth in Sydney of 8.19% and growth in all markets except Perth.

Overall for the month of December, revenue generated was $54.15 million – up 4.67% on the same month in 2008 – and followed growth of over four per cent in November.

Despite a challenging year for all markets, and particularly Sydney, the year had ended strongly with two months of consecutive growth in November and December of 2009. This is positive news for the commercial radio industry and augurs well for 2010. The consecutive growth in the last two months of 2009 is good news for the industry and particularly the Sydney market, which recorded growth of eight per cent in December.

Figures released for 2009, show metropolitan commercial radio stations generated advertising revenue of $626.23 million in the calendar year – a fall of just 2.7 per cent compared to the previous year, which is an outstanding result given the economic climate.

Source: Metropolitan Commercial Radio Revenue Dec 2009, Jan-Dec 2009 – sourced by Deloitte