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... innovative ideas!



## Radio: more than just telling its story

egtabites welcomes you back after the summer – we hope you enjoyed some time to relax, soak up the sun and listen to great radio stations on your holidays!

Back to the business of radio...

### Perception vs. reality: what's holding radio back?

Radio advertising achieves outstanding results. It does so at large scale and at low cost compared to many other communication platforms. But the ad industry continues to undervalue radio's potential, and a big part of that may be down to inaccurate perception on the part of advertisers themselves.

Larry Rosin, one of the radio industry's most respected analysts and commentators, summed it up in recent comments addressing the claim that **radio has a problem of self-positioning**:

*"I get frustrated with this argument that the only issue with radio is that it 'doesn't tell its story.' The issue for radio is not that it doesn't have a clever catchphrase, and it's not that its CEOs don't represent radio well.*

*[...] I believe the reason advertisers nail radio with comments like 'no one is listening to the radio anymore' is in large part because they don't see radio stations anymore. They don't see stations on billboards and they don't see stations on TV and they don't get things in the mail and they don't hardly ever see radio station personalities at events around town.*

*[...] Radio sales people would walk right into a client with the same problem and say – 'you know how to fix your issues – you need to advertise.' But radio has fallen for the falsehood that 'radio stations advertise themselves.' That's of course true on some small level, but a radio station can only make so much noise by itself. And all the while radio laments its failure to 'tell its story.' Advertising the stations and the personalities would solve the problem organically."*

If you share these concerns and want to find out how your colleagues from other markets are promoting their stations and advertising their own initiatives – and if you would like to share your own cases as well – join us for egta's **Marketing & Sales meeting on 1 December in Hamburg**. This event will be focused specifically on both B2B and B2C radio marketing, so don't forget to register and pass on the invite to your colleagues!

To kick things off, we would like to share few examples of fresh and inspiring radio marketing cases.

### No. 1 – Groundbreaking new research that shows advertisers drastically underestimate broadcast radio

Leading radio sales houses and broadcasters in US – including Cumulus, iHeartMedia, Westwood One, CBS Radio and others – recently joined forces and decided to tackle the fact that advertisers and agencies drastically underestimate the reach of AM/FM radio by commissioning a **study** to compare advertisers' perceptions of American audio consumption



vs. actual usage.

Key findings include:

- Advertisers estimate that 64% of Americans are reached by AM/FM, but the actual weekly reach as reported by official ratings company Nielsen is 93%.
- Advertisers and agencies perceive the audience share of **Pandora** and **Spotify** to be nearly the same as AM/FM. In reality, AM/FM's audience share is 9X Pandora and 17X that of Spotify.
- Nielsen data also shows that radio reaches 93% of Millennials – 22% more than TV.

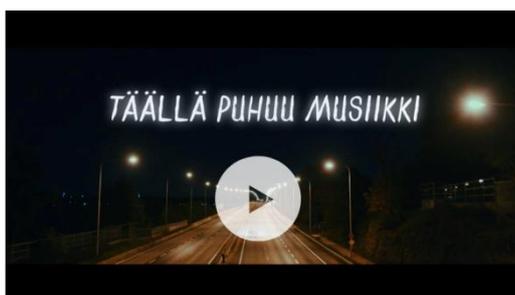
This study is conclusive evidence of the major gap in actual and imagined performance of AM/FM and streaming outlets, and that radio needs to be more energetic in its efforts to change perceptions, romance its clients and spread the word that it is truly the leading mass reach medium.



## No. 2 – Strong branding and positioning by Finnish radio broadcaster Nelonen Media

An example of an effective marketing effort was presented last year at egta's Marketing & Sales meeting in Brussels – a presentation by **Nelonen Media's Erkka Jaakkola** that showcased the company's radio branding, positioning and marketing activities, four of which are described below.

Firstly, Erkka presented a great promotional clip for its station Radio Aalto entitled *Let The Music Do The Talking*, which features the station's morning show hosts going to work using the lyrics of popular songs.



Secondly, when competitor station NRJ started to experience some weakening in response from listeners two years ago, Nelonen created a new youth oriented station called **Loop** ("More Music, Less Talk") – based on the idea of a limited playlist in response to listener demand.



Thirdly, Nelonen's strategy is to try to reach listeners and consumers wherever possible, which includes strategies for social media, events, online and video. By keeping the stations relevant for listeners, Nelonen has achieved the position of market leader in listening and sales. This success partly comes from radio working closely with TV and from the high percentage (about 50%) of contracts that are annual. Pricing and packaging is differentiated from the competitors, with a big emphasis on reach as the most important factor.



And finally, Erkka shared a multi-media advertising campaign developed by Nelonen Media to celebrate 25 years of the ice-cream brand **Magnum**. Radio Loop DJs and personalities appeared in a converted Airstream caravan, with events, ice-cream sampling, social media activity and outdoor and on-air promotion. It was a big success, as shown by the results:

- Brand recognition increased 71% in the target group;
- An event was held for 500 media members, clients and celebrities;
- Magnum spontaneous awareness increased 18%;
- 85% of people reached have already done, or intend to do something based on the campaign;
- Social media buzz for the brand increased 18% during the campaign;
- 59% of those who saw the campaign have tasted the new Magnum variant

Are you looking for more ways to strengthen your radio brands in your market?

Throughout the autumn and into the new year, egta will turn its focus to issues around B2B and B2C marketing. The team hopes to see you in Hamburg on 1 December, and to continue to support you in whatever way we can.



## Background info

Please click on the links below to access the relevant documents:

- » **Highlights from the Perception vs. Reality Study** (please click [here](#))
- » **Presentation of Nelonen** from the 2014 Marketing & Sales meeting (please click [here](#) for video, [here](#) for pdf)

*(for egta members only - you need to be logged in to access the file)*