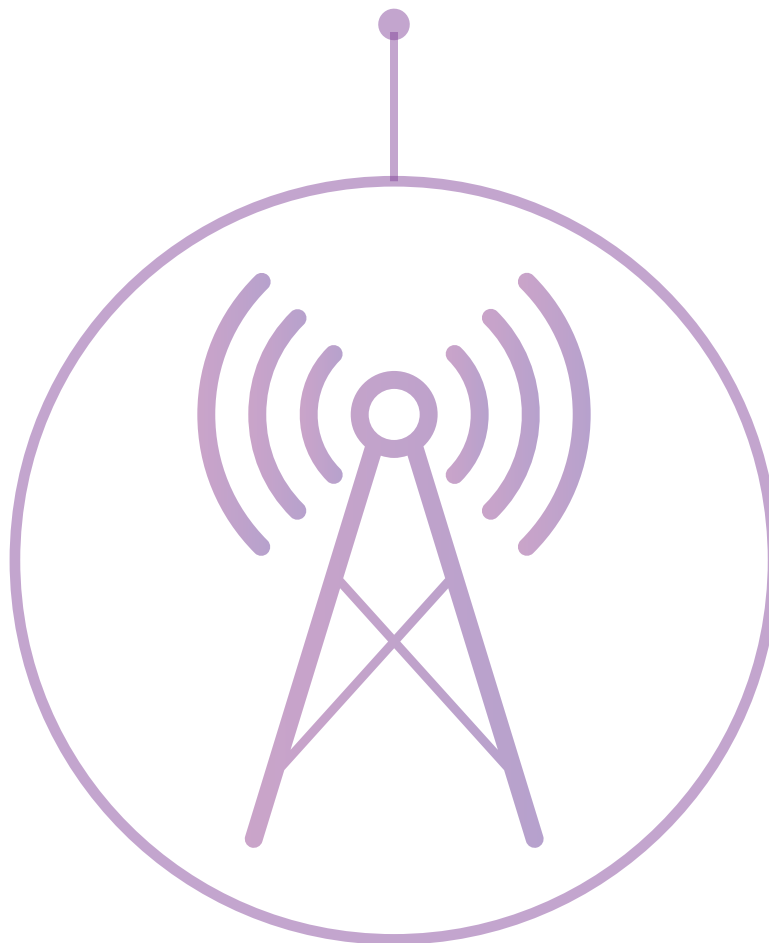


The Profound Need for
Time-Shifted Audio for
the Radio Business

A Study From
Futuri Media
and Nielsen





There has been a sea change in the media landscape over the past decade. The development and adoption of new distribution channels and the countless content options consumers now have at their fingertips have changed the way content is being **produced, managed, marketed, consumed and measured**, and this is as true for radio as it is for all other forms of media.

Radio's competitive space no longer includes only rival terrestrial stations, but giants like YouTube and Spotify. And while these services have large subscriber bases and are operating with entirely different revenue models, radio ad spending projections show minimal growth.

How does radio thrive in this environment? Radio remains a critical component of the media landscape, with excellent content and a sense of community with its audience that is unmatched. Still, like any other channel, radio needs to evolve its distribution strategies to remain competitive, stimulate audience growth, and create additional opportunities for advertisers, or it risks major audience and revenue erosion. And it needs to do so in a manner that maximizes the ROI on all content it creates.

Substantiating this future vision with data, **Futuri Media** has partnered with **Nielsen** to study the perceptions and attitudes of a variety of audiences on time-shifted audio. We have highlighted **verified statistics and essential insights** (marked in purple throughout this white paper) to facilitate the implementation of the practice into radio stations' key processes with the objective of maximizing return on investment of time and resources.

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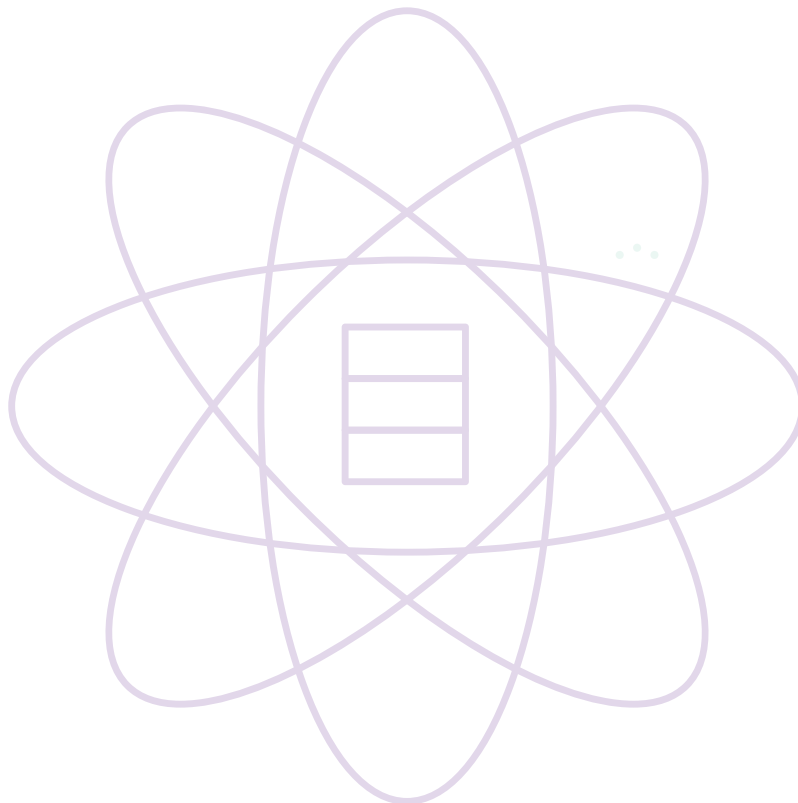
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Executive Summary

This white paper examines the results of the joint Futuri-Nielsen study, which measured the market potential of time-shifted audio for the radio industry. The sample was 602 individuals who listened to radio content for at least one hour in the past week.



Nielsen also compared minute-by-minute PPM data against server logs from Futuri's podcasting, on-demand, and digital audio management system, POST, which was designed for stations to quickly and easily distribute PPM-encoded audio on websites, social platforms, to determine how much PPM credit for time-shifted listening stations using POST received vs. stations not using POST.



The study concluded that there is a profound appetite for time-shifted radio content among radio listeners - notably, highly monetizable and younger audiences - and that opportunities are currently untapped as awareness of the availability of time-shifted radio content among listeners remain low.



Key Takeaways From the Study



Time-shifting revolutionized the TV industry. Now, it is revolutionizing audio. We are seeing the same shifts in audio consumption observed around video consumption in the early days of DVRs.



More than half of radio listeners 18+ would listen to short audio clips on social media. Among that group, nearly 8 in 10 would listen to time-shifted clips of radio station content.



Younger audiences and heavy radio users, leaning male, are the sweet spot for time-shifted radio content. This presents a unique opportunity for News/Talk and Sports stations who need to expand appeal with younger demos, but also signals an opportunity for young music formats to drive further engagement with this audience.



Station websites and mobile apps matter as much as social media. More than half of listeners tuning in to time-shifted content discover the content on radio station websites, and one-third listened via the station's app.



Listeners who are interested in time-shifted radio content want to interact with your station. A heavy majority of them - 70% - would visit the station website to listen to short audio clips, nearly half would share clips on social media, and more than a third would download the station app to listen.



P1s engage with time-shifted radio content even when not listening. Listeners interested in time-shifted radio content are 3.3x more likely than those not interested to talk about radio with others often, 2.7x more likely to participate in radio station events or contests, 2.2x more likely to access radio content online, and 78% more likely to name a particular personality they like .



If you post it, they will listen. Half of listeners aware that radio stations were posting time-shifted content said they have listened to that station in the past 30 days, indicating strong conversion from awareness to tune-in.



Radio has yet to actualize its potential in the time-shifted space. Awareness of time-shifted radio content is limited, with only 3-in-10 radio listeners having any familiarity.



Stop thinking in dayparts. Think in segments. The audience wants a broad range of content—from quick benchmarks to full shows. Vary lengths of content.



Radio is ready for a revolution, just like TV experienced. Radio needs to embrace its new channels of distribution and time shift content to platforms the younger listeners use regularly such as YouTube, Twitter, and SoundCloud.

Unlocking the Potential of Time-Shifted Audio for the Radio Business

TIME-SHIFTING IS A CONCEPT THAT WORKS

Time-shifted audio is directly comparable to DVR technology in the television industry. Being able to record a show to be watched later, at a day and time that fit a consumer's schedule and preference, increased **DVR's market penetration from 27.5% in 2007 to 44.5% in 2017**. And PricewaterhouseCoopers predicts that OTT video revenue will grow to \$30.6 billion by 2022.

There are signs that the same trend could emerge with radio content once listeners are given the option to access radio content on their own terms after its live broadcast. And from an audience measurement perspective, Nielsen gives PPM credit for time-shifted audio listened to within 24 hours of its original broadcast.

TOP BENEFITS OF TIME-SHIFTED RADIO CONTENT

FOR RADIO CONSUMERS



CONVENIENCE: While many listeners see radio as a companion, their schedules don't always allow them to listen live. Time-shifted audio gives them the ability to consume the content of their choice, should they have been unavailable to listen when originally broadcast.



EASY ACCESS: Time-shifted audio can easily become available on additional channels — e.g., websites, apps, social media, etc. — and may even help boost app downloads. In fact, **35% of listeners say that they would download a station's app to listen to the clips.**

FOR RADIO BROADCASTERS



AUDIENCE GROWTH: PPM-encoded time-shifted audio, which can be shared on digital platforms, delivers ratings credit if listened to within 24 hours of original broadcast, creates digital advertising inventory whenever it's consumed, and marketing benefit when listeners share with friends. **Almost half of those who have accessed time-shifted content would later share the clips on social media channels.**



ENGAGING HARD-TO-REACH DEMOS:

Males and 18-34 year olds are most likely to have listened to time-shifted radio content in the last 30 days. **Those who listen to time-shifted radio content are heavy radio listeners, skew younger (44% are 18-34), and are slightly more male than female (54% vs. 46%).**



CREATING ENGAGED BRAND

ADVOCATES: Listeners interested in time-shifted radio content are **3.3x more likely to often talk about radio with others, 2.7x more likely to participate in radio station events or contests, 2.2x more likely to access radio station content online, and 78% more likely to name a particular personality they like.**



INCREASED AUDIENCE AND REVENUE FOR OWNED DIGITAL PLATFORMS:

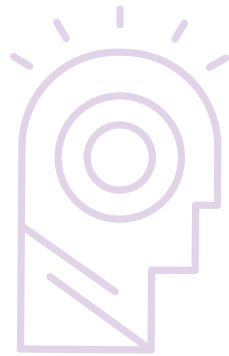
Time-shifted audio can support stations' efforts to grow owned digital platforms, as **70% of them say that they would visit the station's website to access time-shifted content from their favorite radio stations.**



HIGH ROI: Provided the right tools and processes are used, turning broadcast content into PPM-encoded time-shifted audio significantly increases ROI on that content by making it able to be measured and monetized after its original airing.

Exploring Insights

Having reviewed the ways time-shifted radio content delivers value to both consumers and broadcasters, let's now look at some more key insights from the Futuri - Nielsen study.



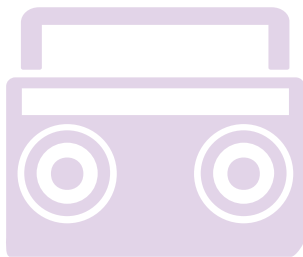
THERE IS A MAJOR APPETITE FOR TIME-SHIFTED RADIO CONTENT

The demand for time-shifted audio is real and quantified. More than **half of radio listeners 18+ surveyed express interest in listening to short time-shifted radio content on social media**, and this rises to **60% among the top one-third of radio listeners** who are attracted by the convenience and ease of access offered.



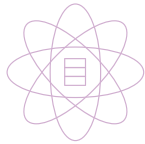
TIME-SHIFTED RADIO CONTENT ENGAGES YOUNGER AUDIENCES

Time-shifted audio is pivotal for engaging younger, digital-native demos, who have been notoriously hard to reach in part due to their shorter attention spans, less predictable schedules, and expectation to access content on demand. **Men in the 18-34 age range show the greatest interest in time-shifted radio content.**



TIME-SHIFTED RADIO CONTENT CAN HOOK CORE AUDIENCES

The study shows that **71% of medium to heavy AM/FM listeners**, who consume 4 to 7+ hours of radio content a week, **are interested in time-shifted radio content**, proving that time shifting does appeal to core audiences.



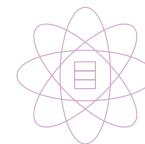
TIME-SHIFTED RADIO CONTENT HAS LIMITED AWARENESS AT THE MOMENT

The time-shifted radio content stations are producing today has limited awareness, meaning that there's a lot of room to grow with the proper promotion. **Only 32% of radio listeners are already aware of the availability of time-shifted radio content** while **only 16% have listened to them in the past 30 days.** Stations with a strong time-shifting strategy will enjoy a first-move advantage in this space.



TIME-SHIFTED RADIO CONTENT HELPS TO DRIVE SOCIAL MEDIA ENGAGEMENT

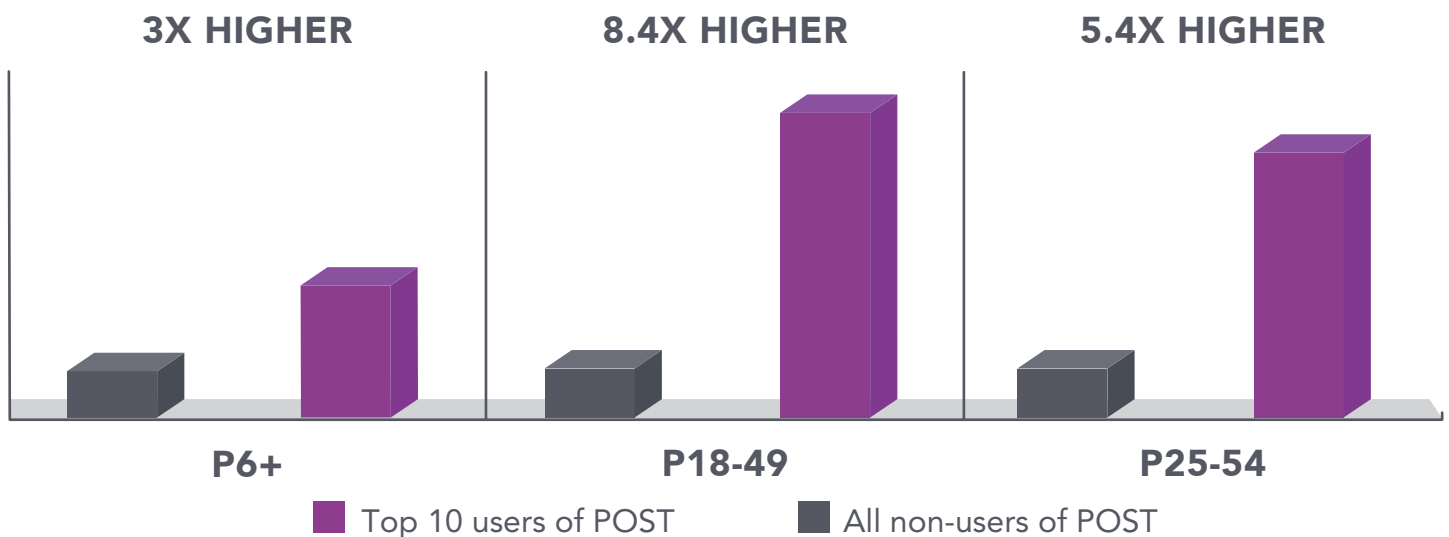
Social media, with its highly shareable nature, is an important part of the audience, marketing, and revenue story for radio. **The study shows that 54% of radio listeners 18+ express a desire to listen to short audio clips on social media channels** with **8 in 10 of that group interested in listening to time-shifted clips of radio station content.**



TIME-SHIFTED RADIO CONTENT PRODUCED WITH POST DELIVERS HIGHER RATINGS AND REVENUE

Beyond the additional digital ad inventory time-shifted radio content creates, higher ratings mean higher revenue. A Nielsen analysis of minute-level PPM data compared against POST server logs shows that **AM/FM outlets who produce time-shifted radio content using POST get 3x more time-shifted listening on average** within 24 hours of the original broadcast than stations not using POST. This number goes up to **8.4x higher time-shifted minutes for listeners aged 18-49** and **5.4x for the 25-54 range.**

TOTAL TIME-SHIFTED MINUTES PER STATION



Source: Futuri - Nielsen Study, April 2019.

DEVELOPING A STRONG TIME-SHIFTING STRATEGY

Using the findings of the Futuri - Nielsen study, internal POST data, and information developed as part of Futuri's ongoing and significant investments in research and development, we've narrowed down the essential best practices which broadcasters should follow as they strive to maximize the opportunities time-shifted radio content provides.



ENSURE TIME-SHIFTED RADIO CONTENT IS PPM-ENCODED AND SIMPLE TO CREATE AND DISTRIBUTE

Distributing time-shifted radio content that isn't PPM-encoded, or pulling that audio from one system to distribute in another, isn't efficient and reduces ROI on those efforts.



LEVERAGE OTHER PLATFORMS' CAPABILITIES TO HELP DRIVE YOUR SUCCESS

With quickly distributed PPM-encoded time-shifting radio content, social media and platforms like Apple Podcasts and even Spotify, which has become the #2 podcast platform, can provide direct ratings benefit in addition to the digital audience, brand awareness, and revenue growth that content provides.



DON'T FORGET ABOUT THE VISUALS

Audio is clearly the core of time-shifted radio content, but visuals help drive consumption. Internal POST data shows that time-shifted radio content using an image customized to the content is 2.2x more likely to be played than content using only a generic image like a station logo or a personality headshot. And custom video is even more impactful; for example, video posts 60% more than any other type of post on Facebook.



FURTHER INCREASE CONTENT ROI BY MAXIMIZING YOUR OWN PLATFORMS THE RIGHT WAY

Getting time-shifted radio content into your station app and onto your website is clearly low-hanging fruit, but make sure you're doing it in the most effective manner possible. For example, consider pulling key quotes from the audio and write a short article about the content of the clip to help increase the likelihood a listener will press play.



DISTRIBUTE CONTENT AS QUICKLY AS POSSIBLE AFTER ORIGINAL BROADCAST

While time-shifted radio content enables listeners to interact with content whenever and however they like, fresh content is more likely to go viral, and Nielsen gives PPM credit for encoded audio listened to within 24 hours of original broadcast. That makes it imperative to distribute as quickly and broadly as possible for maximum ROI.



MEASURE PERFORMANCE

Making time-shifted radio content available digitally, where detailed metrics on consumption and audience are available, makes it possible to easily draw relevant comparisons between audio clips and identify how each piece of material is performing among audiences. Such information can support decision-making regarding on-air and digital content.

DON'T FORGET THE NON-BROADCAST CONTENT

As this study shows, there's a huge opportunity to grow audience and revenue with time-shifted radio content in a very efficient and cost-effective manner. While this should be a key part of a station's on-demand strategy, don't discount the non-broadcast content your listeners want from your personalities.



WANT TO KNOW MORE ABOUT THE POSSIBILITIES OF TIME-SHIFTED RADIO CONTENT FOR YOUR STATION?



POST by Futuri Media has been designed to maximize audience and revenue growth on broadcast content, transforming it into PPM-encoded on-demand audio that you can instantly publish across multiple platforms, using fully-licensed video footage and still images to increase engagement. We offer 24/7 live support, and a Partner Success team that provides product training and proactively monitors your performance to offer suggestions to maximize your ROI.

For more information or a live demo, contact us by emailing partner@futurimedia.com or calling **877.221.7979 x2**.

Appendix

STUDY METHODOLOGY



STUDY OBJECTIVE:

- Measure the market potential of time-shifted radio content



APPROACH:

- Survey invitation sent by email to pannel members
- Representative, national sample of Adults 18+ who listened to 1+ hours of radio in the past week
- Sample size: N=602
- Survey dates: January 7-18 2019

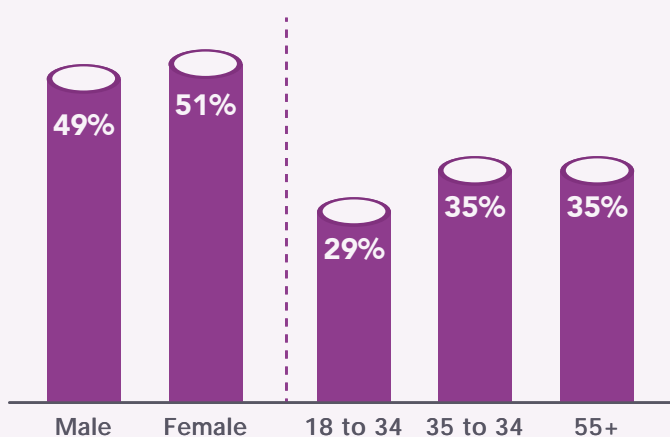


PPM ANALYSIS:

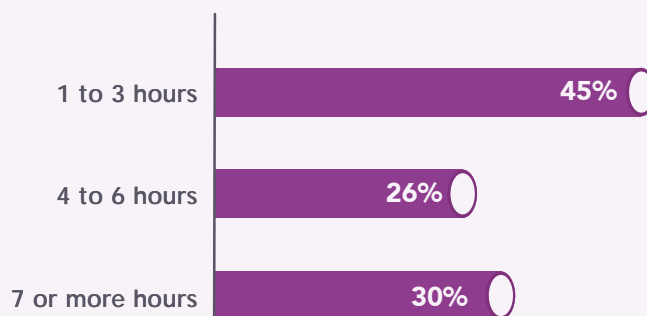
- Nielsen also analyzed broadcast PPM minute-by-minute listening alongside server logs from Futuri's POST system to determine broadcast listening attribution based on time-shifted audio segments from POST

DEMOGRAPHICS AND CLASSIFICATION

GENDER + AGE



RADIO LISTENING LAST WEEK (AM/FM STATIONS)



\$69,400

Household Income (Median)