



TV → RADIO → TV alone > Sales Uplift
BRAND AWARENESS

Radio's Advantage

Advertising Effectiveness Study

Regional Media is Important

- Nearly 40% of Australians live in regional areas*
- 5.3 million households in regional Australia
- 43% of Australia's workforce live outside the 5 capital cities*
- Radio revenue for first half of calendar year 2006 totalled \$425.1 million, an increase of 2.5% over calendar year 2004
 - Regional radio grew 2.5% to \$144 million

Regional radio reaches over 3.3 million people weekly

Regional breakfast radio reaches over 3.2 million people weekly

*Source: ABS Census 2001
Source: Nielsen Media Research, Panorama National Survey 7 2006 Sept 05 – Aug 06
Source: CEASA Report, Advertising Expenditure in Main Media, Jan-Jun 2006. Radio includes metropolitan, regional and community radio.

Regional Australia Radio Habits

- Radio and media consumption habits in regional Australia mirror those of people in metropolitan areas
- Heavy commercial radio listeners are similarly represented in both metro and regional areas
 - 18% of regional Australian's tune in for more than 16 hours each week compared to 20% in metro areas
 - Another 18% listen for between 6-15 hours each week
- People in regional areas are loyal to their radio station
 - Only 18% of regional Australian's always change the station when an ad comes on compared to 25% in metro areas

Source: Nielsen Media Research, Panorama National Survey 7 2006 Sept 05 – Aug 06

Regional Australia Radio Habits

- People in regional areas are just as likely to listen to the radio on the way to work
 - 42% of regional Australian's always listen to the radio on the way to work compared to 44% in metropolitan areas
- Radio is a topic of conversation throughout Australia
 - 50% of regional Australian's talk about what they hear on the radio, comparable to 52% in metropolitan cities

Source: Nielsen Media Research, Panorama National Survey 7 2006 Sept 05 – Aug 06

Place of Listening

- Radio reaches people in many environments
- At home listening makes up the largest proportion of total listening
 - 47% in metro markets
 - 45% in regional markets
- Differences in transit times mean people in metro areas listen more in the car
- People in regional areas listen more at work

Source: Nielsen Media Research, Radio Advisor, 5 metro markets, Survey 1-8 2005 vs all regional market surveys 2005 and 2009

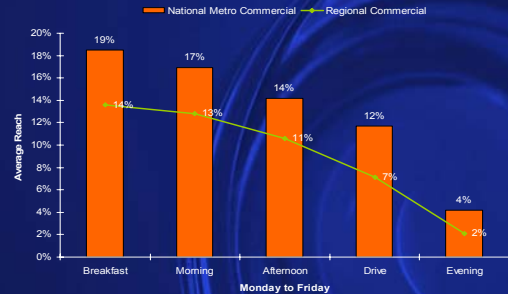
Time Spent Listening

- Radio is the medium people spend most time with across the day
 - Across the five metropolitan markets, people spent an average of **18hrs 42mins** with commercial radio in 2005
 - Across regional markets surveyed in 2005, people spent an average of **16hrs 1min** with commercial radio each week
- 32% of regional Australian's are light FTA TV viewers

Source: Nielsen Media Research, Radio Advisor, 5 metro markets, Survey 1-8 2005 and all regional market surveys 2005
Source: Nielsen Media Research, Panorama National Survey 7 2006 Sept 05 - Aug 06

Breakfast Radio Reach

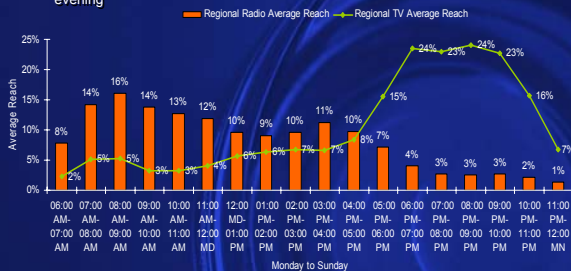
- Commercial radio reach is strongest across the day in metro and regional Australia
- The breakfast session continues to be the strongest session in all markets



Source: Nielsen Media Research, Radio Advisor, 5 metro markets, Survey 1-8 2005 and average of Newcastle, Wollongong, Gold Coast, Sunshine Coast, Canberra 2005

Regional Radio and Television

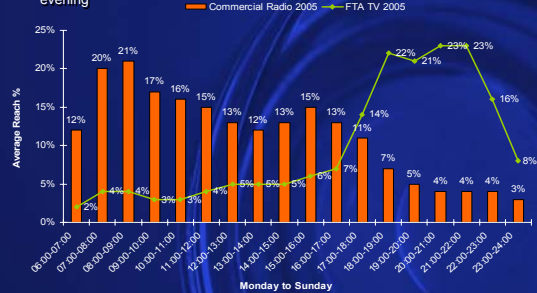
- Regional Commercial Radio vs. Regional FTA Television Average Reach
- High reach of radio across the day complements televisions reach during the evening



Source: Radio Source: Nielsen Media Research, Radio Ratings, Average Audience, Canberra, Newcastle, Gold Coast, Wollongong, Horsham, Sunshine Coast, Swan Hill, Warrambool, Colac, Hamilton, 2005 Surveys, Mon-Sun 6am-12MN, TV Source: OzTAM, Regional Markets Qld, Vic, Sth NSW, Nth NSW, average audience, weeks 1-52, 2005.

Metropolitan Radio and Television

- Metro Commercial Radio vs. Metro FTA Television Average Reach
- High reach of radio across the day complements televisions reach during the evening



Source: Radio Source: Nielsen Media Research, Radio Ratings, Average Audience, five capital cities, Survey 1-8 2005, Mon-Sun 6am-12MN, TV Source: OzTAM, FTA TV average audience, weeks 1-52, 2005

Radio is top of mind with grocery buyers

- Proportion and habits of grocery buyers in regional Australia mirror those in metropolitan areas
 - 62% of people in both metro and regional Australia are main grocery buyers
 - 60% of commercial radio listeners are main grocery buyers in regional Australia
- The majority of main grocery buyers in regional Australia shop weekday daytime and afternoons
 - 34% shop between 9am-1pm, 24% between 1-5pm
 - Radio reaches between up to 44% of main grocery buyers across this period
 - Additionally, radio reaches 60% of main grocery buyers prior to visiting the supermarket during breakfast


Source: Nielsen Media Research, Panorama National Survey 7 2006 Sept 05 - Aug 06

Regional Radio Audience Growth

- In Newcastle over 75% of all people tuned in to commercial radio each week across the first survey of 2006
 - This represents an increase in reach of over 1% compared to the same survey 2003
- In Survey 1 in the Gold Coast/Tweed Heads market, commercial radio reached 66.3% of all people, up 1.4% from the same survey last year
 - Breakfast reach also increased, with 51.5% of all people tuning in each week up from 50% last year
- In Canberra, commercial radio breakfast reach is at its highest level for at least 4 years
 - In the most recent survey, breakfast reach peaked at 48.6% of all people, up over 2% compared to the same survey 2005 and the largest reach figure since survey 1 2002

Source: Nielsen Media Research, Radio Advisor, Newcastle Survey 1 2006 v Survey 1 2003, Gold Coast/Tweed Heads Survey 1 2006 v Survey 1 2005, Canberra Survey 1 2006 v Survey 1 2002

Introduction



- Radio and television are a powerful and commonly used media combination
- Commercial Radio Australia commissioned Millward Brown to investigate and explore the multiplier effect of a combination of radio and television
- Objectives:
 - Understand the impact on sales and awareness that a strategy combining television and radio activity has over television activity alone

Study Methodology

- Timing: May and July 2005
- Control Market: TV only
- Test Market: TV and Radio
- Respondents: 18 - 54yrs of age, main grocery buyers who had listened to the radio in the past 7 days
- Survey Method: online research of 800 respondents
- Studied effectiveness of 30sec radio commercials

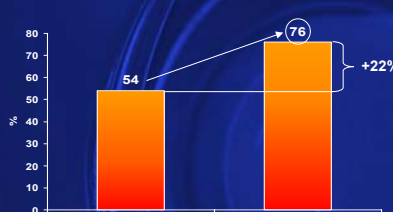
Media Strategy

	Control Market - Perth	Test Market - Brisbane
	TV Only	TV and Radio
Brand A Personal Hygiene	100% \$36,220	83% \$30,398 17% \$14,420 Radio 17% of budget
20% of total budget reallocated to radio		
Brand B Food	100% \$30,000	77% \$40,000 23% \$12,600 Radio 23% of budget

Findings for Brand A Personal Hygiene Brand

Radio Drives Cut-Through

- Moving just 20% of your television budget to commercial radio has been proven to increase brand awareness by 22%
- Brand presence was 22% higher amongst those exposed to radio and television than television alone



Media Strategy	Brand Awareness %
TV	54
TV and Radio	76

'Have you seen, heard or read anything for (Brand) anywhere recently?'

Moving just 20% of your television budget to commercial radio has been proven to increase brand awareness by 22%

RADIO > TV alone > BRAND AWAREN

Findings for Brand B Food Brand

RADIO > TV alone > BRAND AWAREN

Radio boosts already high awareness to new levels

- Even among well known brands, moving 20% of a TV budget to commercial radio has been proven to increase brand awareness by 6% among listeners
- Among people who had seen the television ad and were also exposed to the radio ad, brand awareness increased 6% to 99%
- This compared to 93% among people who did not hear the radio ad

Brand Awareness %

Group	Brand Awareness %
Seen TV, non listeners	93
Seen TV, regular listeners	99

Please select all the brands you have heard of?

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Even among well known brands, moving 20% of a TV budget to commercial radio has been proven to increase brand awareness by 6%

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Key Sales Findings

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Brand B Sales Uplift

- Even among well known brands, 20% of a TV budget on commercial radio has been proven to increase sales by up to 15%
- For high profile, iconic Brand B in this cluttered food category, the test market of radio and television activity in conjunction delivered a sales increase of 15%
- Sales were static in the control market of television activity alone

Sales Index

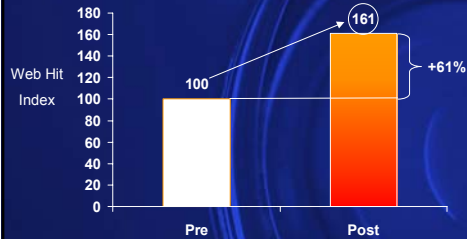
Market	Sales Index
Test Market - Radio and TV	115
Control Market - TV only	100

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Even among well known brands, 20% of a TV budget on commercial radio has been proven to increase sales by up to 15%

Additional Findings

- Commercial Radio has been proven to increase web hits by 60%
- Web hits in the test market jumped over 60% post launch of the media activity as a result of an overt call to action in Brand A's radio creative
- This finding to form part of next steps in investigating relationship between radio and other mediums, particularly online



What this means for advertisers

- Better planning of media campaigns can be achieved by investing advertising dollars more effectively and without increasing total spend
- Results are proven significant increases in sales and awareness
- The FMCG categories of retail, food, and toiletries and cosmetics are among the largest spending categories on all advertising and have shown annual category growth in advertising spend in recent years
 - Radio advertising ranges from 1-8% of all expenditure across these categories of a total of \$2.34 billion per year
- This study's findings present an opportunity for radio to play a greater role among FMCG category advertising
- Brand Campaign audio examples -

Nestle 

Source: Nielsen Media Research, AdEx Top Advertisers Report, 04/05

Summary of Key Findings

Summary of Key Findings

- Moving just 20% of your television budget to commercial radio has been proven to:
 - Increase brand awareness by 22%
 - Increase brand awareness by 6% among listeners, even among well known brands
 - Increase sales by up to 15%, even among well known brands
 - Increase web hits by 61%

TV + Radio
> TV alone

Additional support material and sales information available

commercialradio.com.au