



NOVEMBER 2019

AUDIO TODAY 2019

A FOCUS ON MEDIUM & SMALL MARKET RADIO



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IN SMALL TOWN AMERICA, RADIO ISN'T JUST A “MEDIUM” — IT'S AN EXTRA-LARGE*

It's absolutely true – in small towns all across the country, traditional AM/FM broadcast radio takes a back seat to no other medium. Americans in rural, small, and mid-sized markets continue to rely on radio as their #1 medium of choice. In fact, even in today's splintered media world, radio is used by more consumers than TV, more than the web, mobile devices, and even more than social media.

What's behind radio's remarkable staying power? Lots of reasons, but I think that it's mainly because “legacy” matters. As the original electronic media, local radio broadcasters have decades invested in community building. They're part of the fabric of small-town living. The county fair, high school football, local festivals, neighborhood events of all descriptions — radio has always been there, bringing communities together. People value and appreciate the sense of stability and common experience. Even today that counts for something. *Especially* today it counts for something.

Another reason for radio's sustainability is that it's everywhere, it's convenient, and it's free. Nearly every American on the road, in markets big and small, appreciates the convenience of having radio at their fingertips. In-car listening is radio's pillar of strength. That fact has not been lost on advertisers who want to deliver their message to a captive audience. Have you noticed lately that there are some very big, national brand-name products advertising on the radio again? That's no mistake. Big advertisers are keen to delivering their message to LOTS of people when they're out and about; shopping, running errands, and in decision-making mode. Of course, local main street businesses have never forgotten this fact. With local newspapers going the way of the dinosaur, now more than ever small business owners recognize that radio is on the front lines delivering news and information that matters most to their community. With its ability to connect consumers to local business, radio occupies a unique spot at the cross-roads of community and commerce.

But the fact of the matter is that radio is not simply resting on a hundred years of legacy or its enviable place in the dashboard. Radio is evolving in new and different ways that are resonating with both consumers and advertisers alike. Radio companies are developing interesting new digital brand extensions and delivery platforms including streams, podcasts, and voice-activated assistants. Consumers now have access to all kinds of great audio choices and ways to access them. The combination of over-the-air radio and digital media provides a fantastic experience for consumers, and offers a powerful opportunity for advertisers looking to connect with them.

Welcome to the *Audio Today: Medium & Small Market Edition*, an analysis of how Americans use radio in small and mid-sized markets nationwide. In the following pages you'll find a new, in-depth profile of radio audiences by age, gender, ethnicity, and many other factors. We'll examine the buying power of these important consumers, and report how, when and where they consume audio content. You may learn some new things about where radio fits in the media landscape for this important cross-section of our country.

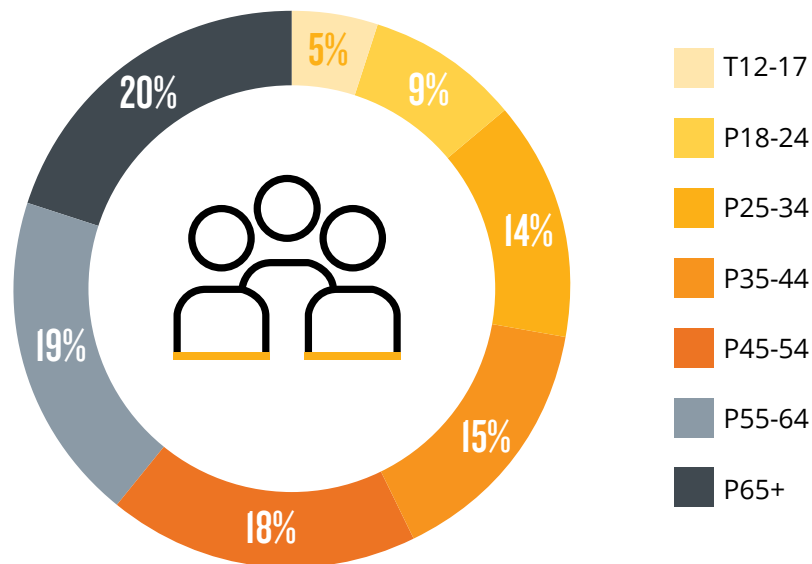
Enjoy,

* Apologies for the pun. I couldn't help myself.

WHO IS THE MEDIUM & SMALL MARKET RADIO CONSUMER?

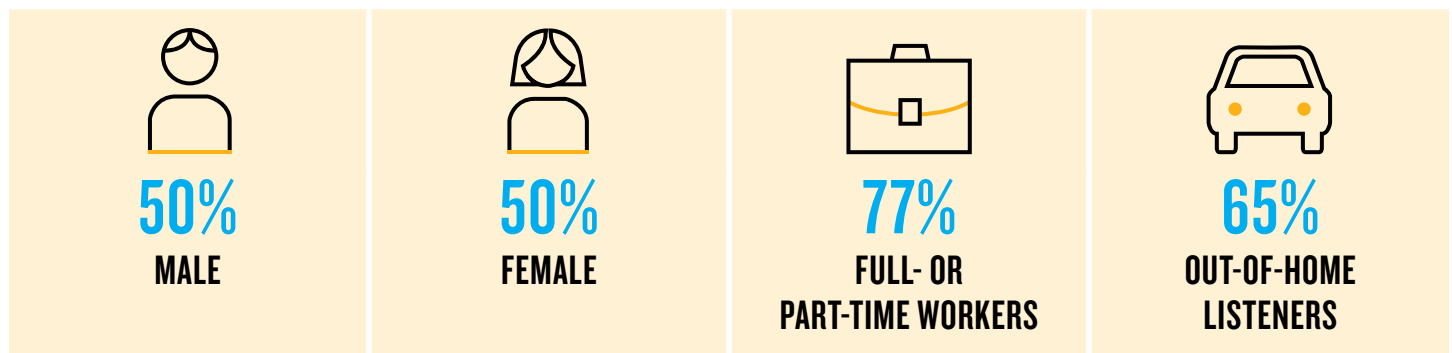
Medium and small market radio consumers are evenly split among gender lines. From an age perspective, nearly 60% are between the ages of 18 and 54 – a coveted audience for advertisers. Meanwhile, another 40% are age 55 and above. These users not only consume radio frequently, but hold enormous buying power which makes them an ideal target for many businesses.

MEDIUM & SMALL MARKET RADIO AUDIENCE AGE COMPOSITION PERSONS 12+ (M-SU MID-MID)



Radio users in medium and small markets are highly qualified prospects for advertisers. Working consumers account for more than three-quarters of the audience, tuning in away from home and close to the point of purchase. This explains why so much radio use (65%) occurs out of home in medium and small markets, which aligns with the national average of 69%.

MEDIUM & SMALL MARKET RADIO CONSUMERS



Source: Nielsen Audio Local Metros and Nielsen National Regional Database, Fall 2018, M-SU MID-MID. All Diary-Measured Metros (212), Puerto Rico excluded. Working data is based on Persons 18-64.

CONSUMERS TUNE TO RADIO AT ALL AGES

Radio is America's top reach medium. Its mass appeal and diversity is apparent in medium and small markets with so many consumers across different segments in these markets regularly tuning in.



TEENS 12-17



MONTHLY REACH (000)

6,409

91% OF TEENS

TOP 3 FORMATS (AUDIENCE SHARE)

1	POP CHR	23.0%
2	COUNTRY	12.4%
3	RHYTHMIC CHR	11.5%



ADULTS 18-34



MONTHLY REACH (000)

20,317

94% OF POPULATION

TOP 3 FORMATS (AUDIENCE SHARE)

1	COUNTRY	15.3%
2	POP CHR	14.8%
3	URBAN CONTEMPORARY	8.1%



ADULTS 25-54



MONTHLY REACH (000)

34,436

99% OF POPULATION

TOP 3 FORMATS (AUDIENCE SHARE)

1	COUNTRY	14.4%
2	POP CHR	9.5%
3	NEWS/TALK	7.7%



ADULTS 18+



MONTHLY REACH (000)

69,890

98% OF ADULTS

TOP 3 FORMATS (AUDIENCE SHARE)

1	COUNTRY	14.2%
2	NEWS/TALK	12.4%
3	POP CHR	7.5%

Source: Nielsen National Regional Database, Fall 2018, M-SU MID-MID. All Diary-Measured Metros (212), Puerto Rico excluded. See Sourcing & Methodologies page for details about monthly radio estimates.

How-to-read: Audience share is based on the Average Quarter-Hour (AQH) share for each format in the diary-measured metros among each demographic. It calculates the percent of total radio listening among each group to each format. Among Teens, 23% of all radio use goes to the Pop CHR format.

AC stands for Adult Contemporary | CHR stands for Contemporary Hit Radio | Country = Country + New Country | Adult Contemporary (AC) = Adult Contemporary + Soft Adult Contemporary News/Talk = News/Talk/Information + Talk/Personality and includes both commercial and non-commercial stations

HISPANICS 12+ TOTAL US*



MONTHLY REACH (000)
45,617
 99% OF HISPANICS

TOP 3 FORMATS (AUDIENCE SHARE)

- 1 MEXICAN REGIONAL 17.1%
- 2 RHYTHMIC CHR 10.4%
- 3 POP CHR 8.4%

BLACKS 12+ TOTAL US*



MONTHLY REACH (000)
35,112
 98% OF BLACKS

TOP 3 FORMATS (AUDIENCE SHARE)

- 1 URBAN AC 29.1%
- 2 URBAN CONTEMPORARY 28.9%
- 3 RHYTHMIC CHR 6.1%

ADULTS 18-49



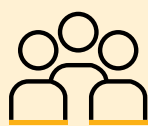
MONTHLY REACH (000)
36,879
 97% OF POPULATION

TOP 3 FORMATS (AUDIENCE SHARE)

- 1 COUNTRY 14.6%
- 2 POP CHR 12.0%
- 3 AC 6.8%



WOMEN 18-49

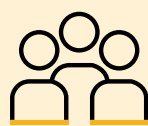


MONTHLY REACH (000)
18,677
 99% OF POPULATION

TOP 3 FORMATS (AUDIENCE SHARE)

- 1 COUNTRY 15.5%
- 2 POP CHR 14.6%
- 3 AC 8.7%

MEN 18-49



MONTHLY REACH (000)
18,202
 95% OF POPULATION

TOP 3 FORMATS (AUDIENCE SHARE)

- 1 COUNTRY 13.7%
- 2 POP CHR 9.6%
- 3 NEWS/TALK 7.9%

WOMEN 25-54



MONTHLY REACH (000)
17,486
 99% OF POPULATION

TOP 3 FORMATS (AUDIENCE SHARE)

- 1 COUNTRY 15.5%
- 2 POP CHR 11.8%
- 3 AC 9.5%

MEN 25-54



MONTHLY REACH (000)
16,949
 99% OF POPULATION

TOP 3 FORMATS (AUDIENCE SHARE)

- 1 COUNTRY 13.3%
- 2 NEWS/TALK 10.3%
- 3 CLASSIC ROCK 8.9%



*Black and Hispanic reach figures here are based on the total US across all markets (Diary and PPM). Black and Hispanic listening is captured in all Nielsen Audio markets, but is unable to be broken out in Diary markets only at this time. See sourcing & methodologies page for more.

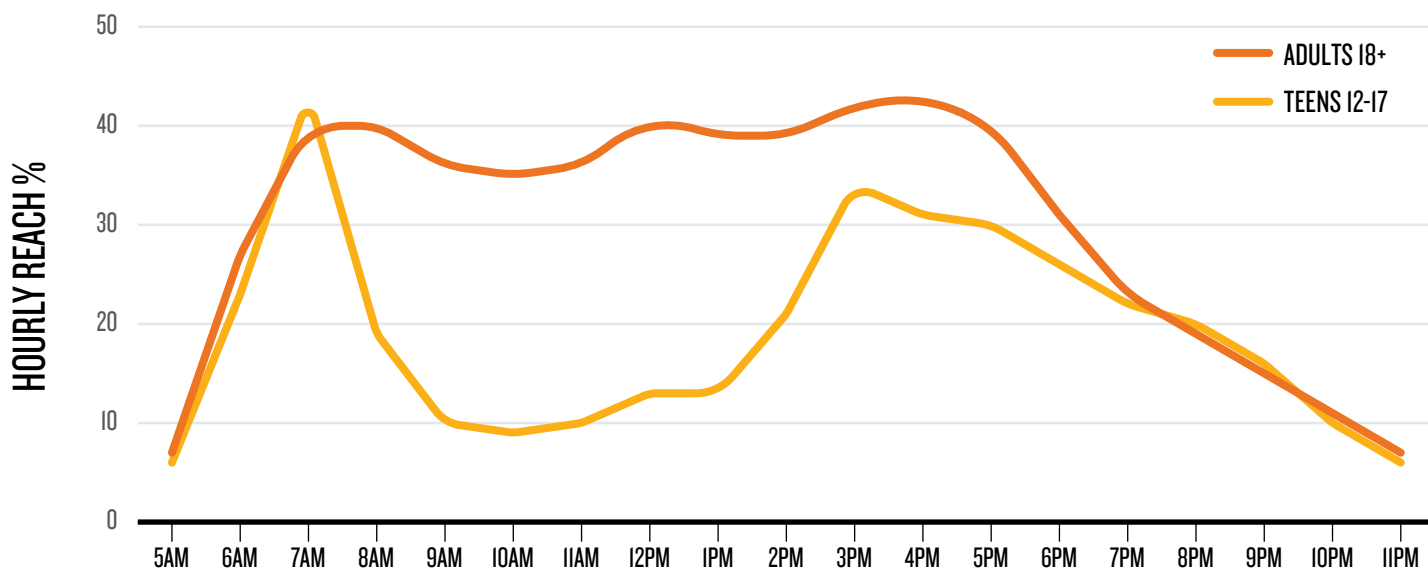
Source: Nielsen Audio Today Report, June 2019. Nielsen National Regional Database, Fall 2018, M-SU MID-MID. All Diary-Measured Metros (212), Puerto Rico excluded. See Sourcing & Methodologies page for details about monthly radio estimates.

How-to-read: Audience share is based on the Average Quarter-Hour (AQH) share for each format on a national basis in the diary-measured metros among each demographic. It calculates the percent of total radio listening among each group to each format. Among Men 25-54, 13.3% of all radio use goes to the Country format. AC stands for Adult Contemporary | CHR stands for Contemporary Hit Radio | Country = Country + New Country | Adult Contemporary (AC) = Adult Contemporary + Soft Adult Contemporary | News/Talk = News/Talk/Information + Talk/Personality and includes both commercial and non-commercial stations

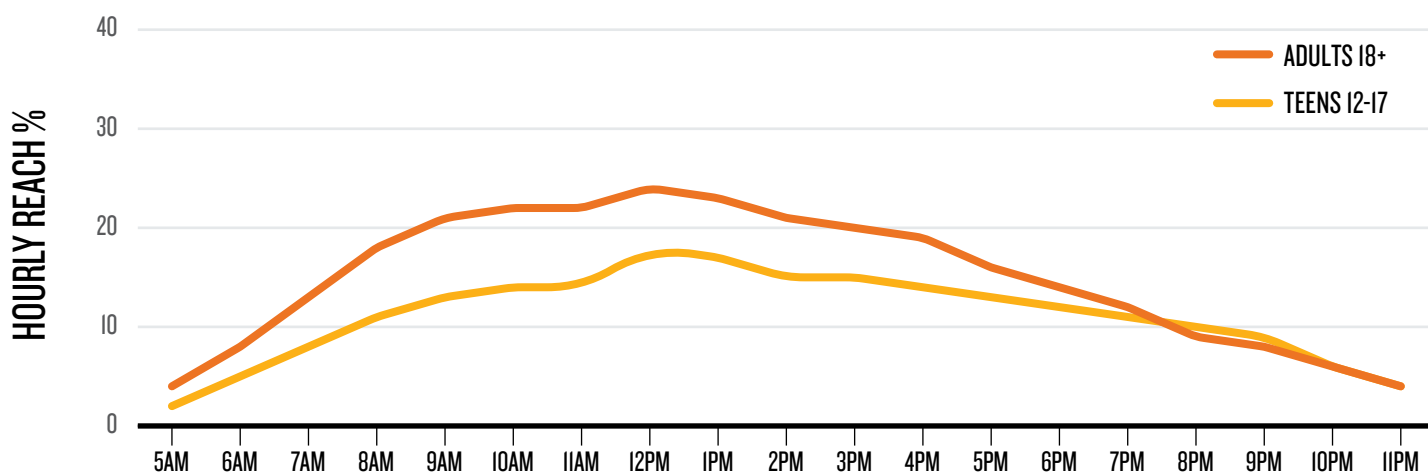
CONSUMERS CONNECT WITH RADIO THROUGHOUT THE DAY

No matter the day or time, advertisers can reach their target audience through radio in medium and small markets. Why? Because radio is a daily companion for consumers there. It helps them start their day usually in the 6 or 7 a.m. hour, accompanies them to work, and then peaks around the end of the workday or commute home. Teenagers use radio in similar patterns at the beginning and end of the day with reduced listening during school hours. On weekends, usage is slightly different without the demands of work and school driving the daily routine. Weekend listening spikes in the middle of the day, when consumers are most likely to be out of the house.

MONDAY-FRIDAY



SATURDAY-SUNDAY

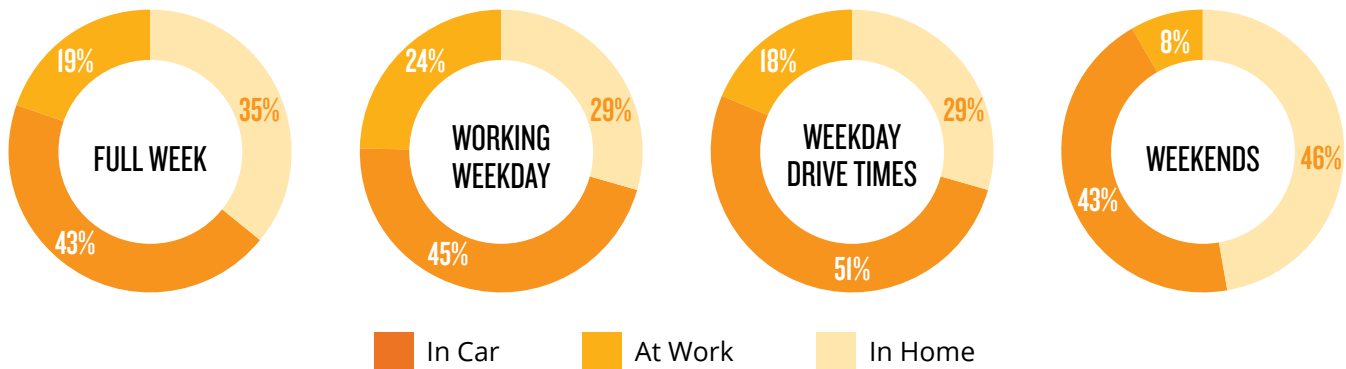


Source: Nielsen National Regional Database, Fall 2018. All Diary-Measured Metros (212), Puerto Rico excluded.



More than any other platform, radio allows you to connect with your desired audience at the perfect moment. That's because most radio is consumed away from home during the day, such as when commuting to and from work, or running errands. Consumers are primed to buy during these away-from-home times, and advertisers can deliver a targeted message to them just before the potential point of purchase. It's the last chance to reach a consumer before they make a buying decision.

RADIO USE BY LOCATION DURING THE WEEK



Source: Nielsen National Regional Database, Fall 2018. All Diary-Measured Metros (212), Puerto Rico excluded. Adults 18+

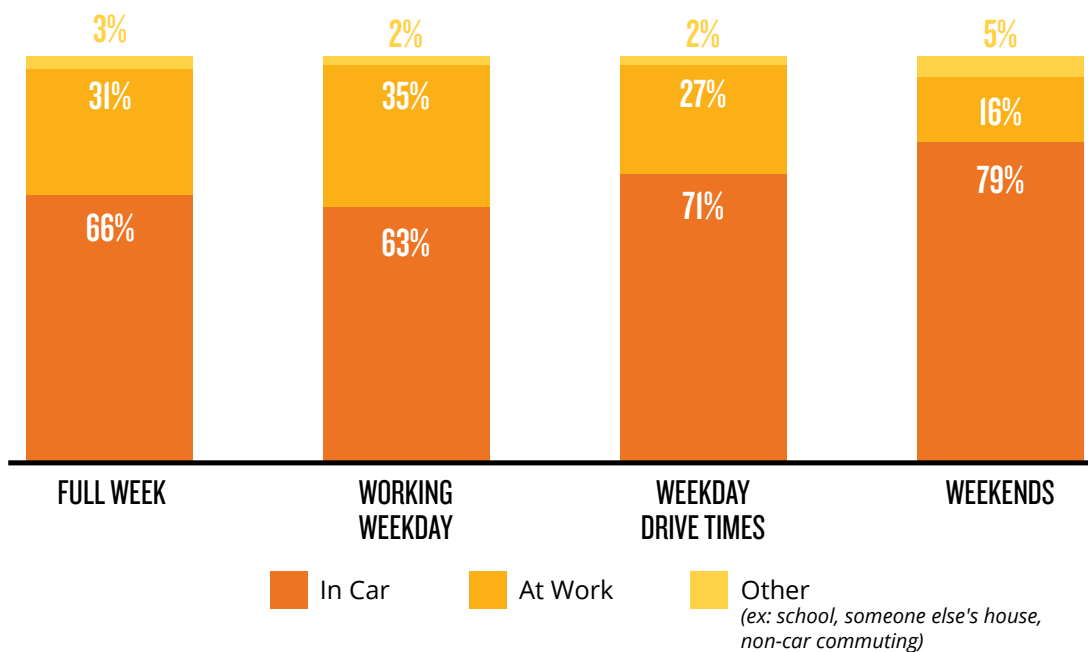
Note: Percentages will not add to 100 because the 'other' listening location is not included in these charts.



And as commute time grow in markets of all size, consumers spend more time in their vehicles - where radio remains the preferred choice for listening. This gives advertisers an even better chance to engage with current or prospective customers while they're on the way to shop.

MOST AWAY-FROM-HOME LISTENING HAPPENS IN THE CAR

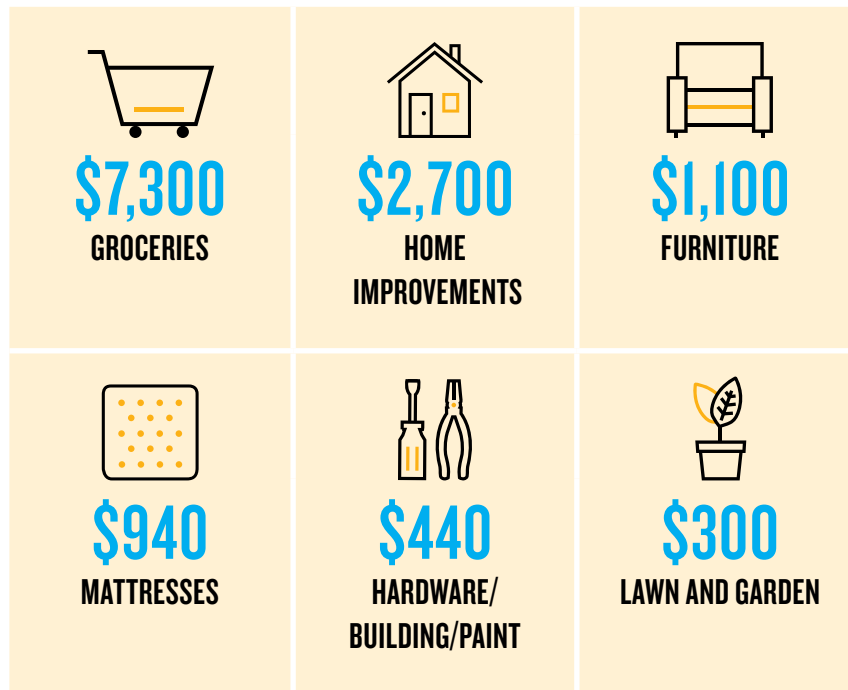
% OF ALL OUT-OF-HOME LISTENING, BY LOCATION



Source: Nielsen National Regional Database, Fall 2018. All Diary-Measured Metros (212), Puerto Rico excluded. Adults 18+.
 Note: In-home listening is not included in these charts, only the away-from-home locations.

MONEY SPENT YEARLY BY CONSUMERS WHO USE RADIO IN MEDIUM & SMALL MARKETS

The power of radio in medium and small markets is evident when you consider the average amount of money spent annually by households that use radio there:



Source: Nielsen Scarborough USA+ Release 1 2019 (Jan 2018 - May 2019) in measured Nielsen Diary metros (44)





PODCASTING & SMART SPEAKERS



Podcasts and smart speakers are expanding the audio landscape, providing consumers more specialized content and ways to listen. Smart speakers are now in almost a third of all households nationally – 29% as of Q2 2019 (as measured by the Nielsen MediaTech Trender, a quarterly consumer tracking survey focused on emerging technology). These new ways to listen are expanding radio's footprint among consumers in medium and small markets... 90% of podcast consumers there also use radio, while 92% of smart speaker owners do, too.

AMONG ADULTS 18+ IN MED & SMALL MARKETS	PODCAST LISTENERS (PAST 30 DAYS)	HOUSEHOLD OWNS SMART SPEAKER
Average Age	39	42
Average Household Size	3.2	3.3
Average Yearly Household Income	\$87,000	\$100,000
Work Full- or Part-Time	76%	75%
Male	56%	54%
Female	44%	46%
White	70%	73%
Hispanic	14%	13%
Black (Non-Hispanic)	8%	7%
Other (Asian, Non-Hispanic, etc.)	8%	7%
Use Radio Weekly	90%	92%
Use Satellite Radio Weekly	16%	21%
Top Three Radio Formats (% Who Listen Weekly)	1. News/Talk combined (23%) 2. Pop CHR (22%) 3. Country (20%)	1. Country (25%) 2. Pop CHR (25%) 3. News/Talk combined (20%)

Source : Nielsen Scarborough USA+ Release 1 2019 (Jan 2018 - May 2019) in measured Nielsen Diary metros (44)

CHR stands for Contemporary Hit Radio | News/Talk = News/Talk/Information + Talk/Personality and includes both commercial and non-commercial stations | Country = Country + New Country



TOP RADIO FORMATS IN MEDIUM & SMALL MARKETS

RANKED BY AVERAGE QUARTER-HOUR SHARE OF TOTAL LISTENING (%)

TOTAL 12+		
1	COUNTRY*	14.1%
2	NEWS/TALK COMBINED**	11.8%
3	NEWS/TALK COMMERCIAL (1,629 STATIONS)**	8.5%
4	POP CONTEMPORARY HIT RADIO (CHR)	8.3%
5	ADULT CONTEMPORARY (AC)***	7.3%
6	CLASSIC ROCK	6.2%
7	CLASSIC HITS	5.5%
8	CONTEMPORARY CHRISTIAN	4.8%
9	URBAN CONTEMPORARY	4.5%
10	HOT AC	3.9%
11	URBAN AC	3.8%
12	IRHYTHMIC CHR	3.7%
13	NEWS/TALK NON-COMMERCIAL (391 STATIONS)**	3.3%
14	ALL SPORTS	2.8%
15	ACTIVE ROCK	2.5%
16	MEXICAN REGIONAL	2.2%
17	ALBUM ORIENTED ROCK (AOR) + MAINSTREAM ROCK	2.1%
18	ADULT HITS + 80s HITS	1.6%
19	RELIGIOUS	1.6%
20	CLASSICAL	1.5%

TEENS 12-17		
1	POP CHR	23.0%
2	COUNTRY*	12.4%
3	RHYTHMIC CHR	11.5%
4	URBAN CONTEMPORARY	9.7%
5	HOT AC	6.9%
6	CONTEMPORARY CHRISTIAN	6.3%
7	AC***	6.1%
8	CLASSIC ROCK	2.9%
9	URBAN AC	2.7%
10	CLASSIC HITS	2.3%

ADULTS 18-34		
1	COUNTRY*	15.3%
2	POP CHR	14.8%
3	URBAN CONTEMPORARY	8.1%
4	RHYTHMIC CHR	7.7%
5	AC***	6.0%
6	HOT AC	5.1%
7	CLASSIC ROCK	4.9%
8	ACTIVE ROCK	4.2%
9	CONTEMPORARY CHRISTIAN	4.1%
10	NEWS/TALK COMBINED**	4.0%

ADULTS 25-54		
1	COUNTRY*	14.4%
2	POP CHR	9.5%
3	NEWS/TALK COMBINED**	7.7%
4	AC***	7.2%
5	CLASSIC ROCK	6.6%
6	CONTEMPORARY CHRISTIAN	5.2%
7T	NEWS/TALK COMMERCIAL**	5.1%
7T	URBAN CONTEMPORARY	5.1%
8T	HOT AC	4.6%
8T	CLASSIC HITS	4.6%
9	RHYTHMIC CHR	4.2%
10	URBAN AC	3.8%

Source: Nielsen National Regional Database, Fall 2018, M-SU MID-MID. All Diary-Measured Metros (212), Puerto Rico excluded.

CHR = Contemporary Hit Radio

*Country = Country + New Country

**News/Talk = News/Talk/Information + Talk/Personality

***Adult Contemporary = Adult Contemporary + Soft Adult Contemporary

SOURCING & METHODOLOGIES

SOURCING

Nielsen National Regional Database, Fall 2018

Nielsen Summary Data Set, Fall 2018

Nielsen Scarborough USA+ Release 1 2019 (Jan 2018 - May 2019)

METHODOLOGIES

Radio as defined in this report includes listening to AM/FM radio stations, digital streams of AM/FM stations (where captured in diary markets), HD radio stations and satellite radio as captured in diary markets only. No other forms of radio or audio are included at this time.

On page 2, 6+ cume was derived using an extrapolation of the difference in total radio cume by market type among teens 12-17 in Fall 2018. The Diary market 12-17 weekly cume (9.1 million) is 77% the size of the PPM market weekly 12-17 cume (11.8 million). That same ratio was used to project the Diary market weekly 6-11 cume (9.1 million) at 77% the size of the PPM market weekly 6-11 cume (11.8 million).

A monthly growth factor was then applied to the weekly 6+ cume in diary markets. The weekly 6+ cume (80,693,715) is a combination of Fall18 summary data set weekly 12+ cume in diary markets (71,546,500) and the projected 6-11 weekly cume in the same markets (9,147,215) based on the conversion factor described above. All data is sourced to M-SU MID-MID.

Monthly Radio Estimates: Nielsen's Measurement Science group used statistical modeling techniques to estimate the total cume audience to radio in a four-week period, as compared to the total cume audience to radio in an average week. The methodology utilized PPM panel data, and essentially measured how many people who were not exposed to radio in a single week might typically be exposed to radio over a consecutive four-week period. A radio cume growth factor was then determined and applied to radio listening on a national basis.

On page 6, Black and Hispanic reach figures are based on the total US across all markets (Diary and PPM). Black and Hispanic listening is captured in all Nielsen Audio markets where it is included in the total, and able to be reported on a national basis. However, there are only 81 audio diary markets with differential survey treatment (DST) for Black and 66 with DST for Hispanic, out of 212 total. Therefore, using only those DST markets to represent Black and Hispanic radio consumers would under-report their impact. The share of audience figures on page 6 are based on the DST markets, just not the reach.

Format definitions are supplied to Nielsen by U.S. government-licensed radio stations, their internet streams and HD Radio services, regardless of their status as Nielsen clients.

Only stations licensed in the U.S. that meet minimum reporting standards for Nielsen's National Regional Database are included in *Audio Today*. Nielsen's Portable People Meter (PPM) technology surveys respondents in the top 48 radio metros in the U.S. as of the Fall 2018 survey.

Nielsen's Diary service surveys respondents in the remaining 212 radio metros in the U.S. as of the Fall 2018 survey.

Data used in this report is inclusive of multicultural audiences. Hispanic consumer audiences are comprised of both English and Spanish speaking representative populations.

ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global measurement and data analytics company that provides the most complete and trusted view available of consumers and markets worldwide. Our approach marries proprietary Nielsen data with other data sources to help clients around the world understand what's happening now, what's happening next, and how to best act on this knowledge. For more than 90 years Nielsen has provided data and analytics based on scientific rigor and innovation, continually developing new ways to answer the most important questions facing the media, advertising, retail and fast-moving consumer goods industries. An S&P 500 company, Nielsen has operations in over 100 countries, covering more than 90% of the world's population. For more information, visit www.nielsen.com.



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