

Time to switch on to Radio 3.0

Mark Barber, Radio Advertising Bureau, explains how new radio platforms boost interactivity for advertisers

WHEN PEOPLE'S thoughts turn to new technology and interactive media, radio is not the first medium that springs to mind. And why should it, when seemingly radio has remained pretty much unchanged since the BBC started broadcasting in 1922? Surely, apart from the adoption of the FM spectrum in the late 1950S, and the launch of commercial radio in 1973, radio in the UK as a medium is fundamentally the same as it has always been.

As ever, the reality is not quite so straightforward. Radio has already evolved once to adapt to the introduction of television into the media ecology - from an in-home, primary focus medium to one that follows you out of the house, accompanying other primary activities. Radio 3.0 is the latest evolutionary stage of the medium, which sees radio adapting to the seismic shifts within the media ecology caused by the introduction of online and other digital technology.

And Radio 3.0 seems well set to thrive in this new ecology. This is partly because of its ability to co-exist alongside other technology: in addition to analogue and DAB radio sets, radio is now delivered via digital TV (for example, Sky and Freeview), the internet and mobile phones. It is also because listeners are creating new, complementary roles for radio. For example:

- ▶ at any given time, 20% of online occasions are accompanied by radio listening (source: IAB/RAB study 2005)
- ▶ when TV and radio are available on mobile phones, users engage in more radio listening than TV viewing (source: BTMovioTrials)
- ▶ 60% of iPod owners claim that radio is their prompt to load new content onto their iPod (source: Clark Chapman Study for RAB).

Before we explore the potential effects of these radio developments on listening behaviour and resulting opportunities for advertisers, it is worthwhile to define what we mean by radio in the digital world.

New radio platforms

It is sometimes mistakenly assumed that the term 'digital radio' refers only to DAB

(radio transmitted via Digital Audio Broadcasting).

While DAB is the fastest-growing platform, it is important to recognise that digital radio is radio via any digital platform, and perhaps in simple terms could better be defined as 'multi-platform' radio. The four main platforms currently are DAB, digital TV, mobile phone and the internet.

DAB (Digital Audio Broadcasting)

A new way of broadcasting radio via a network of terrestrial transmitters, bringing listeners more choice, improved sound quality, ease of tuning and extra information capacity (via display text).

DTV (digital TV)

Listeners can now tune in to radio via digital TV (Sky, cable and Freeview). Stations are easily found using the electronic programme guide.

Mobile phone

Mobile phones with radio receivers are becoming a part of everyday life, increasing opportunities to listen to the radio on the move.

Internet

As broadband take-up continues, the internet is becoming an increasingly popular way to listen to the radio, offering listeners infinite station choice.

Developments within each of these platforms mean that across all digital platforms, most homes will have at least four or five digital-radio-receiving devices within the home in only five years' time.

> All UK homes will have access to digital radio services via DTV by 2012 (given the TV analogue switch-off date).

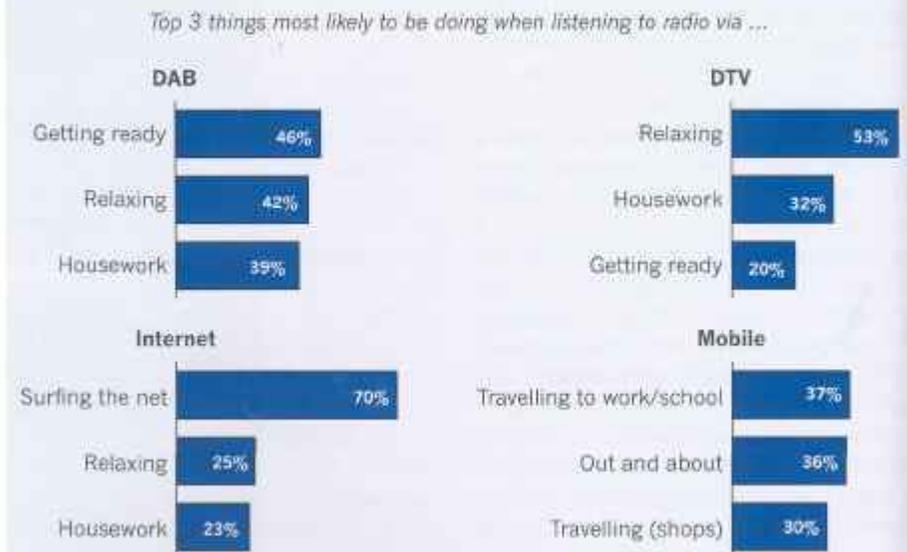
> Broadband connections are projected to be in 80% of homes by 2012.

> DAB radio sales are projected to reach 60% household penetration by 2012.

Radio is developing into a more portable multi-platform medium, significantly enhanced in terms of functionality, giving listeners multiple interaction points (specifically, red button, SMS, display text, web, and so on).

This process of change has raised a lot of questions about how, where and when people might listen in the digital age, and how advertisers might benefit from these trends. Existing audience research does

FIGURE 1
Reaching people in different modes and mindsets



Source: Clark/Chapman/RAB - 2005 Platform Listening Study

not adequately answer these questions, and that is why the RAB commissioned Clark Chapman to conduct the *Platform Listening Survey* on its behalf.

The Platform Listening Survey

This survey used quantitative research to provide a better understanding of how the new digital platforms might affect listening behaviour in terms of:

- ▶ time and location of listening
- ▶ modes and mindsets
- ▶ time spent listening
- ▶ propensity to interact.

The research consisted of a self-completion online questionnaire, with a total sample of 550 adults who claimed to listen to one or more of the four main digital listening platforms (DAB, DTV, internet and mobile phone), at least once a week.

Key findings

1. Digital platforms are opening up new touchpoints for radio listening, allowing advertisers to target more listening occasions, places and mindsets.

Radio has traditionally had many different 'touchpoints' during the listener's week, and these vary according to where listeners are and what they are doing.

The medium's auxiliary qualities enable it to accompany key task-related modes such as waking up/getting ready, and the journey to and from work or school (morning and evening drive-time). The research suggests that new listening platforms will help to grow and extend radio's presence, by enabling access to even more touchpoints throughout the day.

In particular, listening via mobile phone was identified as capturing people when they are in the 'third space', when people are not home or at work/school but getting from A to B. Radio's ability to be consumed on the move allows it to fit well with mobile devices.

The research also revealed the strength of DTV and online platforms in driving listening in the evening, a time when radio has traditionally played second fiddle to TV.

The increased number of listening touchpoints means that advertisers can capture people in more modes and mindsets. The four main digital listening platforms reach very different modes and mindsets (see Figure i).

Listening via DAB tends to reach people in a 'hurry hurry' mindset, when they are getting up and ready in the morning; whereas people tend to be in a more relaxed mood when listening via TV - an accompaniment to the evening wind-down.

Unsurprisingly, 70% of all online listening takes place when people are surfing the internet, corroborating RAB/IAB research findings. As broadband penetration continues to grow, it is logical to assume that the conjunction of online usage and radio listening will increase yet further.

The new platforms are increasing the number of potential consumption points for listeners, enabling radio to accompany even more tasks and mindsets, such as internet surfing, the evening wind-down, and walking to/from school (see Table i).

As with modes and mindsets, the research highlighted how each listening platform has distinctive features in terms

'Radio has already evolved once to adapt to the introduction of television into media ecology... Radio 3.0 is the latest evolutionary stage of the medium'

of listening spaces or places. In 2007 the computer is mainly used in the home living spaces, although we can expect this to change as laptops and Wi-Fi become more established.

Likewise, while the TV is currently linked very much to the main viewing room, the introduction of the Sky Gnome (a portable device that streams audio off the Sky box and enables you to listen anywhere within a 30m radius) should further develop radio's ubiquity.

The new platforms are increasing the number of potential consumption points for listeners, enabling radio to accompany even more tasks and mindsets (such as internet surfing, the evening wind-down, walking to/from school), reaching more spaces and places. On the basis of this evidence it seems likely that radio will actually increase its share of the consumer's media day.

2. Listeners via digital platforms are more likely to interact with advertising.

Traditionally, one of radio's strengths as a medium has been the trust relationship between station and listener, and a culture of interaction and response has grown out of this.

The RAB's *Radio Days* study from 2002 revealed that 36% of commercial radio listeners had interacted with radio stations in some way. Nowadays the way listeners interact is changing - in the past they used to write in to stations, and then they started phoning. More recently, interaction has migrated to email and texting. ▶

TABLE 1

New platforms provide access to different spaces and places

	Where are you most likely to listen via ... ?			
	DAB	TV	Mobile	Internet
Kitchen	37%	-	-	-
Bedroom	35%	17%	22%	32%
Living room	32%	82%	-	33%
Study	-	-	-	35%
While out and about	-	-	43%	-

Source: Clark/Chapman/RAB - 2005 Platform Listening Study

Now, digital radio technology is opening up new and even easier ways for listeners to interact with their radio stations. As a result, digital radio listeners are showing an increasing propensity and inclination to interact in some way with radio content, as Figure 2 demonstrates.

This increasing interactivity is opening up new opportunities for advertisers in terms of:

- ▶ additional channels of communication
- ▶ closer relationships with consumers
- ▶ greater accountability.

Each of the new platforms offers its own means of encouraging listeners to interact more with radio content.

Interaction via DLS, or scrolling text, on DAB

The DLS (Dynamic Label Segment), also known as scrolling text or display text, is one of the key points of difference between analogue and DAB. All DAB radios now have text displays, and the quality is constantly improving and getting better.

DLS is basically a data service used to complement the audio broadcast. To date, the function has generally been used to display information about the song or artist currently playing, what is coming



On the move: radio's auxiliary qualities enable it to accompany key task-related modes such as waking up/getting ready, and the journey to and from work or school

up next, the weather, football scores, traffic, and so on.

Advertisers are also starting to understand the benefits of combining audio and text communication on digital stations. Beyond working as an additional branding tool, there are a number of potential different uses:

- ▶ direct response - advertiser phone numbers, URLs and SMS short codes can constantly be repeated and displayed on the data screen
- ▶ sponsorship - reinforcing on-air sponsorships (promote the show/pre-trails, with sponsor credits running on the display throughout the relevant show); the opportunity also exists to sponsor specific or bespoke content on the DLS
- ▶ promotions - enhances on-air promotions by offering additional incentives to participate, visual clues or tips, reminders of entry points and prizes, and so on.

At the time of writing functionality that enables listeners to pause and rewind scrolling text is becoming available - this could be described as 'teletext' radio. 'Intel-

litext' (available on Pure One radios) is a new service that stores information sent by stations (such as news, sport, traffic, weather) so listeners can retrieve it later. It is feasible that, in future, stations could use this facility to store advertiser details (for example, URLs, phone numbers, offers, or other more detailed brand communication).

'Red button' interaction via digital TV

Radio can exploit the same red-button technology as digital TV - offering valuable visual support to audio content.

'Red-button technology' is a generic term used to refer to using any of the coloured buttons and scroll arrows on the remote control to interact with the screen display that you see when you listen to digital radio via your TV.

This allows listeners access to competitions, offers, and ringtones; and can work very well in supporting on-air promotions by communicating with audiences visually as well as aurally.

FIGURE 2

There is a growing propensity to interact in the digital age



Source: Clark/Chapman/RAG - 2005 Platform Listening Study

Mark Barber is planning director at Radio Advertising Bureau. His recent projects include collaborative research with the IAB and OAA. Prior to joining the RAB in 2001, Mark spent 18 years in media planning.
mark@rab.co.uk



Interacting with radio content online

It is now possible to complement spot advertising with banner ads on a station's web-based media player. Competitions and other promotions are regularly run on station websites, enabling powerful support for on-air branded-content activity.

The interaction technologies on the different platforms can also be used to interact with each other. For example, the DLS readout on DAB radio will often direct listeners towards websites - either for the station or the advertiser.

The internet also offers a unique radio application: podcasting. Podcasting is a generic term for the way people subscribe to audio content, usually in MP3 file format. These files are usually downloaded onto a PC or a digital music player for listeners to consume whenever they wish.

Case study: The Big Quit

The Department of Health successfully used the strengths of radio in a campaign developed to help motivate smokers to quit in the New Year.

Radio was used in a supportive, empathetic way through harnessing the power of the presenter/listener relationship - offering listeners advice on quitting smoking when they needed it most.

A multi-platform approach was used to support the campaign, with motivational emails, a specially constructed website (including a money-saver calculator, interactive forums, advice, and so on), downloadable podcasts and also motivational SMS texts. These were sent at key times of day (for example, first thing in the morning, cigarette break times, lunch and Friday/Saturday night) to help keep quitters away from temptation.

With over 5,000 text registrations, 2,700 email registrations, and more than 3,000 podcasts downloaded, the campaign successfully demonstrated how using a multi-platform radio approach can drive response and deeper levels of listener involvement.

For advertisers this is particularly interesting, because it offers a very targeted way of reaching specific audiences, because the audience has demonstrated real interest and downloaded the content, rather than hearing it by chance within traditional on-air spot advertising.

SMS and 'red button' interaction via mobile phones

Texting has become habitual amongst younger audiences, but it is growing in popularity across all age groups. As a result, SMS short codes provide a great way of ensuring an instant connection or response.

The radio stations themselves commonly use SMS as a primary means for generating listener response, with millions of text messages being generated from listeners every month.

Beyond SMS, mobile phones are developing the capabilities for 'red button' interaction with radio content.

BT Movio, a mobile broadcast venture that uses the DAB spectrum to distribute live TV and digital radio, launched in autumn 2006. All content is navigable via the UK's first mobile electronic programme guide (EPG), enabling consumers to scroll through services and programmes.

Such technology allows radio stations to increase listener involvement by using the equivalent of TV's red button on the phone, enabling listeners to participate in competitions, quizzes and polls, as well as downloading music and ringtones.

In terms of advertising, listeners will be able to access more information than they hear on-air. In the longer term, listeners will be able to express an immediate interest in particular products by passing back their address or phone number, or even make an instant impulse purchase, simply at the press of a button.

Summary

Radio, in addition to traditional analogue, is now available on a number of different platforms - DAB, digital TV, internet and mobile phone.

'While DAB is the fastest-growing platform, it is important to recognise that digital radio is radio via any digital platform, and perhaps in simple terms could better be defined as "multi-platform" radio'

Regardless of platform, the reasons for listening remain the same - company whilst doing something else, or relaxation. However, the new digital listening platforms are expanding the opportunities for brands to connect more deeply with consumers.

^ - More listening platforms are increasing the number of potential touchpoints between brand and consumer.

> New platforms offer interaction opportunities for listeners, opening up new channels of communication for advertisers.

Amongst all the excitement surrounding iTV, mobile TV and online advertising, radio's achievements in terms of offering advertisers a critical mass and interactive communications opportunity have to date largely been overlooked.

The strengths of Radio 3.0 lie in its ability to stimulate message 'pull' in addition to the medium's traditional strengths in 'push' communication. When combined with the medium's inherent culture of response, it is clear that Radio 3.0 is well placed to help advertisers achieve highly integrated, more interactive and effective communications in today's complex digital-media world.