



nielsen

The Value Of Southern California Radio To The Auto Industry

February 2019



Background

Nielsen, in partnership with SCBA, measured the effectiveness of local auto dealer campaigns in Los Angeles & San Diego



The campaigns featured **60 second radio spots** promoting Summer deals



The radio campaigns ran continuously through the data collection period June 29 – August 9, 2018



Nielsen surveyed **900** Radio Listeners in Los Angeles & San Diego

Methodology

Objective

The purpose of this study is to better **understand the consumer impact of auto dealer ads on local Broadcast radio**. Specifically, the research will evaluate the **effectiveness of the radio campaigns** in driving a **lift in key brand metrics**.

- Nielsen recruited **900 Broadcast radio listeners** ages 21-64. Respondents were evenly distributed in LA & San Diego.
- The total sample contains **287 Auto Intenders** - those planning an auto purchase in the next 12mos.
- Respondents who **listened to campaign stations in the past week** were assigned to the **Exposed Group**.
- Respondents who **did not listen to campaign stations in the past week** were assigned to the **Control Group**.

Methodology

The study was conducted through an **online panel** and used an **exposed/control methodology**.

- Respondents took a **brief screener** before taking a **survey used to measure lift across key brand metrics**. Respondents then **listened to radio creative** and took a **post-survey to measure creative diagnostics**.
- Nielsen performed Statistical Significance testing. “^” Arrows indicate statistically significant differences @ 90% confidence.



Methodology

Sample Targets Not Exposed



Representative Sample
of A21-64



Oversample –
Auto Intenders



Total
Sample

Sample Targets Exposed



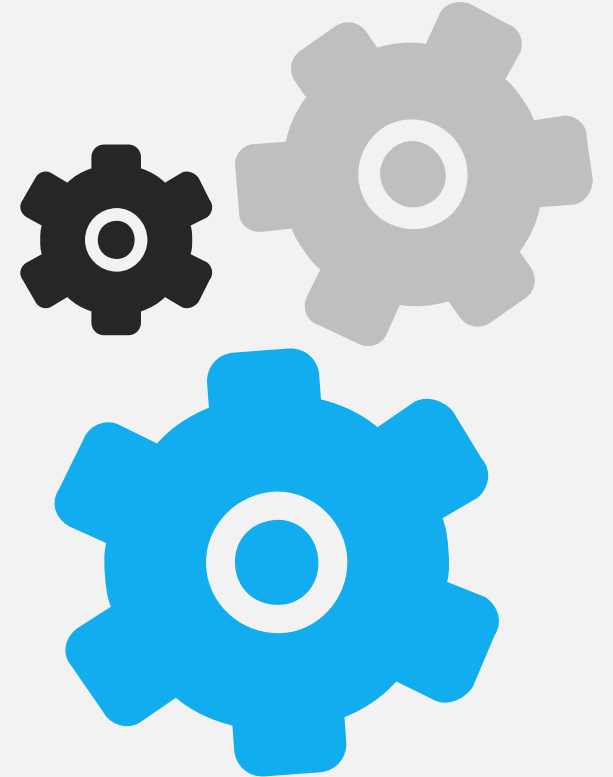
Representative Sample
of A21-64



Oversample –
Auto Intenders



Total
Sample



*Note: 25% of the Representative Sample and 26% of Auto Intenders are Hispanic

Demographics

Not
Exposed

Gender*	
Male	37%
Female	63%
Age*	
21 to 34	43%
35 to 54	35%
55-64	22%
Household Income*	
Less than \$75,000	56%
\$75,000 or more	38%
Prefer not to say	6%
Likelihood of buying/leasing new vehicle next 12 mos.*	
Definitely/probably will	13%
May or may not	35%
Definitely/probably will not	52%

Exposed

Gender*	
Male	37%
Female	63%
Age*	
21 to 34	43%
35 to 54	35%
55-64	22%
Household Income*	
Less than \$75,000	56%
\$75,000 or more	38%
Prefer not to say	6%
Likelihood of buying/leasing new vehicle next 12 mos.*	
Definitely/probably will	13%
May or may not	35%
Definitely/probably will not	52%

*Weighting Variable



Exposed Group

Radio listeners who listened to stations airing the local Auto Dealer campaigns in the past week



Important Groups



Not Exposed Group (Control)

Radio listeners who did not listen to campaign stations in the past week



Auto Intenders

Radio listeners who plan to buy an auto in the next 12 months

Key Findings From This Exclusive Southern California Automotive Study



Broadcast radio drives online research to both search engines and dealer websites



Broadcast radio significantly improves consumer perception of dealer brand health



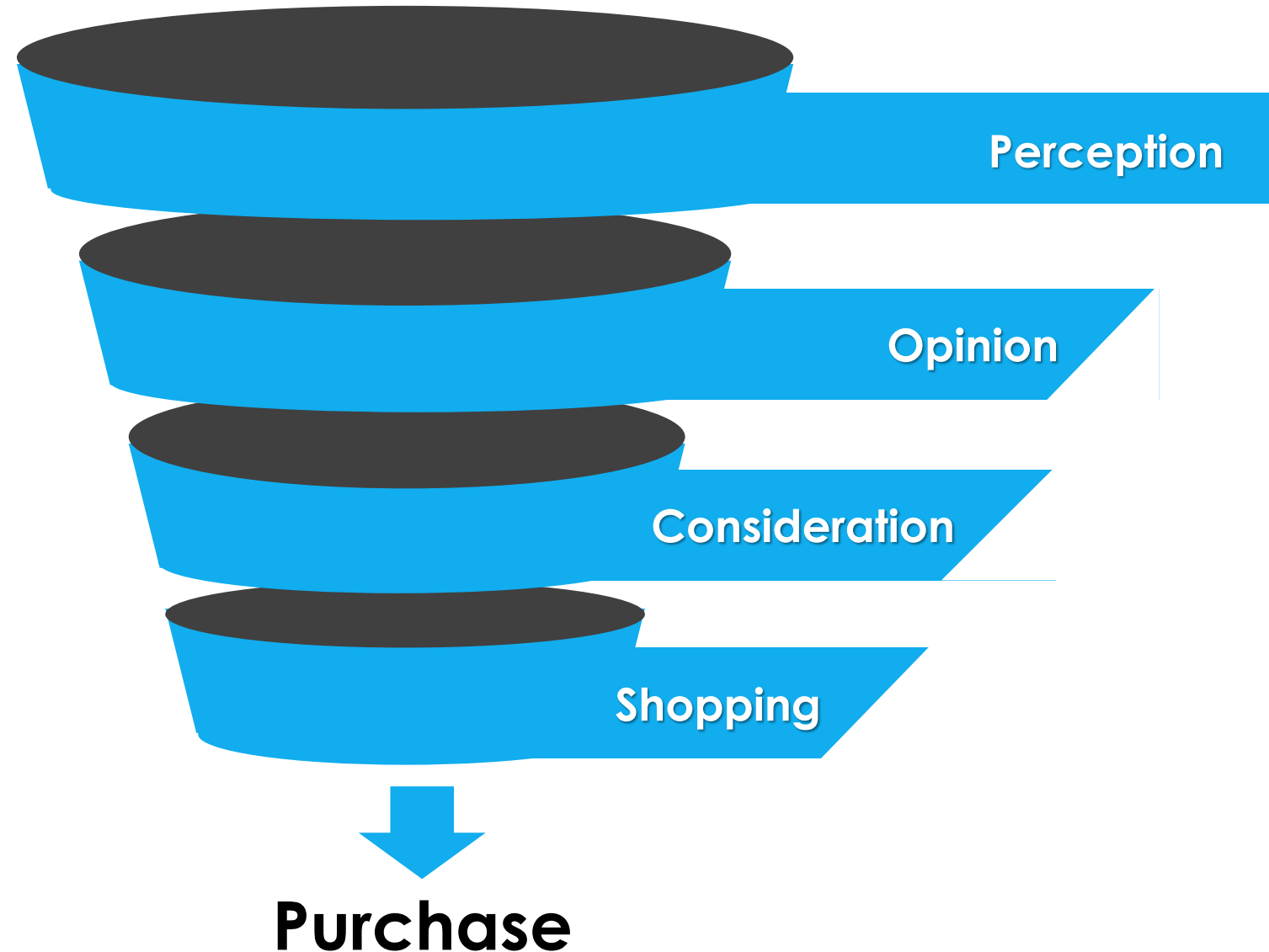
Broadcast radio increases dealer visits and purchase



Broadcast radio's creative messaging (words and phrases) increases relevance

Automotive Purchase Funnel

Consumers make their way
through the funnel on the path
to purchase



Perception

Favorability

Consideration

Shopping

Purchase **3x**

**Southern
California Radio**
Drives Auto Dealer Brand
Health & Sales



Broadcast Radio Helps SoCal Auto Dealers Stand Out From The Competition

Brand Perception among Radio
Exposed Auto Intenders

70%*

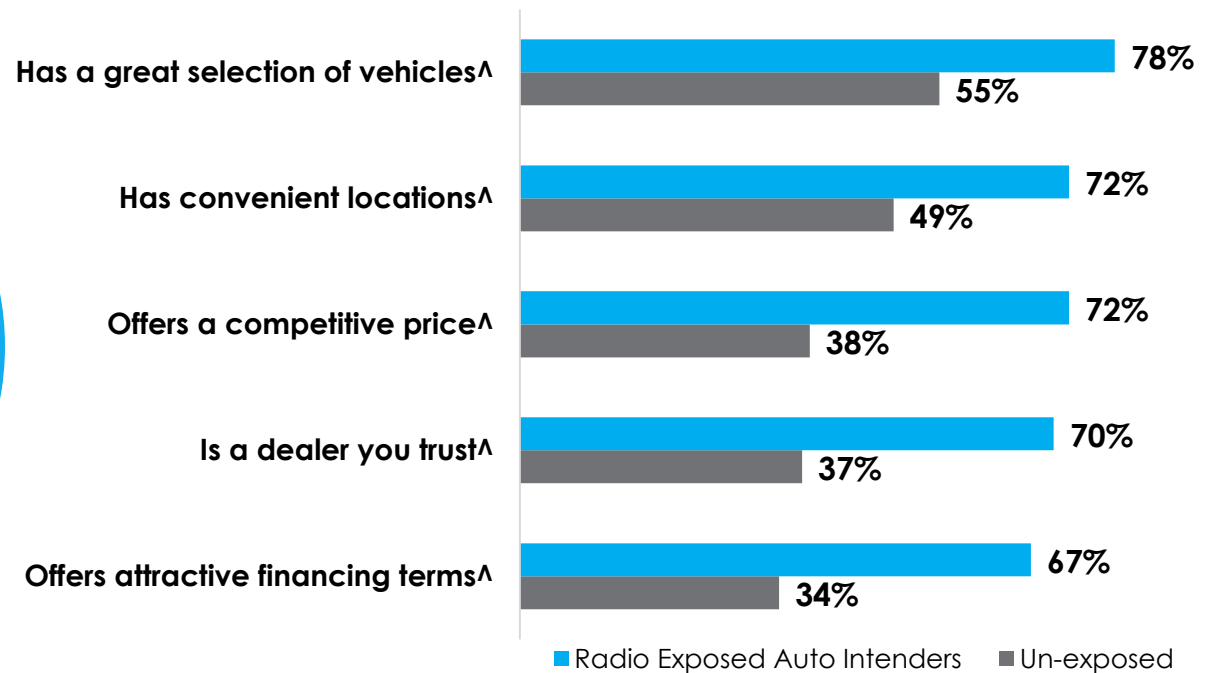
higher than unexposed
radio listeners

* Radio Listeners: Average



Broadcast Radio Increases Brand Perceptions

Radio campaigns deliver significant increase in SoCal Dealer perceptions among Auto Intenders



[^] = Significant difference at 90% confidence



Each Respondent Was Exposed To And Evaluated A Broadcast Radio Ad From The Campaign That Ran In His/Her Local Market

Listened to 60 second spot with the following copy points:

- Summer deals
- Dealer programs
- Knowledgeable staff
- Large inventory
- Attractive financing
- Vehicle attributes



SoCal Radio Helps Auto Dealers Stand-out

Over half of all listeners and 3-in-4 Auto Intenders felt the Radio ads made them think the dealer is different from the rest

71%

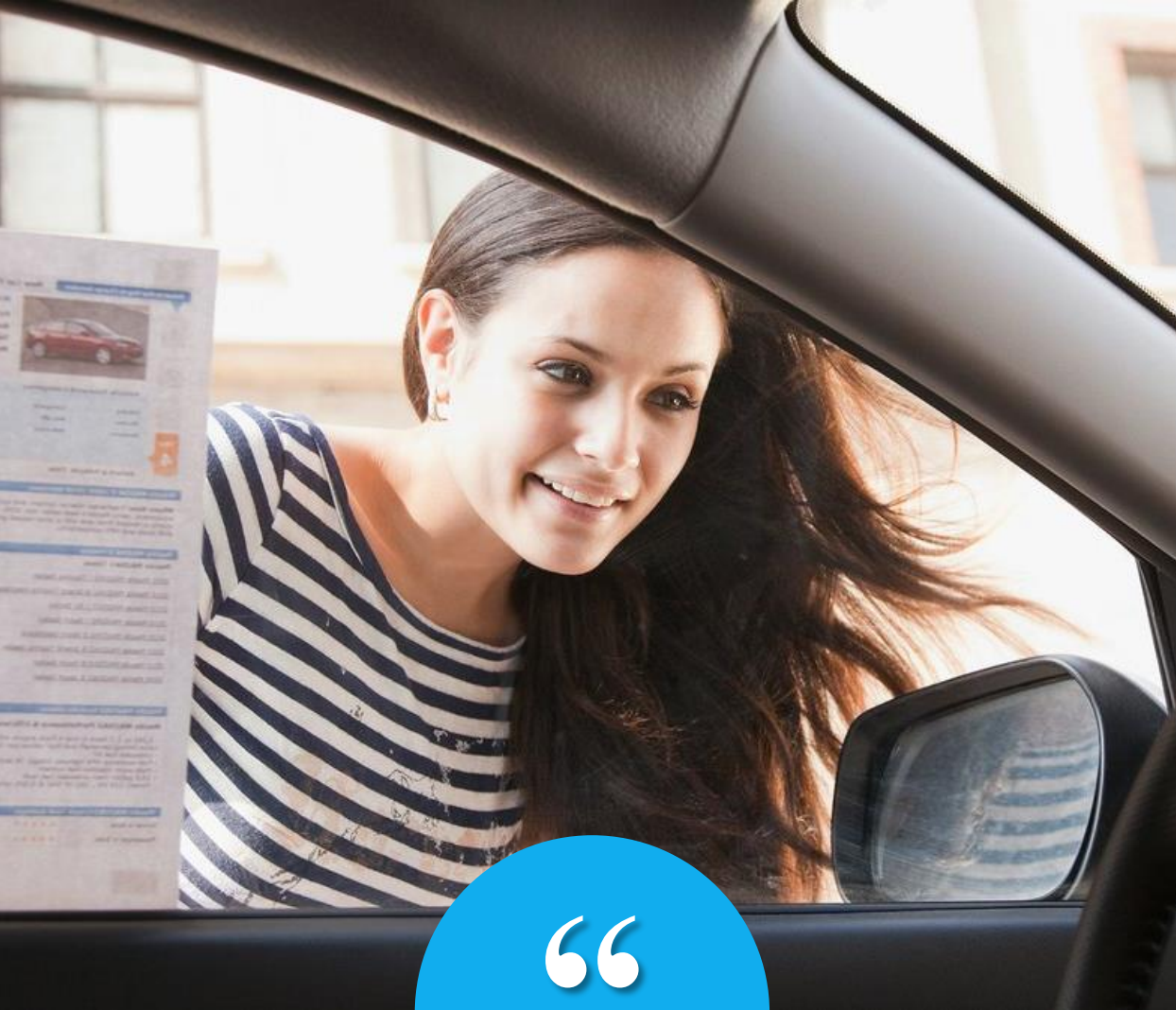
Radio Exposed Auto
Intenders

57%

Total Radio Listeners

*It made me think the
dealer was really different.*

Among: Listened to the ad
Q20. Thinking about the ad you've just heard for (dealer), please indicate how strongly you agree or disagree with each of the following statements. (Top 2 Box on a 5-point agreement scale)



“

*The points made in the ad
were relevant to me.*

SoCal Radio Dealer Ads Are Relevant

9-in-10 Auto Intenders found the auto dealer ads to be relevant

87%

Radio Exposed Auto
Intenders

72%

Total Radio Listeners

Among: Listened to the ad
Q20. Thinking about the ad you've just heard for (dealer), please indicate how strongly you agree or disagree with each of the
following statements. (Top 2 Box on a 5-point agreement scale)



“

*It contained new information
about the dealer.*

SoCal Radio Dealer Ads Were Well Branded

Majority of listeners felt the dealer ads contained new information

83%

Radio Exposed Auto
Intenders

78%

Total Radio Listeners

Among: Listened to the ad
Q20. Thinking about the ad you've just heard for (dealer), please indicate how strongly you agree or disagree with each of the following statements. (Top 2 Box on a 5-point agreement scale)



“

*I would definitely remember
ad was for the dealer.*

SoCal Radio Dealer Ads Were Well Branded

9-in-10 Auto Intenders would remember which dealer the ad was for

89%

Radio Exposed Auto
Intenders

84%

Total Radio Listeners

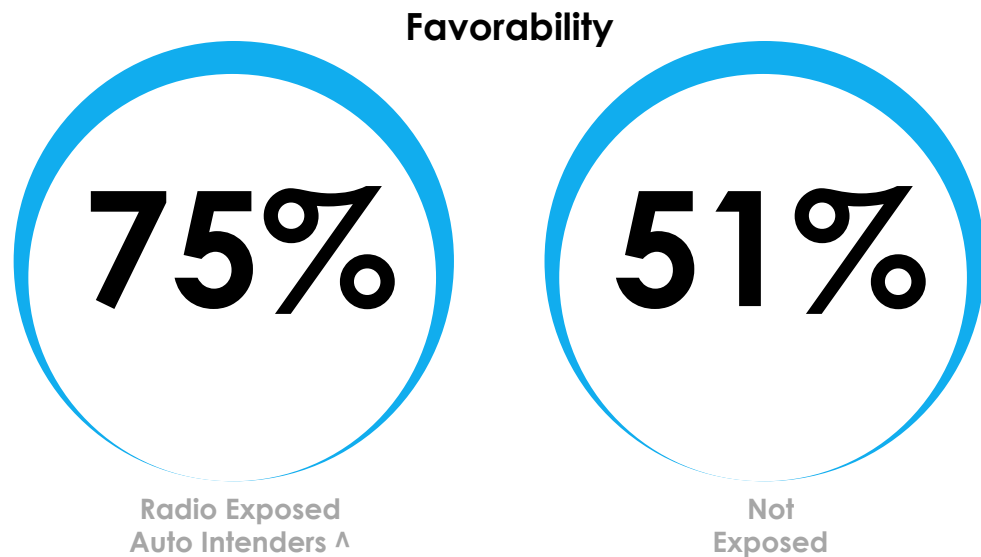
Among: Listened to the ad
Q21. Thinking about the ad you've just listened to for (insert brand), which one of the phrases below applies to this ad?



Broadcast Radio Drives Auto Dealer Brand Health

Broadcast Radio Increases Auto Dealer Favorability

3-in-4 Exposed Auto Intenders have favorable opinion of the dealer



Radio Exposed Auto Intenders have

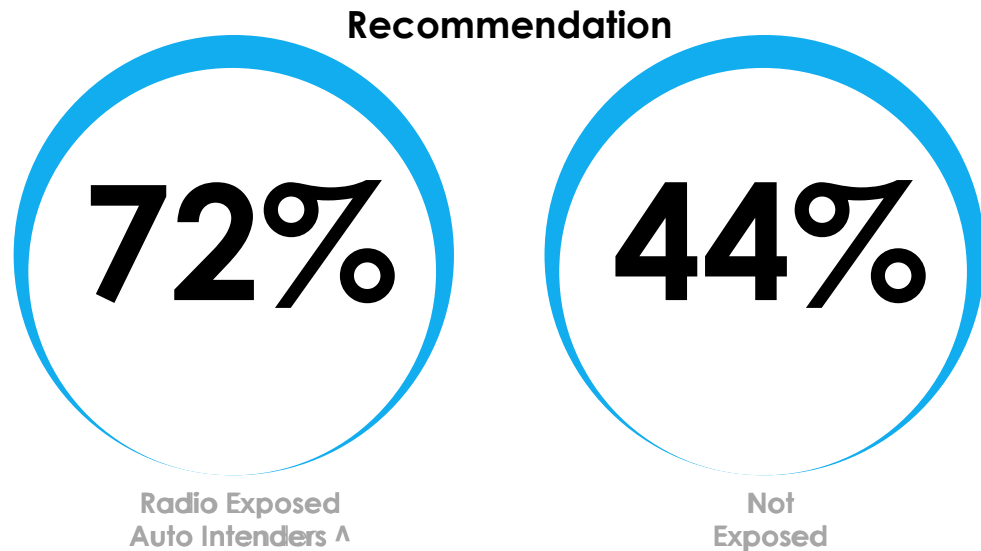
+47%

higher favorability of the dealers than unexposed radio listeners

[^] = Significant difference at 90% confidence

Broadcast Radio Drives Word-Of-Mouth For Dealers

Radio exposed Auto Intenders more likely to recommend the dealer



Auto Intenders exposed to dealer ads on Radio

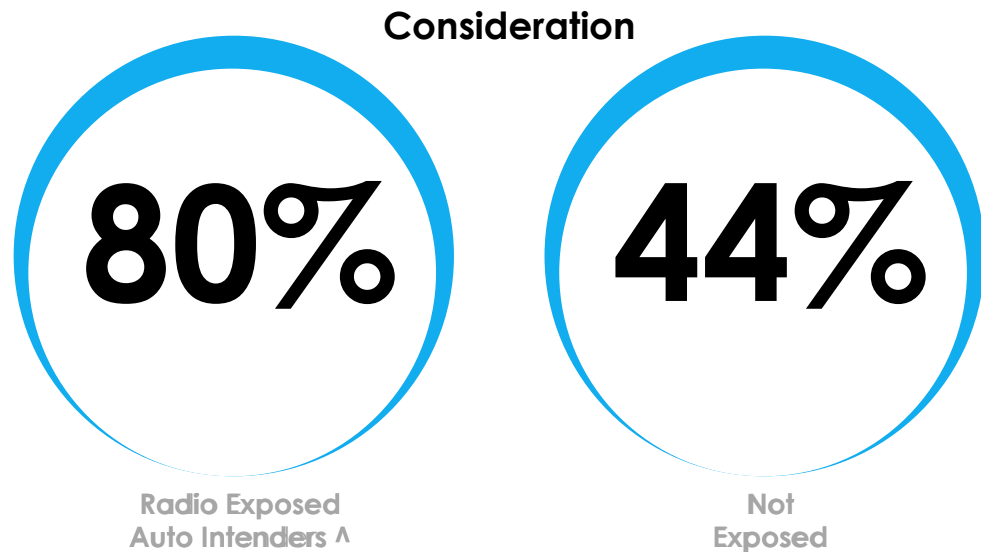
+64%

higher likelihood to **recommend** the dealer than unexposed Radio listeners

^ = Significant difference at 90% confidence

Broadcast Radio Boosts Consideration for Auto Dealers

4-in-5 radio exposed Auto Intenders are likely to consider the dealer for their next vehicle



Auto Intenders exposed to dealer ads on AM/FM Radio

+82%

higher consideration for the dealers than unexposed radio listeners

^ = Significant difference at 90% confidence



Local Radio Drives Online Activity For SoCal Auto Dealers

Broadcast Radio Drives Digital Action

1-in-2 Auto Intenders went online to search for more information after hearing the ad

Used A Search Engine OR dealer website

53%

Radio Exposed
Auto Intenders [^]

25%

Not
Exposed

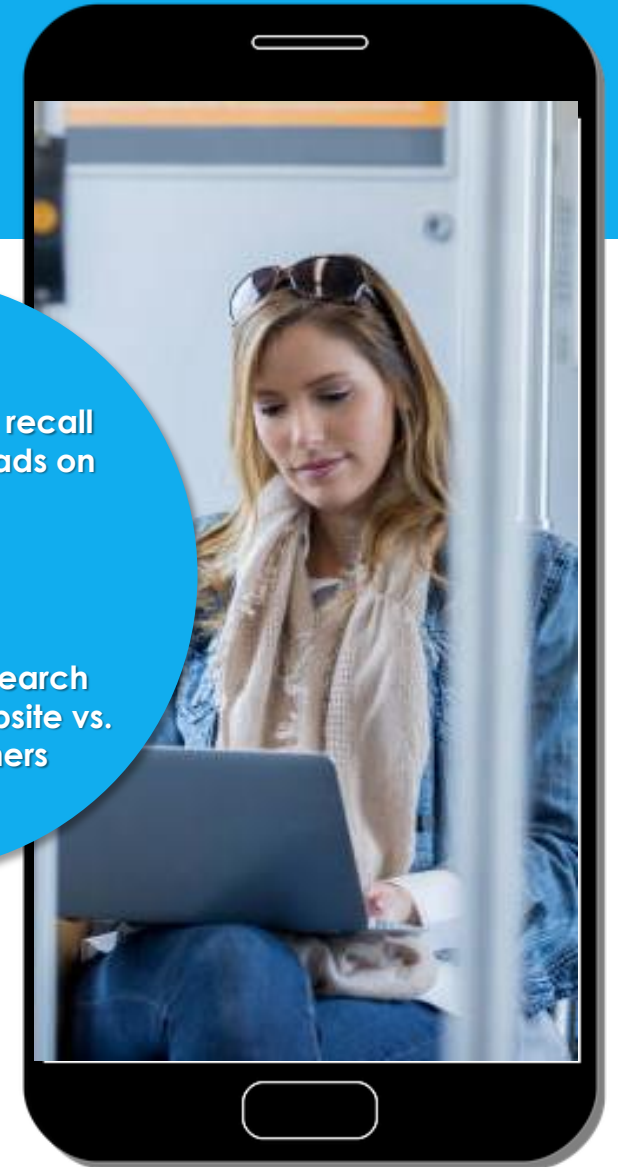
According to Nielsen Scarborough, there are
4,600,000 Auto Intenders in Southern California

[^] = Significant difference at 90% confidence

Auto Intenders who recall
hearing the dealer ads on
Radio

2x

more likely to use search
engine or dealer website vs.
unexposed listeners



Broadcast Radio Drives Digital Action

1-in-3 Auto Intenders went online to search more information after hearing the ad

Used A Search Engine To Get Info

38%

Radio Exposed
Auto Intenders [^]

14%

Not
Exposed

According to Nielsen Scarborough, there are
4,600,000 Auto Intenders in Southern California

[^] = Significant difference at 90% confidence

Auto Intenders who recall
hearing the dealer ads on
Radio

2.5x

more likely to search online
for more info vs. unexposed
listeners



Broadcast Radio Drives Digital Action

1-in-3 Auto Intenders visited the dealer's website after hearing the ad

Went To The Dealer's Website

33%

Radio Exposed
Auto Intenders ^Λ

14%

Not
Exposed

According to Nielsen Scarborough, there are
4,600,000 Auto Intenders in Southern California

^Λ = Significant difference at 90% confidence

Auto Intenders who
recall hearing the
dealer ads on Radio

2.5x

more likely to visit the
dealer's website vs.
unexposed listeners





Broadcast Radio Delivers Buyers For SoCal Auto Dealers



Auto Intenders who recall hearing the dealer ads on Radio

7x

more likely to visit the dealer's location vs. unexposed listeners

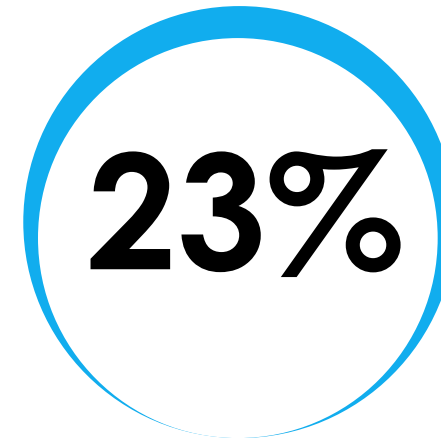


According to Nielsen Scarborough, there are **4,600,000** Auto Intenders in Southern California

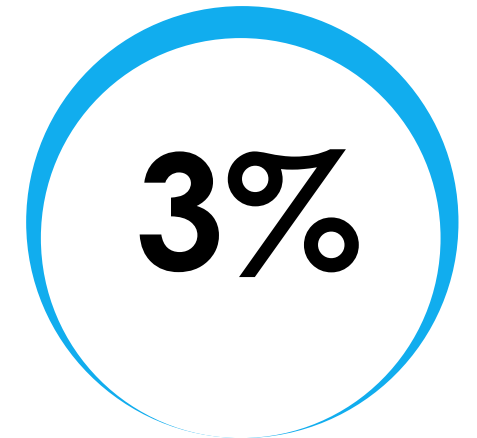
Radio Delivers Listeners To The Dealership

1-in-4 Auto Intenders visited the dealer after hearing the ad

Went To The Dealer's Location



Radio Exposed
Auto Intenders ^Λ



Not
Exposed

^Λ = Significant difference at 90% confidence



Auto Intenders who recall hearing the dealer ads on Radio

3x

more likely to have purchased a vehicle from the dealer vs. unexposed listeners



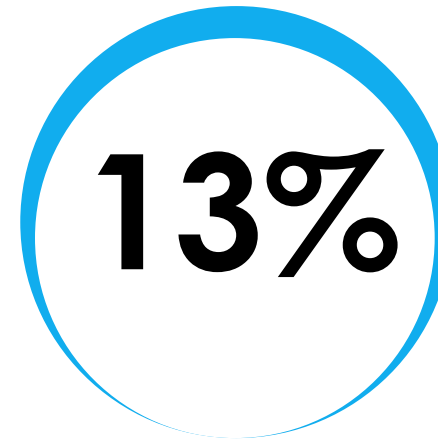
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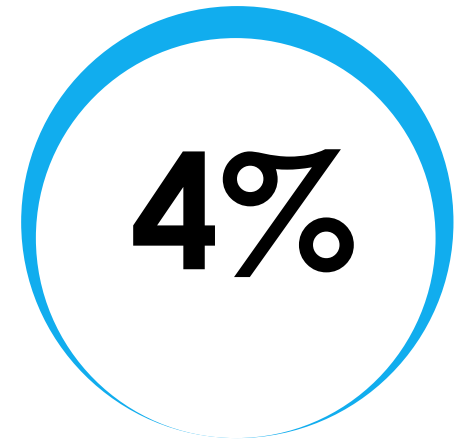
Broadcast Radio Drives Purchase

Better than 1-in-10 Auto Intenders purchased a vehicle from the dealer after hearing the ad

Purchased A Vehicle From The Dealer



Radio Exposed
Auto Intenders ^



Not
Exposed



Perception 70%

Favorability +47%

Consideration +82%

Shopping 7x

Purchase **3x**

Southern California Radio

Drives Auto Dealer Brand
Health & Sales among
Auto Intenders

Takeaways

#1

Auto Intenders* are most responsive to Dealer ads
(*those in the market for a vehicle)

#2

Radio drives significant branding results for SoCal auto dealers

#3

Radio also **improved dealer perceptions**

#4

Most important, **radio caused listeners to take action** after hearing the ads:

- **Searching** for more information **online**
- Driving **traffic to the dealer website**
- **Visiting the dealership**
- **Purchasing** a vehicle



2017 Automotive Path To Purchase Study

A

**Always-On Media
Strategy**

U

**Utilize Multiple
Platforms**

D

**Drive Sales With
Radio**

I

**Individualize The
Message**

O

**Optimize With 80%
Broadcast**



ALWAYS-ON MEDIA STRATEGY



UTILIZE MULTIPLE PLATFORMS



DRIVE SALES WITH RADIO

Recency Matters

Intenders recently exposed on radio are impacted the most

Intenders recently exposed on radio take most action

Media Mix Is Important

AM/FM Radio drives digital activity

Radio ads push buyers to search engines & dealer website

Local Radio Delivers Results

Radio brings Intenders to the dealership

Intenders exposed to dealer ads on radio are more likely to purchase a vehicle



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