

GROWING AUDIENCE WITH ON-DEMAND BROADCAST AUDIO

An in-depth look at audience and
ratings growth opportunities

FUTURI

Futuri Media and Nielsen, November 2021

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What is on-demand broadcast audio (ODBA)?

Although it seems the meaning should be obvious from the name, it's worth clarifying the definition of ODBA. This is content that originally aired live on broadcast that is then made available for audiences to access on-demand. Examples of this include benchmarks, interviews, lively discussions, news roundups, local sports recaps — any quality audio that has relevance outside of the exact moment it aired (for example, time and temp — not a great candidate for being made available on-demand).

Introduction

The data in this white paper is brand new but extremely valuable to understand the history of the On-Demand Broadcast Audio conversation. In 2019, Futuri partnered with Nielsen to produce the report [The Profound Need for Time-Shifted Audio for the Radio Business](#), which measured the market potential for time-shifted audio — now known as On-Demand Broadcast Audio (ODBA) — for the radio industry. The study concluded that there was a profound appetite for time-shifted radio content among audio consumers and that opportunities were largely untapped, as awareness of time-shifted radio content among listeners was low.

Fast-forward two years. Much of that time has been spent in the midst of a global pandemic that has permanently changed the way Americans perceive and consume media. Now, “listening to the radio” may very well mean playing a clip of a morning show on Facebook, listening to a podcast, or firing up a streaming service.

Futuri’s recent study with SmithGeiger, [The Future of Audience and Revenue 2021](#), surveyed more than 2,000 US media consumers and nearly 200 media executives, and included focus groups with more than 100 users of radio and TV. As you’ll see in insights throughout this report, consumers no longer differentiate between AM/FM radio and on-demand platforms like Spotify and Pandora. Media consumption has also shown dramatic gains, with increases in appetite for content on social media and broadcast channels being noted from Q1 to Q2 2021, when the world was presumably “back to normal.”

These factors led Futuri and Nielsen to partner in examining the topic of time-shifted audio, or ODBA — which had looked promising in 2019, even before the changes of the last two years. *Who* is listening? *Where* are they listening? *How long* are they listening? And how can radio use on-demand to grow content, grow audience, and grow revenue?

The Nielsen ODBA data in this report looks at millions of occasions of minute-level data from the period from January 2020 to August 2021, covering all the various phases of the post-pandemic new normal and its impact on behavior, usage, and content. The listening that was measured was minute-level data; this is the data that ultimately drives quarter-hour crediting and Total Line Reporting (“TLR”). This gives us a great look into raw minute-level on-demand exposure.

Source: Nielsen Audio, time-shifted minute level data, PPM Metro markets, January 2020–August 2021 ratings periods.

Why On-Demand Broadcast Audio? Why Now?

The growing importance of On-Demand Broadcast Audio (ODBA), also known as 'time-shifted audio', offers great potential for broadcasters to grow audiences across multiple platforms, unrestricted by conventional appointment/daypart listening.

Multiple forces have converged to disrupt the traditional media landscape:



1. Competition

The emergence of new competitors offering professional-level content that users can consume and control at will.



2. Social and Digital

Growing consumer demand for content on social and digital platforms.



3. Convenience

Consumers' desire to listen to content on their own schedule, rather than 'setting appointments to listen.'

ODBA is an important lifeline for AM/FM radio brands caught between a proverbial rock and a hard place: an ever-increasing demand for (quality!) content on the one hand, and a shrinking pool of staff, time, and resources on the other.

Futuri identified ODBA as an opportunity in the early 2010's, initiating the development of its now-patented POST podcast/on-demand system. Futuri has consistently invested in R&D and proprietary technology to fuel the broadcast industry's progress in driving positive multi-platform results. This Nielsen study is but one of several research-verified market-validated exhibits that show how using POST can deliver advantageous outcomes. Futuri's 2019 study with Nielsen ([The Profound Need for Time-Shifted Audio for the Radio Business](#)) found that even in the pre-pandemic era, ODBA had the potential to grow listening, particularly with younger audiences.

The results showed that **more than half of respondents aged 18 and over consumed short clips on social media**, and within this same group **8 out of 10 would listen to on-demand clips originating from broadcast radio**.

More importantly, the study found that the high potential of ODBA was still largely untapped, owing to the slow pace of radio stations grasping this opportunity. **Only 3 in 10 radio listeners surveyed at the time were aware of time-shifted broadcast audio**.

If you are or have been among these skeptics in the past, allow us to persuade you that the time has now come to take ODBA seriously, not just as a defensive play, but as a driver of growth and a gateway to the future.

We'll also show you how broadcast providers can take full advantage of this opportunity without the need for large teams or major financial outlay.

But first, let's look at the "why."

The changing definition of radio

As we explored in our related report [The Future of Audience and Revenue Study 2021](#), conducted in association with SmithGeiger Group, non-broadcast audio competitors such as Spotify, Pandora, and independent podcasters now share the category of "radio" with traditional incumbents.

Whether this is a good or a bad thing depends on what you make of it. Using consumers' definition, *radio* has never been more popular.

As part of our The Future of Audience and Revenue Study 2021, we asked focus groups **"When I say 'listening to the radio,' what does that mean to you?"** The answers were enlightening.

"Spotify." When asked why: "Because I can just click on it and listen to anything I want."

"In the car, it's FM radio...at home, it's probably streaming on the laptop. Pandora or podcasts."

"Before the pandemic, [radio meant] AM/FM radio because I was commuting every day. Now that I'm working from home, it's usually internet radio...I use Amazon Music to listen to various music radio stations and occasionally podcasts."

"SiriusXM. I also use Spotify."

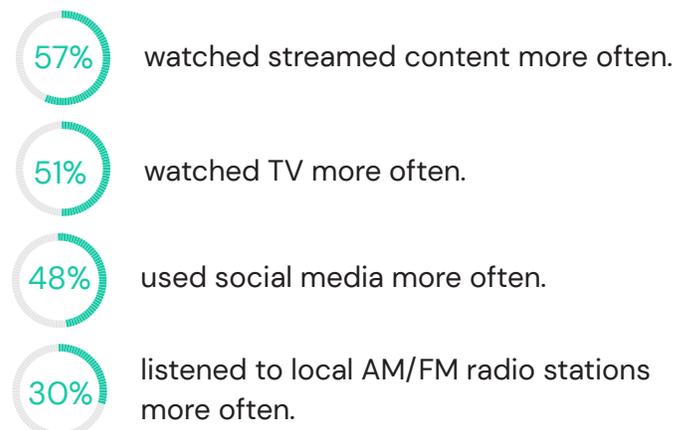
This also speaks to the need for new inventions related to repurposing, producing, and distributing broadcast audio on digital and social platforms — taking broadcast audio beyond the traditional AM/FM platform. This is an area where Futuri has been engaged in R&D and new technology development for many years.

Increasingly, consumers want to be able to dictate when, where, and how they consume content, which includes the ability to "sample" before they commit. This is a level of control they have grown accustomed to through services like Netflix, Hulu, and YouTube, and is very much all younger media consumers have ever known. ODBA helps broadcast media adapt to this new landscape.

Content has never been in higher demand

As Futuri's recent study with SmithGeiger Group also found, the demand for content is increasing dramatically.

Even between Q1 and Q2 2021 usage figures trended higher, with streamed content growing most aggressively. TV and social media also saw a larger boost in usage than AM/FM radio stations.



The study also found that broadcast radio enjoys a high position of trust in the minds of valuable consumers, remaining the most trusted and primary source of pandemic-related news for the majority (65%) of HHI \$100k+ Americans. Local radio was the most trusted audio or print platform for all demos except 18-24, where it tied for third. (For more detail on this data, download [The Future of Audience and Revenue 2021](#)).



The decline of the commute (“Dude, where’s my radio?”)

Beyond its clear impact on public health, one of the many second-order effects of the pandemic has been the decline of the daily commute, as remote working has increasingly become the norm. This has had material implications for radio listening behavior.

It has been assumed that fewer commuters or shorter commutes would have an immediate material impact on radio listening. However, Nielsen and Futuri show that this is not necessarily true for stations who are using ODBA as part of their content/audience strategy.

In-home listening has traditionally accounted for a minority of consumption, and has been further challenged with the disappearance of AM/FM radio devices like old-school alarm clocks outside of the car itself (even in the car, connected dashboards have become the norm).

While nearly every major radio brand has a station stream, making it possible to access live programming on computers, smart speakers, and other at-home devices, not every radio brand has an ODBA strategy that gives audiences the ability to access quality broadcast content *when* and *how* they want.

Coupled with that, consumers working from home who no longer commute are more likely to sleep later or become distracted with domestic tasks, meaning that their presence can no longer be relied upon during the established hours for drive-time content.

Even a slight increase in the barrier to listening is enough to impact figures in a negative direction. Work is needed to regain this formerly ‘captive’ market.

The Challenge (and a Solution)

By now, most broadcasters have bought into the idea of ODBA in principle. The notion that live content isn't worth repurposing is antiquated and displays a lack of confidence in both talent and programmers. Sure, it makes no sense to time-shift time and temp, but lots of breaks are gold — that's why we invest in talent!

That said, many broadcasters are held back or discouraged by the perceived additional effort and headcount involved, which is not feasible in an age of constrained budgets.

The barriers to entry are real

Don't get us wrong – we get it. In the past, agile audio content creation hasn't been feasible for organizations below a certain scale, for good reasons:

Complex processes: Standard approaches to audio content creation contain multiple steps and involve an ensemble of software solutions that require expertise to use effectively — or even at all. The barriers to entry — in terms of cost and skilled resources — are prohibitively high for a lean outfit with an already over-allocated staff.

Slow speed-to-market: The majority of quality content is not evergreen. The quicker it gets to market, the more valuable it is to both the listener and the station that produces it. The need for quality controls, in combination with cumbersome, over-complex workflows, means that the return on effort can be diminished, and much value is lost.



These challenges *are* real, but not insurmountable. They stem from the clunky and limited nature of technologies and workflows currently available.

For stations that do decide to pursue a true ODBA strategy (vs. posting only occasionally, or posting long, unedited clips that are unlikely to keep audiences listening), picking the right solution is important, not only because it has the potential to **save countless hours** in preparing and managing content, but also because it will determine how effective the content is in terms of reach and impact.

With radio teams experiencing sharp reductions in content staff in recent years, even potentially lucrative initiatives must be judged primarily in terms of speed and efficiency.

INTRODUCING POST

In the early 2010's, seeing the growing opportunities in on-demand audio and believing firmly in the value of broadcast radio content, Futuri started development of a unique and proprietary software solution that could help content teams to quickly, perhaps even automatically, maximize their audio across multiple platforms. Since then, some technology providers have attempted to offer capabilities related to producing or publishing broadcast audio on digital and social platforms, but they have generally proven to be too cumbersome to use.

This study proves that POST's proprietary and unique interface, integration into broadcast audio systems, and integration into social and digital platforms yields uniquely positive results compared to other systems and approaches to ODBA.

"I've used a number of different podcast platforms over the past 15 years, and none of them can match **POST's ease of use, depth of features, and outstanding customer support.** When it comes to the creation of our daily A&G on-demand podcast, we need a platform that allows us to produce an episode within minutes. POST figured out the robust production process that I've ever used, combining file creation, spot placement and even the means to make YouTube-friendly video in an intuitive workflow. **Easy. Fast. Essential. Simply stated, POST is a mandatory tool in the Armstrong & Getty toolbox.**"

— Mike Hanson

*Program Director, iHeartMedia Sacramento KTSE-AM
and Executive Producer of the Armstrong & Getty Show*

POST helps broadcasters maximize the opportunities of on-demand content – both ODBA and original podcast content – *without* having to hire a team of dedicated producers.

POST enables on-air talent, producers, and digital teams to edit, package, and publish PPM-encoded on-demand audio efficiently and effectively. **While no one could have predicted the sudden shift to work-from-home/broadcast-from-home that the pandemic instigated, Futuri envisioned a future where content creators wouldn't be tied to a studio — that's why we proactively developed POST to work in the studio or remotely.** Let's take you on a brief tour of how it works.

The visual logger

While other systems make you hunt through hours of audio to find the content you need, POST's visual logging system automatically organizes your audio content by segment, complete with metadata. This means you have access to your best content via instant search; whether you are producing ODBA or podcasts, pulling content for best-of shows, airchecks, or even sales proof of performance materials.

The audio editor

Having assembled the content you need, POST provides an intuitive visual interface that allows you to edit, add effects and chapter markers, and tag the output for enhanced discoverability on social media platforms. The audio editor is optimized for user experience, and the creative process takes seconds, not hours. As it should – with the right tools.

Integrations and analytics

While simple to use, POST contains all the bells and whistles you need to run a professional audio operation. This includes integrations to ensure wide, instant, and continuous distribution (Social Media, RSS), together with key analytics to enable you to track engagement, clip by clip, in real-time!

Easy to switch to

Crucially, POST is designed so that you can migrate content seamlessly from other platforms, all at the click of a button. Best practices and white-glove client support are also on hand to ensure a smooth onboarding (although we've worked hard to make sure you probably won't need them).

POST is patented

In line with Futuri's track record for aggressively protecting its intellectual property, we're also pleased to announce that the patent which covers one of the core time-saving POST features – the ability to automatically slice and convert existing audio into multiple formats for multiple platforms – has recently been published. This patent adds to Futuri's diverse portfolio of technology patents, protecting a broad range of methods related to POST, including broadcast automation integration on-premise and in the cloud, automatic detection of copyrighted material, and audio editing in a browser or cloud-based system. Patent protection is among many methods that Futuri acts to protect its intellectual property and to ensure the ability to extend its proprietary methods, services and brand recognition exclusively to its broadcast partners.

POST is a perfect balance between ease of use (saving teams precious time) and functionality (ensuring quality and engagement). And because POST users experience drastically shorter times to the market, more content is pushed out faster and in a more polished state. Hence higher engagement follows naturally!

Futuri's POST system and its patented features are a vital tool for any broadcaster who wants to maximize the opportunities of ODBA.

Reach out to our team for a customized POST demo

 partner@futurimedia.com

 877.221.7979 x2

Learn more at

[FuturiMedia.com](https://www.futurimedia.com)

Deeper Dive

What The Nielsen On-Demand Broadcast Audio Data Showed

Let's dive into the data on the listening profile of ODBA listeners. We'll get a better understanding of this emerging consumer base and how POST's premier content creation system can help you reach them.

The results painted a picture of a consumer market that is:

Still likely to tune into broadcast content originally aired in morning slots, even if changes in daily routines make it inconvenient to listen live.

Implication: Broadcast content is still good! Listeners just want it at different times. Declines in listening figures to broadcast content do *not* reflect on the content itself, but the changing life patterns of the listeners. This is good news!

Increasingly likely to listen 'at home', where they are more likely to be interrupted or need to work shows around their schedule rather than vice versa.

Implication: Broadcasters can use ODBA to increase at-home listening. Time-shifted is the only solution that allows providers to reach this audience by giving them the flexibility they need and increasingly expect.

Filled with consumers who can and do pay for content (so they expect quality), but with earning power comes busy, inflexible schedules.

Implication: ODBA could be a cornerstone of a future subscription-based strategy (pay to listen to archived shows). Broadcast providers who prioritize this important listener base have the potential to earn a substantial return by developing new revenue streams with ODBA.

PPM and AQH credit: Know the guidelines

PPM: For encoded stations, in order to get PPM credit for On-Demand Broadcast Audio, a listener must be exposed to the audio within 24 hours of its original air time. ODBA insight: Speed wins.

AQH: In order to get AQH credit, a listener must be exposed for 5 minutes within a 15-minute period. ODBA insight: Use light edits to keep content tight and audiences listening longer.

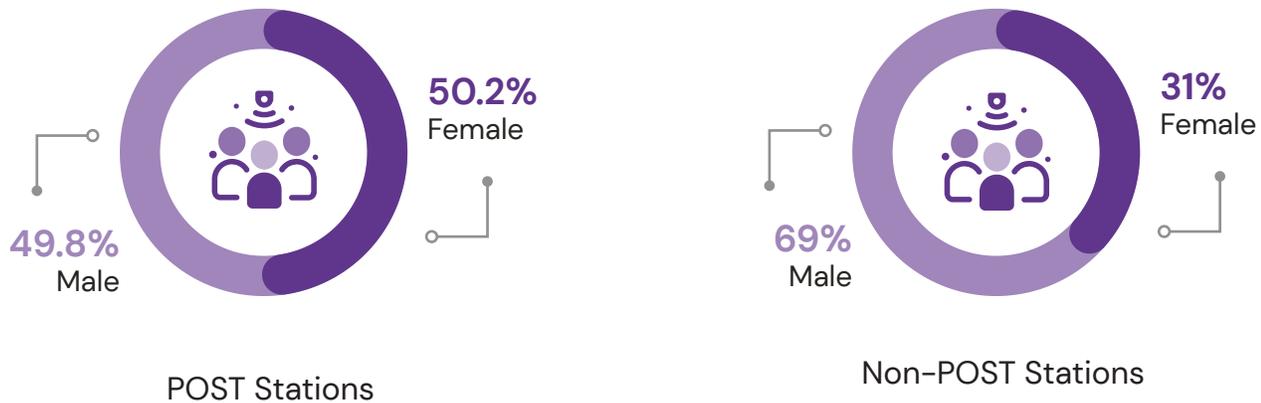
Source: Nielsen Audio, time-shifted minute level data, PPM Metro markets, January 2020–August 2021 ratings periods.

Income-rich but time-poor

The data indicate that roughly half of all time-shifted listening is taking place in the peak-earning 35–54 age group (median age 45), with only 6% aged 17 and under. More than ¾ of time-shifted listeners are employed.

Digging further into the data, we see that **gender of listeners to stations using POST was balanced** (50.2% Female vs. 49.8% male – in line with the general population), **compared to non-POST stations**, where the skew was noticeable towards male listeners (39% Female / 61% Male). This indicates that an efficient and effective ODBA creator allows you to reach a broader listening group, and hence a more balanced demographic.

Gender Classification



Top markets for On-Demand Broadcast Audio listening

| |
|-------------|
| Detroit |
| Minneapolis |
| New York |
| Cleveland |
| Boston |
| Atlanta |
| Seattle |
| Los Angeles |
| Sacramento |
| Chicago |

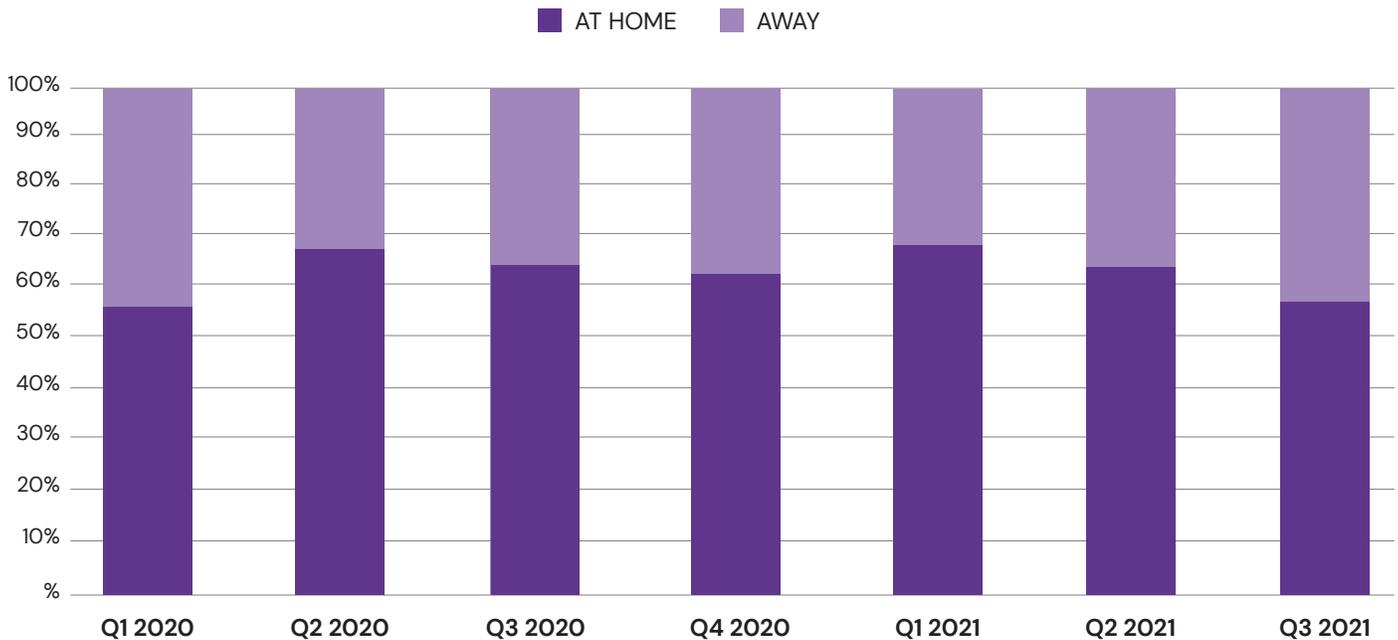
Interestingly, the top 10 markets in this list do not correspond with the largest markets in the US, implying genuine regional variation in the tendency to consume on-demand content. For individual providers, this implies that further market research is warranted prior to launch in order to validate demand, which may diverge from national averages.

Source: Nielsen Audio, time-shifted minute level data, PPM Metro markets, January 2020–August 2021 ratings periods.

Listening at home

The data also revealed that **the majority of ODBA listening – almost two-thirds – took place at home (63%) versus OOH (37%)** as measured over the entire 21-month research period.

Total Time-Shifted Minutes (PPM) By Location



This finding is important, as it runs counter to the previous long-term trend of radio being an increasingly *out-of-home* experience. It confirms that ODBA has the potential to step in and meet demand that would previously have been addressed by the morning commute.

It furthermore underlines the importance of finding a solution such as POST that enables stations to rapidly re-purpose content for the at-home audience that would previously have tuned in via the car radio.

Just offering time-shifted content is not enough – quality and speed-to-market matters. How else are you going to compete with the laundry, the Amazon delivery man, or the family pet?

And the data showed that when it comes to fending off distractions, POST delivers!

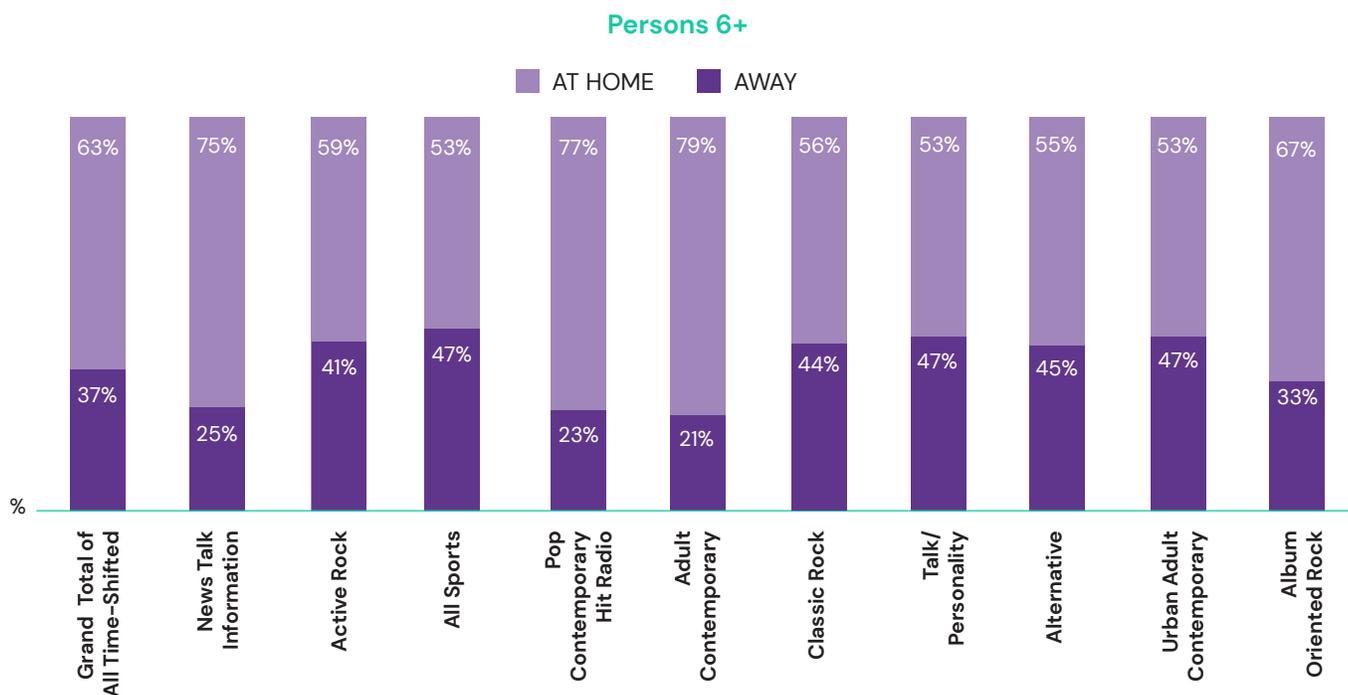
The average listening time for an ODBA segment for stations using POST was nearly 30% higher than those not using POST.

The average length of listening sessions for stations using POST was 7.18 minutes vs. 5.63 minutes for stations not using POST. This shows how POST's combination of ease, speed, and patented functionality make for content that is fresh, timely, and engaging. With the visual logger and audio editor, it's fast and easy to edit together your best content, make slight adjustments if necessary, and deliver a quality listening experience that keeps audiences engaged. It also shows how the tools can make or break the success of the content.

Source: Nielsen Audio, time-shifted minute level data, PPM Metro markets, January 2020–August 2021 ratings periods.

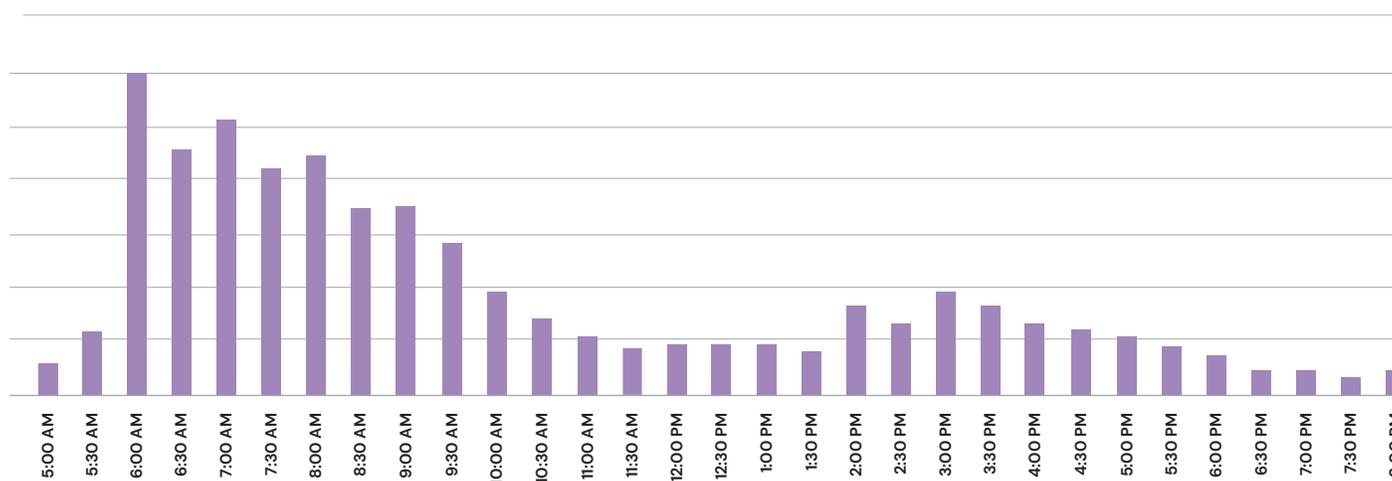
It's (also) about the music

In the case of at-home listening, we can see that three of the top five preferred formats are music, with CHR and Adult Contemporary (AC) noticeably over-index. In other words, ODBA isn't just for spoken word – music formats have a relatively high volume of activity. Also, 70% of all ODBA listening is from stations on the FM band.



The chart below reveals that **60% of listening to ODBA content comes from broadcasts originally aired during the morning drive period (6am-10am).**

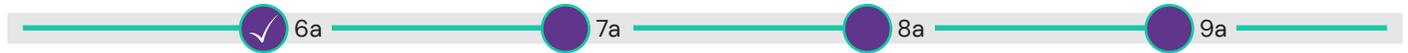
Total CREDITED TS Minutes by Half-Hour



Source: Nielsen Audio, time-shifted minute level data, PPM Metro markets, January 2020–August 2021 ratings periods.

The top formats are, in order, Adult Contemporary (6a), Active Rock (6a), All Sports (6a), Pop Contemporary Hit Radio (7a), and News/Talk/Information (9a), clearly skewed towards the early morning commute.

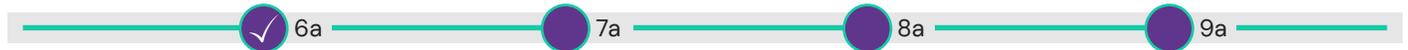
AC: 6a



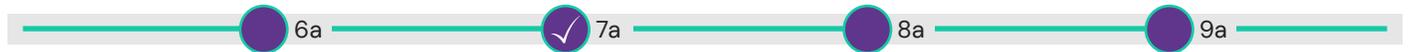
Active Rock: 6a



All Sports: 6a



Pop CHR: 7a



News/Talk/Information: 9a



To reiterate the point made above, the right content is important, but can only achieve its potential if delivered rapidly (as soon as possible after the broadcast hour) and without discernible loss of quality. This requires a system that is not only functional, but exceptional.

Here again, the numbers speak for themselves: **stations using POST were over 5x more likely than non-POST stations to have on-demand PPM broadcast audio minutes captured by Nielsen**, showcasing the efficacy of its unique patented system in fulfilling the potential of premium content.



Source: Nielsen Audio, time-shifted minute level data, PPM Metro markets, January 2020–August 2021 ratings periods.

The Opportunity

If handled correctly, responding to this challenge need not be a simple case of damage limitation or catch-up. Radio stations with solid content can regain audiences, expand their reach, and monetize their value by leaning into the shift in consumer behavior towards on-demand.

The future is (potentially) bright

As seen above, consumers have maintained a high level of trust in local radio, which has weathered the storm of creeping disillusionment with institutional media dating back to the financial crisis.

In other words, it is not a question of fundamentally re-engineering the product, but re-imagining how we distribute and monetize it to match today's media consumption habits, especially among younger, digital-native audiences.

The main problem to solve is not content but control. Re-orienting to more consumer-driven methods of content delivery should be the focus for local radio stations with a good track record of engagement up to now.

It's not *just* about original podcasts!

To be sure, creating podcasts and dedicated on-demand content is an important part of the long-term roadmap.

An effective on-demand strategy for radio should include both quality ODBA content and original podcasts, allowing on-air talent to deepen relationships with listeners via longer-form audio and discover new and different monetization options.

That being said, even with the best software in the world, new content creation requires time and resources that many teams don't have immediately on hand, particularly in the light of ongoing rationalization initiatives by newly consolidated entities.

In the near term, ODBA is in many ways a more cost-efficient and less effort-intensive approach than podcasting. Because it relies on material that is "good to go," stations with the right tools can deploy an ODBA strategy rapidly without the need for more staff, content, or strategic reappraisals.

Source: Nielsen Audio, time-shifted minute level data, PPM Metro markets, January 2020–August 2021 ratings periods.

Next Steps

Obviously, an editorial decision is needed as to what content is worth re-releasing in an on-demand format. This need not be time-consuming, as there are certain segments that are clearly valuable which can be earmarked for re-release without the need for ongoing discussion.

Making the most of existing content using ODBA is a question of minimizing the effort to repurpose the audio material. This comes down to finding software that makes the process – editing and parsing broadcast audio, packaging with valuable, discovery-enhancing metadata, and publishing to several platforms – efficient and effective.

POST's unique, patented technology, specifically designed for easy, fast, and efficient editing, packaging, and publishing, can help stations capture opportunities uncovered in our research with SmithGeiger Group and validated in our studies with Nielsen without needing to add a new department's worth of new staff.

While the current impact of On-Demand Broadcast Audio on PPM ratings may be small, it's important to keep two things in mind:

- On-Demand Broadcast Audio is growing, and every little bit counts.
- On-Demand Broadcast Audio presents a no-brainer opportunity to engage audiences wherever they consume media. It drives people back to your station, increases your content ROI, and helps create a truly omni-channel brand.

The demand is proven, the tools are ready, and the time to shift...is now. **Inaction is not an option.**

On-demand broadcast audio vs. original podcasts – what's the best mix?

We talk with a lot of broadcasters who ask if this is an "either-or" thing. "Should I time-shift my broadcast audio, or should I focus my energy on long-form podcasts?"

Well, it's not either-or. An effective local podcasting strategy for a radio station includes both On-Demand Broadcast Audio podcasts and original podcasts. The former enables you to increase your content ROI and consistently, efficiently produce a high volume of quality content, and the latter gives you a longer-form outlet for content that can deepen audiences' affinity for your brand. Both present attractive revenue opportunities.

This dual strategy is a good blueprint for podcast success. And conveniently, POST can handle both types of content!

Reach out to our team for a customized POST demo



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