

Is Anyone Listening?

Audience and Media Factors Influencing Radio Ad Avoidance

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Abstract

Marketing managers aiming to grow their brands by increasing brand penetration are advised to reach as many category buyers as possible with their brands' advertising (Sharp 2010). Radio continues to be a high-reach advertising medium, but as with TV ratings, radio audience ratings may overstate reach and exposure quality. Ad avoidance benchmarks allow advertisers to convert radio ratings from an *opportunity-to-hear* to a lower number of customers effectively reached with sufficient exposure. The current ad avoidance benchmark for radio advertising is that up to a third of the program audience, between 22% and 32% (Generali, Kurtzman & Rose 2011), is lost due to switching stations when the ads come on. This thesis updated this radio ad avoidance benchmark, using the latest, most accurate means of measuring the radio audience, the portable people meter (PPM). This new benchmark could be used by academics and managers in models of radio advertising exposure quality (Romaniuk & Gugel 2010).

The overarching examination by this thesis is derived by two models related to mechanical radio avoidance. Firstly, as a general theory on acts of persuasion, Friestad & Wright's (1994) Persuasion Knowledge Model (PKM) provides reasons for either accepting or rejecting advertising. Secondly, advertising avoidance within the context of radio and television is outlined by Webster, Phalen and Lichty's (2000) audience behaviour model suggesting media and audience factors that affect mechanical avoidance.

A multi-methods approach was applied using two datasets (PPM data and survey data) from Vancouver, British Columbia, in Canada. The survey data was used to explain the avoidance behaviour identified in the PPM data. As well as identifying the average rate of radio ad avoidance, this thesis aimed to better understand the variables that influence this rate. Based on Webster, Phalen and Lichty (2000), a framework was developed to investigate the audience and media factors that affect radio advertising exposure.

This thesis is the first academic study to test hypotheses related to radio ad avoidance using electronic-metered (PPM) data. The key finding was a much lower benchmark for mechanical avoidance: 3%, about a tenth of the current benchmark. This level is slightly less than, the 5% level of mechanical avoidance reported by TV studies (e.g., Danaher 1995; North & van Meurs 2004). The variables with the largest effects on this average rate of avoidance were two media factors, program content and location of listening. Ad avoidance was higher on music stations and when listening out-of-home, where switching is easier (e.g., in a car). A new insight is lower mechanical avoidance occurred for ad

breaks scheduled close to news bulletins. A media factor variable identified for the first time by this thesis was an inverse-U effect of ad-break duration. Avoidance is lower for short breaks (e.g., under 4 ad-units) or longer breaks (e.g., over 8 ad-units). As with TV advertising (Danaher 1995), ad avoidance is highest for radio ads in the middle of an ad break (e.g., ad position three). Another key finding was that radio ad avoidance is steady throughout the day (breakfast, daytime, drive-time, and evening), but for some listeners is higher in the morning. Although no audience factors had large effects on avoidance, an interesting finding was the impact of light listeners on mechanical avoidance. Light listeners enter and leave the radio audience as-if-randomly throughout the day, but are more likely to be present when the total audience is at its largest, typically earlier in the day. Furthermore, peak alertness for individuals coincides with peak mechanical avoidance in the middle of the day.

This thesis extends auditory complexity (contrast) theory from research on the orienting reflex (Potter & Choi 2006) to explain the effect of music content on radio ad avoidance. Another academic contribution advances affordance theory (Warren 1984), whereby close proximity to a radio device (e.g., car radio) increases station switching. Uses and gratifications theory (Katz, Blumler & Gurevitch 1973) is suggested as a potential explanation for why ad breaks scheduled close to news bulletins had less mechanical avoidance. Reactance theory explains why longer ad-break duration and greater advertising clutter is more irritating and elicits higher rates of ad avoidance. The influence of light listeners (Barwise & Ehrenberg 1988) and alertness (Hossain & Saini 2014) help further explain ad avoidance behaviour.

The principal application suggested by these findings is that advertisers can use radio to target all buyers at any hour. This thesis contributes in several ways to our understanding of ad avoidance and provides a basis for upholding the choice of radio advertising to build brand salience. For example, the likely impact of smart speakers making it easier to switch stations and how this may change the level of ad avoidance at home. Owing to radio's extremely low mechanical avoidance rate, documented by these extremely accurate PPM data, advertisers can now confidently believe that radio has very high unduplicated reach quality.