

The Media Audit

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Insights for Today's Changing Media and Consumer Marketplace

Internet & Media:

Web Usage 29% of Typical Media Day- Up 62%



According to a newly released National Report from The Media Audit, U.S. adults now spend an average of three hours and seventeen minutes per day online, compared to two hours and two minutes per day a year ago, a 62% increase. As a result, the Internet now represents 29% of the typical media day for U.S. adults, when compared to time spent with TV, radio, newspaper, and outdoor media such as billboards. The study, which was conducted across 88 U.S. markets between January 2007 and March 2008, also revealed for the first time that adults are spending more time with the Internet than with radio. The average U.S. adult now spends 160 minutes per day listening to radio, or two hours and forty minutes, a figure that has remained unchanged from the previous year. Although time spent listening to radio has remained unchanged over the past two years, the same report revealed that currently 14.2% of U.S. adults visit a radio web site in a typical 30-day period, many of whom are likely streaming radio content.

Adults continue to spend the most amount of time watching television during a typical day. According to the report, adults spend 222 minutes per day, or three hours and forty-two minutes, a figure that has also remained flat since the previous year. However, television as a percent of the total media day has shrunk from 36.5% in 2006 to 32.7% in 2007.

The Internet's explosive growth has yet to show any signs of slowing. Last August, The Media Audit reported a 78% increase in internet usage between 2005 and 2006 when U.S. adults increased daily usage from a mere 69 minutes per day to 122 minutes. At that time in 2005, the Internet represented only 12.3% of the typical media day for U.S. adults and grew to 20% in 2006.

Currently, radio represents 23.5% of the typical media day for

U.S. adults (down from 26.8% in 2006), while newspaper represents 7% (down slightly from 7.7%) and outdoor represents 7.9% (down from 9%). Time spent with outdoor media is based on a formula combining miles driven in a typical week and average speed.

According to Online research firm Borrell Associates, local online ad spending is predicted to reach \$12.6 billion in 2008, largely driven by a demand for paid search advertising. Among the top three advertising categories for local web sites are automotive, recruitment and real estate with the likelihood of political advertising to heat up this summer.

Even more significant among the findings is the percent increase among Hispanics and African Americans who use the Internet. The average time spent on the Internet among Hispanics is now 203 minutes per day, a figure that now exceeds the average for all U.S. adults. The figure represents an 81% increase since 2006 when Hispanics spent only 112 minutes per day online. The average time spent on the Internet among African Americans is now 226 minutes per day, also higher than the average for all U.S. adults. This figure represents a 93% increase since 2006, when the average time spent Online for African Americans was only 117 minutes per day.

Among the top markets for heavy internet usage are San Jose, California, where 44.4% of adults are heavy users, followed by

U.S Internet Users	
3hrs 17min	Average time spent per day online for all US adults
93%	Percent Increase in Online Usage Among African Americans
81%	Percent Increase in Online Usage among Hispanics
29%	Percent the Internet Represents of a Typical Media Day
Source: The Media Audit 2007 National Report, increases from 2006 to 2007	



In Brief

Telecommunications Trends:

Cable Telephone Service Increases by 28%



According to a new data from The Media Audit, the percent of U.S. adults who receive home telephone service from a cable company is on the rise. Among U.S. adults, 15% currently receive

telephone service from a cable company, up from 11.7% a year ago. Conversely, the percent of adults who receive home telephone service from a phone company is 77.1%, down from 81% a year earlier.

The consumer trend is likely the result of the seemingly perpetual marketing frenzy between cable and phone companies to grab each other's customers, thus escalating the ad war. From AT&T to Verizon to local cable and even satellite companies such as the Dish Network and DirecTV, all are vying for customers who are willing to pay for bundled services or else abandon their current provider for a more lucrative offer. Meanwhile, companies such as Verizon who have been traditionally known for delivering broadband and wireless

services to consumers in major markets now offers a TV service under the FiOs brand name that is beginning to compete with local cable and satellite operators.

The news of increased competition means greater potential revenue opportunities for national and local media, especially in areas where major battles have been waged.

According to The Media Audit, the markets with the highest percent of cable telephone subscribers are Omaha, Nebraska, where 57.8% of the market's population subscribes to a cable telephone service, followed by Phoenix (37.2%), Norfolk-Virginia Beach, Virginia (36.4%), San Diego, California (34.7%), and Oklahoma City, Oklahoma (31.1%).

Other top markets for cable telephone service include Long Island, New York (29.7% have cable telephone service), Hartford, Connecticut (29.4%), Albany, New York (27%), Allentown, Pennsylvania (25.3%) and Syracuse, New York (24.8%).

For more information on telephone, cellular phone, cable, and high speed internet consumers, contact The Media Audit.

Dining out:

Frequent Diners Favor Warmer Climates



According to The Media Audit, 13.5% of U.S. adults are considered frequent restaurant diners, eating out at a full service restaurant four or more times in a typical two week period. This figure is down slightly from 14.1% a year earlier.

Many of the top markets for frequent restaurant diners have one thing in common – a relatively warm climate. San Antonio, Texas ranks as the number one market for adults who frequently dine out. According to the 88-market survey, adults

in San Antonio are 38% more likely than the average adult to frequently dine out. Fort Myers-Naples, Florida ranks second (36% more likely), followed by Lexington, Kentucky (36% more likely), West Palm Beach, Florida (34% more likely), and Greensboro-Winston-Salem, North Carolina (32% more likely).

Rounding out the top ten markets for frequent diners are

Wilmington, North Carolina (adults are 31% more likely to frequently dine out), followed by Miami-Ft. Lauderdale, Florida (29% more likely), Columbia, South Carolina (27% more likely), Oklahoma City, Oklahoma (27% more likely), and Orange County, California (25% more likely).

Among all adults, men are 14% more likely to dine out while women are 13% less likely. Empty-Nesters who are older than 45 years and have no children living at home are 50% more likely to dine out. Busy adults earning \$75,000 or more who have kids living at home are 22% more likely. These consumers are defined by The Media Audit as Affluent Full Nesters.

Business owners, partners and corporate officers are the most likely to dine out (81% more likely), followed by real estate brokers (62% more likely), sales persons (56% more likely), adults occupied in legal professions (50% more likely) and adults occupied in the sciences such as engineers, architects and physicians (49% more likely).

Measuring the Market

Concert Season:

Reno, Omaha, Long Island Top Concert Markets



According to the new 2007 National Report, Reno, Nevada ranks as the top market for adults who attend rock or pop music concerts. Among the market's nearly 350,000 adults, 29.7% have attended a

concert in the past twelve months, compared to the national average of 20%. As a result, adults in Reno are 49% more likely to attend concerts compared to the average U.S. adult. Omaha, Nebraska ranks second in the survey with 29.5% who have attended a concert in the past twelve months, followed by Long Island, New York (26.5%), Denver, Colorado (25.3%), and Albany, New York (24.7%). The surveys were conducted in 88 U.S. markets between January 2007 and March of 2008.

Las Vegas, Nevada ranks sixth with 23.5% of adults who attended a concert in the past year, followed by Buffalo, New York (23.4%), Boston, Massachusetts (23.2%), Seattle, Washington (22.8%), and Orange County, California (22.6%). Among all U.S. concert goers, 54% are male, while 46% are

female. The average age for concert goers is 39 years. Among U.S. concert goers, they are 33% more likely to be heavy internet users, spending 430 minutes or more per week online, and they are 20% more likely to be heavy outdoor users, driving 200 or more miles in a typical week. Concert goers are also 15% more likely to be heavy radio listeners, spending 180 plus minutes per day listening.

The analysis further reveals that U.S. concert goers are more likely than the average adult to be in the market for new vehicles, be planning to remodel a home, and to purchase various consumer electronics such as stereos, MP3 players, computers, and video equipment. According to the report, 37.5% of concert goers plan to purchase a new vehicle in the next 12 months (38% more likely than the average adult), while 25% plan to remodel their home in the next 12 months (26% more likely than the average adult). Concert goers are also 54% more likely to be planning the purchase of stereo equipment including MP3 players or iPods, 37% more likely to be planning the purchase of video equipment, and 39% more likely to be planning the purchase of a computer. The consumer information can be particularly useful for concert promoters and venues offering sponsorship opportunities for local events.

Donuts to Dollars:

Regional Magazine Recruits Unlikely Advertiser



With nearly 6,000 franchised restaurants across the U.S., Dunkin' Donuts is now the number one retailer of coffee-by-the cup in America, selling 2 million cups a day, or 800 million cups per year. Based in Canton, Massachusetts, the company recently launched a national ad campaign based on true customer stories to reveal the great lengths people go to for Dunkin' Donuts coffee. The ads have appeared in television commercials, radio,

print and outdoor billboards.

Jim Hackett, Senior Account Executive for Boston Magazine, along with his creative department, developed a unique, customized branding opportunity that would localize the Dunkin' Donuts theme and get the attention of local media buyers to consider buying ads in a city magazine.

Featuring local Bostonians, the proposed ad campaign included a combination of print, web site and e-newsletter branding and promotion, and an online sweepstakes contest. Subjects for the ads were either nominated or self-nominated with the winners receiving free coffee for a year. In addition, Hackett used data from The Media Audit to show the similarities between Dunkin' Donuts customers and Boston Magazine readers and compared the strengths of the publication's reach relative to other top local radio stations.

As a result, Hackett secured an 18 month deal that to date has netted over \$200,000 in new business. "I've been able to use The Media Audit with lots of success. It's a staple of my proposal diet," states Hackett. "The information from The Media Audit that I sourced helped me in both pursuing and closing this business." Hackett's submission is part of a monthly sales contest in which users of The Media Audit are invited to submit a short story and presentation on how they used The Media Audit to close business. Hackett is the May winner.

Facts 'n Stats

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Washington, D.C. (42.9%), Ann Arbor, Michigan (42.4%), Atlanta, Georgia (41.1%), and Austin, Texas (39.6%). San Francisco, California ranks sixth in heavy internet usage with 39% who are heavy internet users, followed by Dallas-Ft. Worth, Texas (38.8%), Miami-Ft. Lauderdale, Florida (36.8%), Norfolk-Virginia Beach, Virginia (36.1%), and Denver, Colorado (36.1%). Heavy internet users are defined by The Media Audit as having spent 430 minutes per week online. Among all U.S. adults, 32.7% are considered heavy internet users.

African Americans now index above the national average for the first time and are 9% more likely to be heavy internet users. Among all heavy internet users in the U.S., the average age is 39 while the average age for heavy internet users who are African American is 36. Among Hispanics who are heavy internet users, the average age is 34.

The Media Audit is the most comprehensive source for

The Media Audit

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measuring audiences of national and local web sites, including adults who visited web sites in the past 30 days, past week, and yesterday. Currently, The Media Audit measures more than 1,500 local media web sites across 88 U.S. markets, most of which are TV, newspaper, radio, public radio and television, city regional magazines, business publications and alternative newsweekly web sites.

For more information on The Media Audit 2007 National Report or the National Internet Report, contact Phillip Beswick.

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