

Day 13

Why does Radio work?

1. Radio offers efficient targeting
2. Radio reaches people at relevant times and places
3. Radio reaches out in an ad avoidance world
4. Radio has a "multiplier effect" on other media
5. Radio creates a large "share of mind" for a brand
6. Radio drives response, especially online
7. Radio is "a friend"

It's local, emotional and personal
It's flexible
It's immediate and can reach listeners at any day of the week or any time of the day
It's transportable - take it everywhere with you
It's intrusive - you can't close your ears!
It remains one of the most cost effective ways to advertise



pepsi refresh project

DO GOOD FOR THE GULF

For one month, the Pepsi Refresh Project is committing an additional \$1.3 million towards ideas that refresh the Gulf.

[GET INVOLVED](#)

VOTE TO REFRESH AMERICA

Pepsi is giving away millions in grants to refresh individuals and communities.

[BROWSE IDEAS & VOTE](#)

every  refreshes the world

The Fallout

The results are now in. It has been a disaster.

“Pepsi-Cola and Diet Pepsi have each lost about 5% of their market share in the past year.”

“For the Pepsi-cola brand alone this represents a loss of over \$350 Million. For both brands, the loss is probably something in the neighborhood of \$400 Million to a Half Billion dollars.”

“For the first time ever Pepsi-Cola has dropped from its traditional position as the number two soft drink in America to number three (behind Diet Coke)”

In 2010, Pepsi’s market share erosion accelerated by eight times compared to the previous year”

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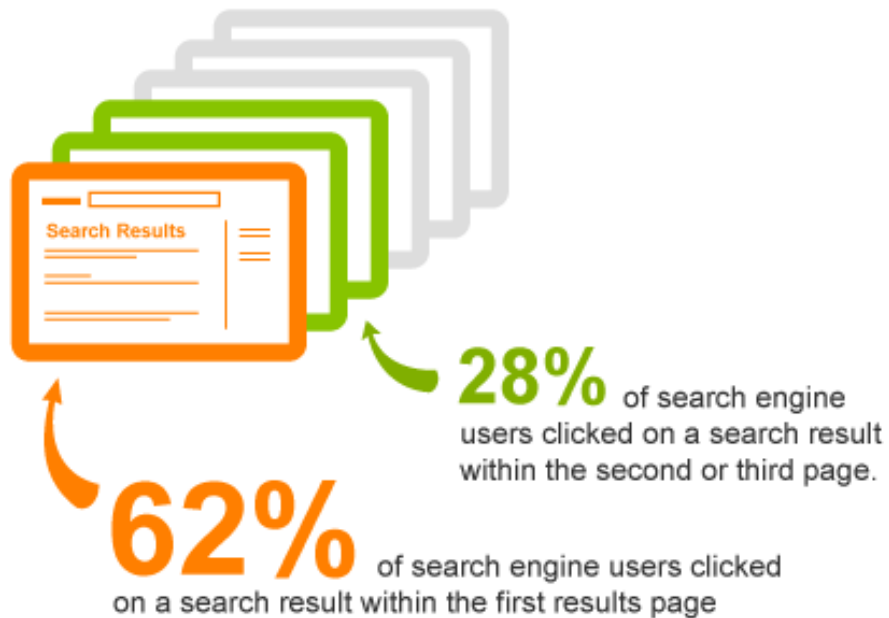
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Search Engine Click-Thru Behavior



Source: 2006 iProspect Search Engine User Behavior Study
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Radio Cost per Click

Market of 100,000 people

A Station with a "6" rating

6000 people

3 Hrs Listening per day, 5.3 Hrs on Weekend +/- 1:30 TSL

8 Ads SHOULD equal about 3 Impressions on audience

18,000 Impressions for \$80 (\$10 per ad) = **4/10 of 1 cent per Impression**

Search Engines are the new _____

When no business comes to mind... Search Engines come into play.

Internet ads are not intrusive.

Internet ads are difficult to target

Click Through rates (full impressions) are **EXPENSIVE**
compared to Radio

