The Infinite Dial
2014

edison research
#infinitedial
TRITON DIGITAL
Methodology Overview

• In January/February 2014, Edison Research conducted a national telephone survey of 2,023 people aged 12 and older, using random digit dialing techniques.

• Survey offered in both English and Spanish languages.

• Both landlines and cell phones were called.

• Data weighted to national 12+ population figures.

• This is the 22nd study in the series dating to 1998.

• These studies provide estimates of digital platforms and their impact on the media landscape based on self-reported consumer behaviors and attitudes.
Online Radio

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Monthly Online Radio Audience Approaching Half of Americans

% Who Have Listened to Online Radio in Last Month

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<tbody>
<tr>
<td>%</td>
<td>17%</td>
<td>16%</td>
<td>15%</td>
<td>21%</td>
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<td>21%</td>
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<td>27%</td>
<td>34%</td>
<td>39%</td>
<td>45%</td>
<td>47%</td>
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</tbody>
</table>

Base: Total Population 12+

Estimated
124 Million

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed audio content available only on the Internet
Three-Quarters of 12-24s and Half of 25-54s Listen to Online Radio Monthly

% By Age Group Who Have Listened to Online Radio in Last Month

- 12-24: 75%
- 25-54: 50%
- 55+: 21%

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed audio content available only on the Internet
Online Radio Reaches Estimated 94 Million Weekly

% Who Have Listened to Online Radio in Last Week

Base: Total Population 12+

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed audio content available only on the Internet
Just Under Two-Thirds of 12-24s Listen to Online Radio Weekly; More Than One in Three Age 25-54

% By Age Group Who Have Listened to Online Radio in Last Week

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed audio content available only on the Internet
Weekly Online Radio Listeners Report
More Time Spent Listening Every Year

Average Time Spent per Week With All Sources of Online Radio
(Hours:Minutes)

<table>
<thead>
<tr>
<th>Year</th>
<th>Time Spent</th>
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<tbody>
<tr>
<td>2008</td>
<td>6:13</td>
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<tr>
<td>2009</td>
<td>6:31</td>
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<tr>
<td>2010</td>
<td>8:02</td>
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<tr>
<td>2011</td>
<td>9:17</td>
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<tr>
<td>2012</td>
<td>9:46</td>
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<tr>
<td>2013</td>
<td>11:56</td>
</tr>
<tr>
<td>2014</td>
<td>13:19</td>
</tr>
</tbody>
</table>

Base: Weekly Online Radio Listeners

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed audio content available only on the Internet
Online Radio Listening in a Car Via Cell Phone Continues Steady Increase to 26%

% of Cell Phone Owners Who Have Ever Listened to Online Radio in a Car by Listening to the Stream From a Cell Phone Connected to a Car Audio System

Base: Own a Cell Phone

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed audio content available only on the Internet
A Significant Number of 12-24s Have Listened to Online Radio in a Car Via a Cell Phone

% of Cell Phone Owners By Age Group Who Have Ever Listened to Online Radio in a Car by Listening to the Stream From a Cell Phone Connected to a Car Audio System

- Age 12-24: 43%
- Age 25-54: 27%
- Age 55+: 10%

Base: Own a Cell Phone

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed audio content available only on the Internet
Vast Majority Say Commercials Are a Fair Price to Pay For Free Audio Content

“Would you say listening to commercials is a fair price to pay for free programming on…”

...AM/FM Radio?
- Yes: 80%
- No: 12%
- Don’t Know: 8%

Base: Weekly AM/FM Radio Listeners

...Internet Audio?
- Yes: 75%
- No: 20%
- Don’t Know: 5%

Base: Weekly Online Radio Listeners
Majority of Online Radio Listeners Say Sound Quality is Better Than “Over-the-Air” AM/FM Radio

“Compared to traditional ‘over-the-air’ AM/FM radio, do you think Internet Audio has…?”

- Better audio sound quality: 59%
- Worse audio sound quality: 9%
- About the same (Volunteered): 21%
- Don’t Know: 11%

Base: Weekly Online Radio Listeners
Among Listeners to Both, AM/FM Commercials Seen as More Plentiful, Intrusive and Relevant Than Online Spots

"Think about your listening to AM/FM Radio stations and Internet Audio. Which one…?"

Has more commercials
- AM/FM Radio: 69
- Internet Audio: 17

Has commercials that are more of an intrusion
- AM/FM Radio: 47
- Internet Audio: 30

Has commercials that are more relevant to you
- AM/FM Radio: 44
- Internet Audio: 32

Base: Weekly Listeners of AM/FM Radio and Online Radio (26% of Total 12+ Population)
Competition Intensifies in the Internet Audio Space as Many Brands Have Significant Awareness

% Aware of...

- Pandora: 70%
- iHeartRadio: 48%
- iTunes Radio: 47%
- Rhapsody: 40%
- Spotify: 28%
- Google Play All Access: 24%
- Slacker: 14%
- Radio.com: 14%
- TuneIn Radio: 10%
- Last.fm: 8%
- Rdio: 5%
- Songza: 5%
- Stitcher: 3%

Base: Total Population 12+
After Launching in September 2013, iTunes Radio Makes an Impressive Debut

% Age 12+ Who Listened in Last Month to...

- Pandora: 31%
- iHeartRadio: 9%
- iTunes Radio: 8%
- Spotify: 6%
- Google Play All Access: 3%
- Rhapsody: 2%
- Slacker: 2%
- TuneIn Radio: 2%

Brands lower than 2% Age 12+ not shown
Percent by Age Group Who Listened in Last Month to…

<table>
<thead>
<tr>
<th>Brand</th>
<th>Age 12-24</th>
<th>Age 25-54</th>
<th>Age 55+</th>
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</thead>
<tbody>
<tr>
<td>Pandora</td>
<td>11%</td>
<td>33%</td>
<td>55%</td>
</tr>
<tr>
<td>iHeartRadio</td>
<td>4%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>iTunes Radio</td>
<td>3%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Spotify</td>
<td>5%</td>
<td>16%</td>
<td></td>
</tr>
</tbody>
</table>

Brands lower than 6% Age 12+ not shown.
Pandora Has a Significant Lead for Weekly Usage

% Age 12+ Who Listened in Last Week to...

- Pandora: 22%
- iHeartRadio: 5%
- iTunes Radio: 5%
- Spotify: 4%
- Google Play All Access: 2%

Brands lower than 2% Age 12+ not shown
Percent by Age Group Who Listened in Last Week to...

- **Pandora**
  - Age 12-24: 23%
  - Age 25-54: 6%
  - Age 55+: 6%

- **iHeartRadio**
  - Age 12-24: 13%
  - Age 25-54: 6%
  - Age 55+: 2%

- **iTunes Radio**
  - Age 12-24: 11%
  - Age 25-54: 4%
  - Age 55+: 1%

- **Spotify**
  - Age 12-24: 43%
  - Age 25-54: 3%
  - Age 55+: 1%

Brands lower than 4% Age 12+ not shown.
Diverse Feature Set is Driving iHeartRadio Usage

% of iHeartRadio Users Who Have Ever Used the Service to Listen to…

- Local area AM/FM stations: 54%
- AM/FM stations outside local area: 39%
- Customized stations: 32%
- Pre-programmed Internet-only stations by music genre: 25%
Four in Ten iTunes Radio Listeners Say the Time They Spend Listening is “New Time”

“Is the time you spend listening to iTunes Radio…?”

- Mostly replacing local AM/FM radio stations (“over-the-air” or online): 18%
- Mostly replacing Internet Radio services such as Pandora/Spotify/iHeartRadio: 14%
- Mostly replacing your CDs/MP3 collection: 11%
- It’s new time; not time taken from radio or CDs/MP3s: 41%
- Don’t Know: 16%

Base: iTunes Radio Listeners
Beats Music, Which Debuted During This Survey’s Field Dates, Has 9% Familiarity

Familiar with Beats Music 9%

Unfamiliar 91%

Base: Total Population 12+

Note: Beats Music launched on 1/21/14, during this survey’s fielding dates of 1/13-2/12, 2014
Two-Thirds of Weekly Online Radio Listeners Listen Via Desktop/Laptop and Via Smartphone

% of Weekly Online Radio Listeners Who Ever Listen Via…

- Desktop/Laptop: 67%
- Smartphone: 66%
- Tablet: 34%
- TV connected to Internet: 12%
- Internet-connected audio system (eg. Sonos): 2%

Base: Weekly Online Radio Listeners

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed audio content available only on the Internet
FM Tuner in Cell Phones Could Lead to Increased Listening Among AM/FM Listeners

“If your cell phone had an FM Radio tuner, would it lead you to listen to FM Radio…?”

**Total Population 12+**
- A lot more than you listen now: 24%
- A little more than you listen now: 25%
- No effect: 49%
- Don't Know: 2%

**Age 12-24**
- A lot more than you listen now: 24%
- A little more than you listen now: 25%
- No effect: 49%
- Don't Know: 3%

Base: Weekly AM/FM Radio Listeners Who Own a Cell Phone
Significant Numbers Use YouTube to Watch Music Videos, Listen to Music

% Who Have Used YouTube to Watch Music Videos or Listen to Music…

- **Ever**
  - Total Population 12+: 55%
  - Age 12-24: 81%

- **Last Month**
  - Total Population 12+: 45%
  - Age 12-24: 74%

- **Last Week**
  - Total Population 12+: 33%
  - Age 12-24: 60%
Significant Usage of Music Choice TV Channels

% Who Have Listened to “Music Choice” Television Channels...

- Ever: 34%
- Last Month: 19%
- Last Week: 10%
In-Car Media

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AM/FM Radio Dominates In-Car Media

% Who Currently Ever Use in Primary Car

- AM/FM Radio: 86%
- CD Player: 61%
- MP3 Player/Owned Digital music: 31%
- Satellite Radio: 17%
- Online Radio: 14%

Base: Driven/Ridden in Car in Last Month, age 18+
AM/FM Radio Has Far More Frequent Usage Than Other In-Car Audio Options

% Using “Almost All of the Times” or “Most of the Times” in the Car

- AM/FM Radio: 58%
- CD Player: 15%
- MP3 Player/Owned Digital music: 13%
- Satellite Radio: 11%
- Online Radio: 6%

Base: Driven/Ridden in Car in Last Month, age 18+
In-Dash Information and Entertainment Systems Begin to Show Traction

% With an In-Dash Information/Entertainment System in Primary Car

Base: Driven/Ridden in Car in Last Month, age 18+

2013: 6%
2014: 8%
Many in the Car-Buying Market Say Having In-Dash System is Very/Somewhat Important

“How important to your next purchase or lease of a new or used vehicle is to have an in-dash system that allows you to receive information and entertainment over the Internet?

- Very Important: 22%
- Somewhat Important: 18%
- Not Very Important: 25%
- Not At All Important: 35%

Base: Age 18+ Who Have Driven/Ridden in Car in Last Month and Plan to Purchase/Lease a New/Used Vehicle in Next 18 Months (15% of Total 18+ Population)
Smartphones and Other Devices
Over 500% Growth In Smartphone Ownership in Five Years

% Who Own a Smartphone

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>2009*</td>
<td>10%</td>
</tr>
<tr>
<td>2010*</td>
<td>14%</td>
</tr>
<tr>
<td>2011*</td>
<td>31%</td>
</tr>
<tr>
<td>2012**</td>
<td>44%</td>
</tr>
<tr>
<td>2013**</td>
<td>53%</td>
</tr>
<tr>
<td>2014**</td>
<td>61%</td>
</tr>
</tbody>
</table>

*2009-2011: “Is your cell phone a smartphone?”

**2012-2014: Own an Apple iPhone, Android smartphone, BlackBerry, or Windows smartphone

Base: Total Population 12+

Estimated 160 Million
Smartphone Penetration Approaching Three-Quarters of Those Under 55

% by Age Group Who Own a Smartphone

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-24</td>
<td>61%</td>
<td>68%</td>
<td>78%</td>
</tr>
<tr>
<td>25-54</td>
<td>53%</td>
<td>64%</td>
<td>68%</td>
</tr>
<tr>
<td>55+</td>
<td>19%</td>
<td>25%</td>
<td>36%</td>
</tr>
</tbody>
</table>
Pandora is by Far the Most Downloaded Audio App

% of Smartphone Owners Who Report Having Downloaded Each App to Their Smartphone

- Pandora: 50%
- iHeartRadio: 16%
- AM/FM Station App: 11%
- ESPN Radio: 10%
- Spotify: 9%
- Google Play All Access: 4%
- SiriusXM: 4%
- Slacker: 4%
- TuneIn Radio: 3%
- Rhapsody: 3%
- Songza: 2%
- Last.fm: 2%
- Radio.com App: 1%
- Rdio: 1%
- Stitcher: 1%
Music Identification Apps “Shazam” and “SoundHound” Are on Many Smartphones

% of Smartphone Owners Who Are/Have…

- Aware of App: Shazam 39%, SoundHound 15%
- Downloaded App: Shazam 18%, SoundHound 6%
- Used App to Identify Songs: Shazam 17%, SoundHound 6%
- Used to identify/get more info. about something seen on TV: Shazam 4%, SoundHound NA
Tablet Ownership Makes Another Huge Year-Over-Year Leap

% Who Own…

- Non-iPad Tablet only
- Both
- Apple iPad only

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Ownership</th>
<th>Non-iPad Tablet only</th>
<th>Both</th>
<th>Apple iPad only</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>17%</td>
<td>6%</td>
<td>1%</td>
<td>11%</td>
</tr>
<tr>
<td>2013</td>
<td>12%</td>
<td>3%</td>
<td>3%</td>
<td>14%</td>
</tr>
<tr>
<td>2014</td>
<td>16%</td>
<td>6%</td>
<td>3%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Total Ownership: 39%

Base: Total Population 12+
More Than Half Own a TV That is Connected to the Internet

Own a TV connected to the Internet: 51%

Do Not Own a TV connected to the Internet: 49%

Base: Total Population 12+
Use of Audio Podcasting Reaches New High

% Who Have Ever Listened to an Audio Podcast

- 2006: 11%
- 2007: 13%
- 2008: 18%
- 2009: 22%
- 2010: 23%
- 2011: 25%
- 2012: 29%
- 2013*: 27%
- 2014: 30%

*Note: New Definition Starting in 2013

Base: Total Population 12+
An Estimated 39 Million Americans Have Listened to a Podcast in the Past Month

% Who Have Listened to an Audio Podcast in Last Month


Approximately 39 Million

*Note: New Definition Starting in 2013

Base: Total Population 12+
One in Five Weekly Podcast Users Consume Six or More Podcasts a Week

Number of Podcasts Consumed in Last Week

- One: 21%
- Two: 22%
- Three: 20%
- Four or Five: 16%
- Six to Ten: 10%
- 11 or more: 11%

Average of Six Podcasts Consumed per Week

Base: Weekly Podcast Users
Major Shift in Podcast Listening Devices

% of Audio Podcast Listeners Who Listen Most Often on a…

2013
- Smartphone/tablet/portable audio player: 34%
- Computer: 64%
- Don't Know: 2%

2014
- Smartphone/tablet/portable audio player: 51%
- Computer: 46%
- Don't Know: 3%
Social Networking
Two-Thirds of Americans Have a Profile on a Social Networking Site

% Who Currently Have a Profile on Any Social Network

- 2008: 24%
- 2009: 34%
- 2010: 48%
- 2011: 52%
- 2012: 53%
- 2013: 62%
- 2014: 67%

Base: Total Population 12+
Facebook Competitors Continue to Grow

% Age 12+ Using Each Social Networking Site/Service

- Have personal profile on **Facebook**: 58% (2013), 58% (2014)
- Have personal profile on **LinkedIn**: 17% (2013), 19% (2014)
- Have personal profile on **Instagram**: 12% (2013), 19% (2014)
- Have personal profile on **Google+**: 12% (2013), 17% (2014)
- Ever use **Twitter**: 15% (2013), 16% (2014)
- Have Pinboard on **Pinterest**: 10% (2013), 13% (2014)
- Ever use **Snapchat**: 3% (2013), 13% (2014)
- Have personal profile on **MySpace**: 10% (2013), 14% (2014)
- Ever use **Vine**: NA (2013), 9% (2014)
- Have personal account on **Tumblr**: 4% (2013), 6% (2014)
Mobile Image-Sharing Apps Popular with 12-24s

% Age 12-24 Using Each Social Networking Site/Service

- Have personal profile on Facebook: 80%
- Have personal profile on LinkedIn: 9%
- Have personal account on Instagram: 53%
- Have personal profile on Google+: 34%
- Ever use Twitter: 36%
- Have Pinboard on Pinterest: 16%
- Ever use Snapchat: 46%
- Have personal profile on MySpace: 19%
- Ever use Vine: 30%
- Have personal account on Tumblr: 22%
Young Facebook Users Have Lots of Friends

Average Number of Facebook Friends by Age Group

- P12+: 350
- 12-17: 521
- 18-24: 649
- 25-34: 360
- 35-44: 277
- 45-54: 220
- 55-64: 129
- 65+: 102

Base: Have a Profile on Facebook
An Estimated 75 Million Americans Check Their Social Network Several Times per Day

% Who Use Social Networking Websites/Services “Several Times per Day”

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<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
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<th>2014</th>
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<tr>
<td>2008</td>
<td>5%</td>
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<td></td>
<td>27%</td>
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<td>2009</td>
<td>7%</td>
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<td>2010</td>
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<td>2011</td>
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</table>

Approx. 75 Million
Base: Total Population 12+
Four in Ten Smartphone Owners Are Habitual Social Network Users

% Who Use Social Networking Websites/Services “Several Times per Day”

28% Persons 12+

39% Smartphone Owners
Music Discovery
AM/FM Radio is the Top Source Overall For Keeping Up-To-Date with Music

% Who Ever Use Each Source to Keep Up-to-Date With Music

- AM/FM Radio: 75%
- Friends/Family: 66%
- YouTube: 59%
- Pandora: 48%
- Facebook: 39%
- Music Television Channels: 33%
- Information/Displays at Local Store: 30%
- Apple iTunes: 30%
- SiriusXM Satellite Radio: 20%
- iHeartRadio: 18%
- Music Blogs: 14%
- Spotify: 14%

Base: Those saying it is “Very Important” or “Somewhat Important” to Keep Up-To-Date With Music (47% of Total 12+ Population)
YouTube is the Top Source Among 12-24s For Keeping Up-To-Date with Music

% of 12-24s Who Ever Use Each Source to Keep Up-to-Date With Music

Base: Those saying it is “Very Important” or “Somewhat Important” to Keep Up-To-Date With Music
AM/FM Radio is the Most-Used Source For Keeping Up-To-Date with Music

% Who Use Each Source Most to Keep Up-to-Date With Music

- AM/FM Radio: 35%
- Friends/Family: 21%
- YouTube: 10%
- Pandora: 9%
- SiriusXM Satellite Radio: 4%
- Facebook: 4%
- Music Television Channels: 4%
- Other: 10%
- Apple iTunes: 3%
- Other: 10%

Base: Those saying it is “Very Important” or “Somewhat Important” to Keep Up-To-Date With Music
Observations
Observations

- Mobile devices are rewiring behavior extremely quickly
- The Internet Audio pie continues to grow -- the leading services are growing, but so far no evidence it’s at one another’s expense
- Competition flourishing across platforms and contexts
- Clear generational differences in media habits
Observations

- The debut of iTunes Radio has brought new audience to the medium
- Google is a significant player in Internet Audio -- Google Play All Access is growing, and YouTube is tops for music discovery among 12-24s
- Even with new entrants, Pandora continues to flourish
- AM/FM Radio streams are an important part of Online Radio usage
Observations

- While Facebook and Twitter growth are slowing, mobile image sharing is hot
- Instagram and Snapchat heavily used by 12-24s
Observations

- AM/FM Radio is the leading source to keep up-to-date with music
- Podcasts are getting hotter -- the percentage of monthly listeners grew strongly year-over-year
- The connected car is already here, with more than one-quarter of cell phone owners plugging their phones into their cars
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