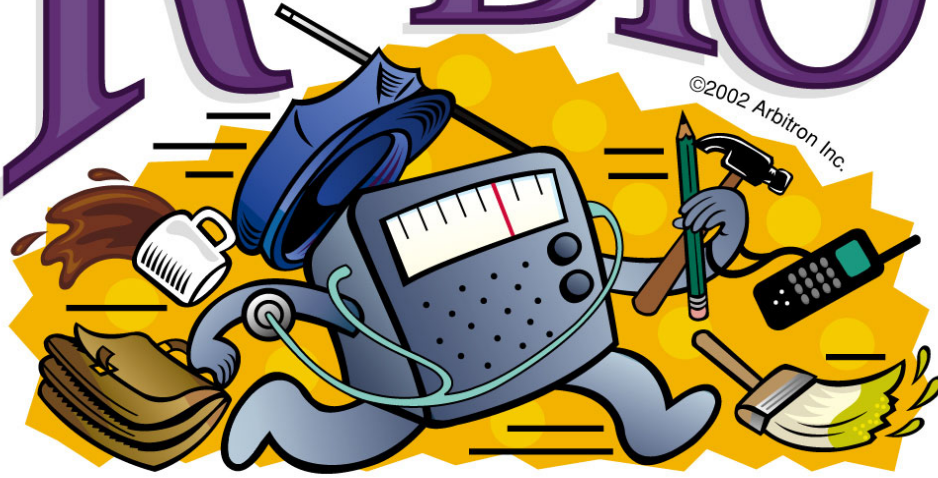


# RADIO



ON *the* GO

How Mexico City Radio Reaches Consumers at Work and in Vehicles



## Overview

Welcome to Arbitron's new study of the Mexico City radio market: *Radio On the Go*. In this study we provide "new-to-the-world" information on the use of radio and other media in all locations, particularly when people are at work and when they are in a car or other vehicle.

*Radio On the Go* is part of Arbitron's ongoing commitment to serve the radio market of Mexico City. It follows in the footsteps of our *Media Targeting 2000* study. In that study we looked at the power of radio in general, showing how much of consumers' media time is spent with radio and how successful radio is at reaching key groups of consumers across a broad number of product and service categories.

In this study, we look at the power of radio in reaching people when they are out of their homes. While radio is indeed a widely used and powerful medium for people while they *are* at home, what sets radio apart from other media is its dominance in out-of-home locations, particularly in vehicles and in workplace settings. This study quantifies media usage in out-of-home locations and demonstrates how effective radio can be in reaching people "on the go."

This report is presented in three main parts:

- Overall media habits
- Time spent in vehicles and media usage during that time
- Time spent at work and media usage during that time

The overall picture shows that when advertisers want to reach people outside their homes, radio is clearly the dominant medium.

## How the Study Was Conducted

A total of 2,502 people age 18 and older were interviewed in December 2001. The sample was designed to match the population characteristics of the Mexico City metropolitan area. Interviews were performed in respondents' homes and averaged approximately 20 minutes in length.

In addition, Arbitron ran analyses from the three ratings surveys that have been published recently (Fall 2001, Winter 2002, Spring 2002). The total sample size of these three ratings surveys is 12,713 among persons 18+. Extensive analysis of listening by location was conducted. Since every diary entry in Arbitron's survey asks respondents to indicate location of listening, Arbitron has the most in-depth data of radio listening by location.



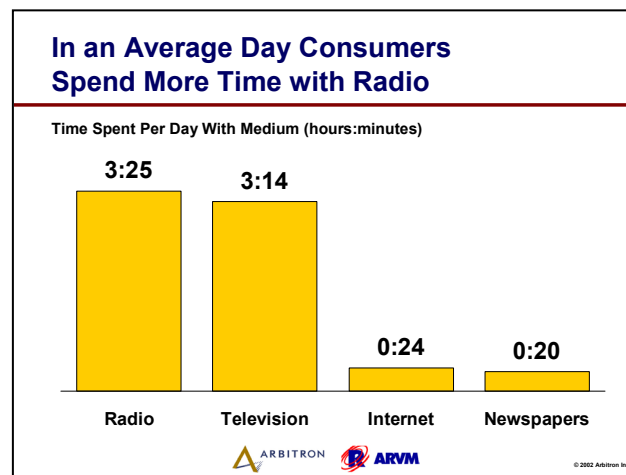
## Significant Highlights

- **Consumers spend a great deal of time “on the go,” and they spend a lot of that time with radio, in vehicles and at work.** Our study shows that indeed many residents of Mexico City do spend a lot of their lives on the go, whether traveling in vehicles or at work. For a very large portion of these active people, radio is the primary medium that accompanies them throughout the day.
- **Radio is the “King of all Media” in the workplace. Radio dominates media reach in Mexico City workplaces.** In the workplaces of Mexico City, radio is by far the most used medium. During the hours that people spend on the job, only radio provides any kind of mass usage—far fewer people are reading newspapers or watching television while at work. Further, radio users are listening, on average, to many hours of radio throughout the day. Thus, radio is clearly a great way to reach the working people of Mexico City.
- **Radio listeners mostly stay tuned to one station in all locations.** Not only are people listening to the radio, but there is also little “channel surfing” going on. Whether at home, at work, or when riding in a vehicle, a majority of the radio listeners in our study told us that they mostly stay tuned to one station. This radio station loyalty means an advertiser’s message has the chance to have a great impact. There are many important implications from this finding. First is the primacy of “P1,” or “favorite station,” status. In general, if a listener chooses a particular station as his or her favorite, that station will often receive an *enormous* amount of listening. Further, that listening will lead to tremendous frequency for a radio advertiser’s message. Finally, other media, particularly television, usually experience far less “station loyalty,” so getting an advertising message through consistently is often more challenging than it is in radio.
- **Radio listening is the dominant activity in vehicles.** A huge majority of Mexico City residents are traveling in a vehicle in an average day, and a huge number of *them* are listening to the radio while they are driving around. No other activity comes close to radio when it comes to usage in vehicles. Furthermore, in-vehicle radio listeners tell us that they often respond to what they hear.
- **Radio leads all other media in “Recency,” the ability to reach consumers just prior to when they make their purchases.** This study shows that when consumers are on their way to make a purchase, it is radio that gets to them right before they make that purchase. No other advertising medium hits as many people who are on their way to making a purchase.

## Key Findings

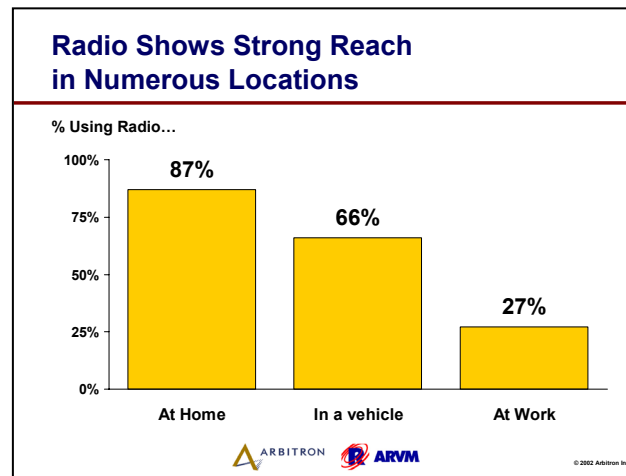
### A. Media Habits

- 1. Radio nearly ties television in daily reach.** We asked respondents how much time they had spent with radio, television, Internet, and newspapers in the 24 hours prior to the survey period. While television led with 91% having watched in the previous day, radio was close behind with 83% having listened. Newspapers and Internet were far behind both—32% and 15%, respectively.
- 2. On average, consumers spend more of their “media day” with radio than television.** Despite television’s slightly higher reach, on average consumers spend a greater amount of time with radio. Respondents told us they spend 3 hours and 25 minutes on average with radio, compared to 3 hours and 14 minutes with television. Again, Internet usage and newspaper reading trail far behind. The large amount of usage means, of course, that radio advertisements have much more opportunity to reach consumers.



- 3. Radio listening is growing.** We asked all respondents if they were spending more or less time with these four major media. Radio had the highest number of respondents spending more time with the medium—30%. Despite being such a new medium, the Internet actually had fewer of its users saying they were using that medium more. Radio is clearly in a growing leadership position within the media landscape of Mexico City.

4. **A large number of Mexico City residents listen to radio in multiple locations.** One of the most compelling findings of our study is how many people are using radio in multiple locations. According to our respondents, 87% use radio at home, 66% use radio while traveling in a vehicle (e.g., a bus or car) and 27% use the radio at work. Many people use radio in all three locations.



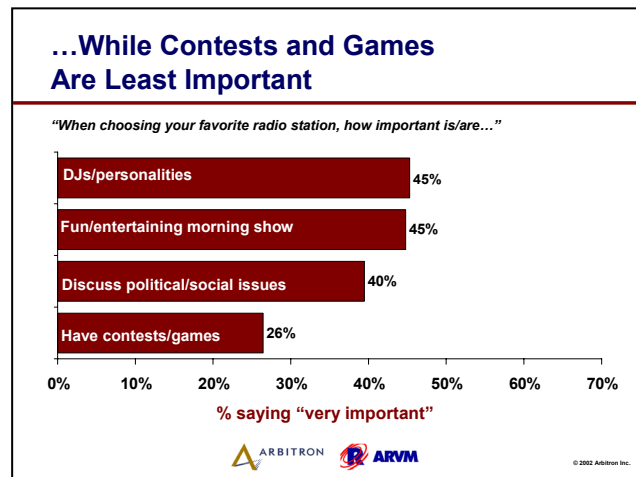
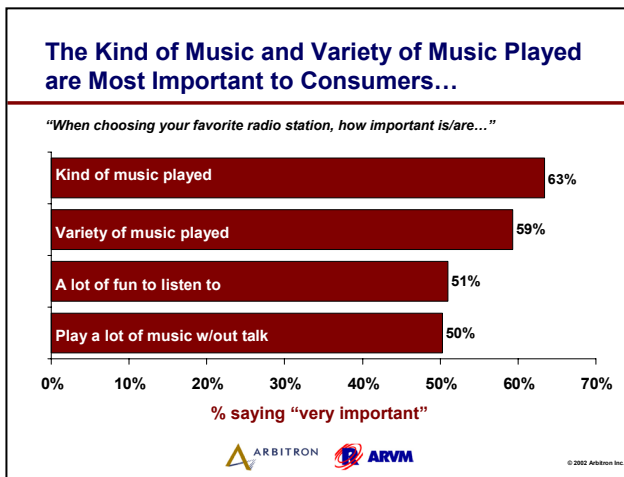
5. **While listening to radio at home, most people stay tuned to one station.** For instance, we asked people who listen to the radio at home how often they change the station while they are listening at home. More than half (54%) said they mostly just stay tuned to one station. Only 16% told us they were “frequent” station changers. Thus, radio can deliver as a “frequency” advertising medium, as people can hear commercials often on the one station they listen to. There was also little channel surfing in other locations as well, as 54% of those listening to radio in a vehicle and 54% of those listening to radio at work told us that they “mostly stay tuned to one station.”
6. **A small but significant number of Mexico City residents have consumed “streamed media” over the Internet.** The next trend in media may well be “streamed media”—audio or video that people access over the Internet. To date, a small but significant number of Mexico City residents have indeed experimented with this new method of watching video or listening to audio. Fifteen percent of those in our sample said they have watched streamed video, and 10% say they have listened to online audio.

To date, it doesn’t appear that radio stations in Mexico City have integrated the Internet too far into their programming. Only 9% of the sample said they have ever visited the Web site of a radio station, and only 8% said they have ever listened to a radio station online.

## B. Importance of Radio Programming Attributes

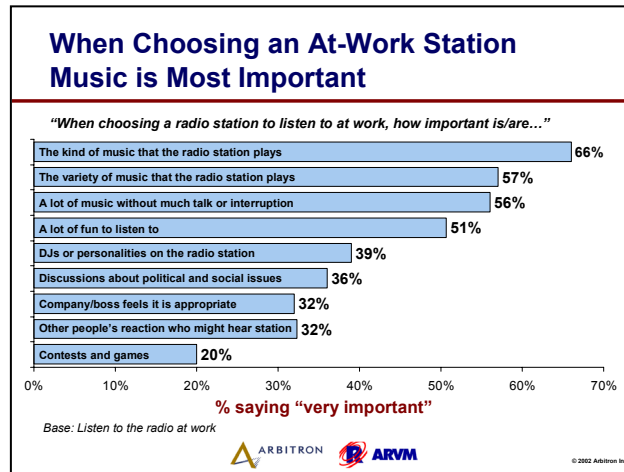
7. **Music is the primary driving factor in choosing one’s favorite radio station.** We asked respondents about eight items and how important they are in choosing one’s favorite radio station. Clearly, music is the most compelling factor. More than six in ten (63%) respondents said the “kind of music played” was very important, with 59% saying the “variety of music” was very important.

Nonmusical factors, such as morning shows, political discussions, and contests and games, were deemed far less important. We have seen similar patterns in the United States and many other countries around the world. Music overwhelmingly drives the choice of a favorite radio station for most radio consumers.

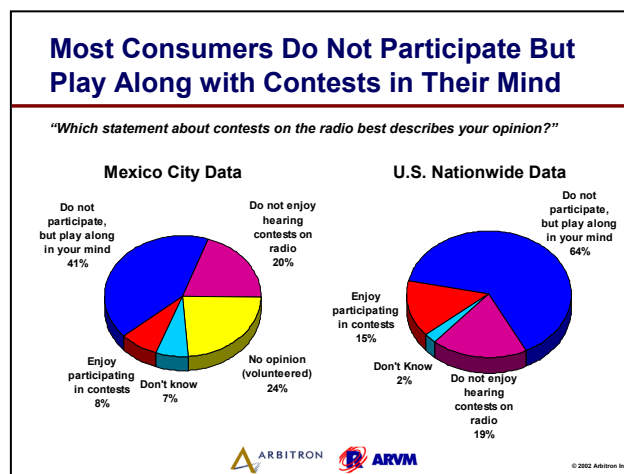


8. **Consistently delivering the kind of music people want is vital.** Listeners told us that the most important radio station attribute is the “kind of music that is played.” Thus, especially for FM stations, making a station known for playing a single kind of music that people want to hear is extremely important. Achieving a clear, unique and simple position in the minds of listeners is vital. Listeners want a clear understanding of what a radio station is known for.

9. **Music primarily drives “at-work” radio listening as well.** We also asked respondents what is important to them when they choose a radio station to listen to at work. Again we saw that music drives the at-work radio station choice. A majority of people who listen to the radio at work said that the kind of music, the variety of music, and the quantity of music were “very important” in choosing an at-work radio station. No other item received nearly as high a number. Again, contests and games came in at the bottom.



10. **Few Mexico City radio listeners participate in contests.** We asked respondents about their attitudes about contests. We see that very few respondents tell us that they play and participate in radio contests (8%). However, a large number of people did tell us that they enjoy “playing along with the contests in their minds” even though they don’t participate (41%). The implication is that it is more important to make contests entertaining than it is to have many of them or even to give away gigantic prizes.

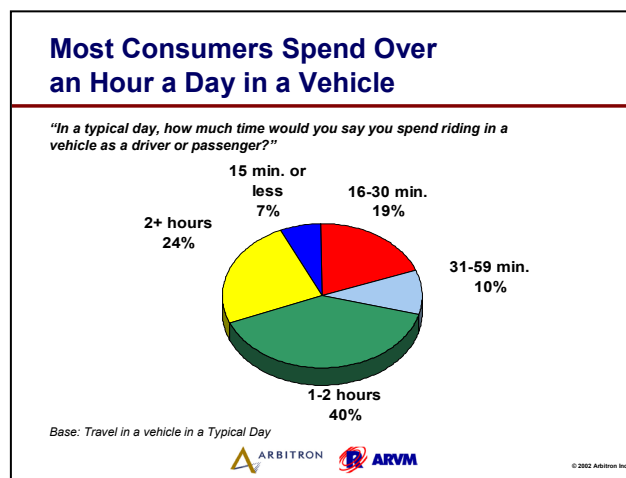


### C. How People Move Around Mexico City

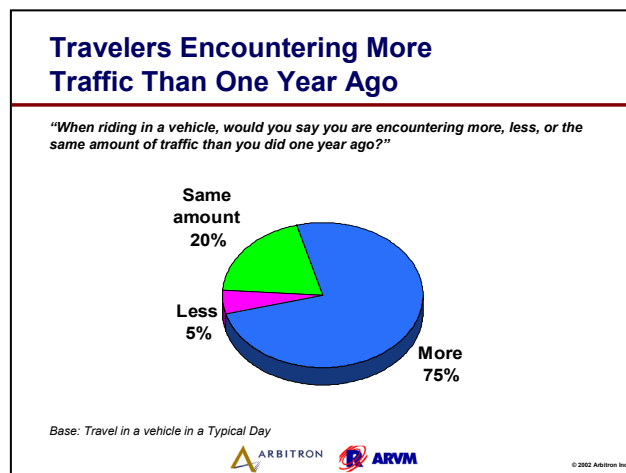
**11. Most Mexico City residents use a van or microbus for travel.** The people of Mexico City use a variety of modes of transportation to get around town. Two-thirds of respondents told us that they travel in a van or microbus in a typical day. This was by far the most common transportation mode. Thirty-eight percent use a train or subway in a typical day, and 35% use their own car or truck.

When asked which mode of transportation they use the most, a majority of all respondents said a van or microbus (52%). The only other mode widely used “most” was the privately owned car or truck (27%).

**12. Most Mexico City residents spend more than one hour each day in a vehicle.** In part owing to the long commutes, the average resident of Mexico City spends a huge part of his or her day in a car, bus, or other vehicle. For a majority of all people 18+, more than one hour is spent in a vehicle.



**13. Overwhelmingly, travelers are encountering more traffic.** When asked, “Would you say you are encountering more, less, or the same amount of traffic than you did one year ago?” the response was overwhelming. Three-quarters of everyone who travels in a typical day says that traffic is worse. The “benefit” of worsening traffic: more radio listening.

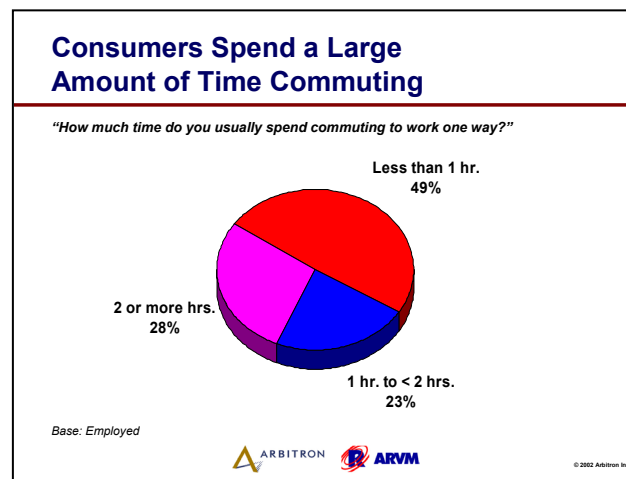


**14. Many Mexico City residents use radio for traffic reports.** More than one-third of all Mexico City residents use the radio for traffic reports “frequently.” A similar percentage uses radio traffic reports “occasionally.” In total, *three out of four* Mexico City residents are using the radio for this vital function.

## D. Getting to Work in Mexico City

**15. For commuting to work, people use vans and private cars in equal measure.** We further inquired about what mode of transportation was used for commuting to work among those people who are employed. Here, there was a little more variety. Van/microbus and one’s own car/truck tied with about 30% apiece. A full 15% of respondents walk to work.

**16. Many people have very long commutes.** One of the most staggering numbers in the study was just how much time many Mexico City residents spend commuting to and from work. More than one-quarter of all those employed take two or more hours to commute to work *one way!* Another 23% of workers spend between one and two hours. Thus, anyone who is consuming radio on their commute is consuming *a lot* of radio.



**17. Half of those employed begin work before 9AM.** There is clearly no such thing as a “nine-to-five routine” for most people who work in Mexico City. While most people begin their workday either in the 8AM or 9AM hours, many people start work earlier or later than that. The end of the workday is much more spread out—with people leaving work at all hours in no consistent pattern (however, the 6PM hour is the modal time, with 20%).

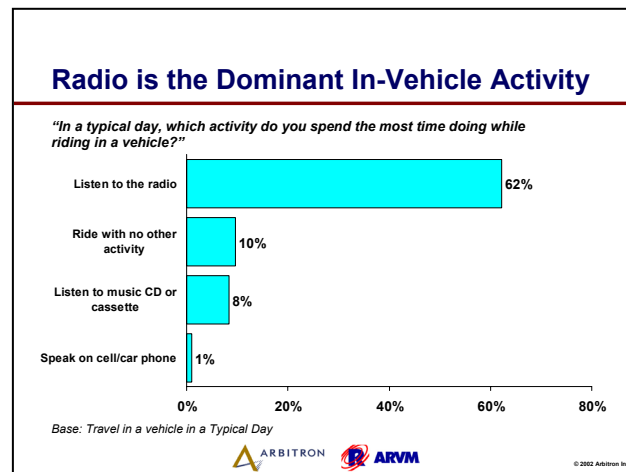
One clear finding, however, is that workers in Mexico City work long hours. On average, people told us they work 10.1 hours in an average day—on top of that long commute!

## E. The Radio Audience in Vehicles

**18. A large majority of Mexico City travelers are listening to the radio while they are riding in a vehicle.** Among the 96% of Mexico City residents who travel in a vehicle in a typical day, more than two-thirds (69%) listen to the radio at least “sometimes” while they are in a vehicle. The numbers are even higher among those employed full-time (78%), younger respondents, and those in higher socioeconomic groups.

Among those listening to the radio while riding in a vehicle, most say they listen “frequently.” More than half (55%) say they listen to the radio frequently, as opposed to “sometimes” or “rarely.”

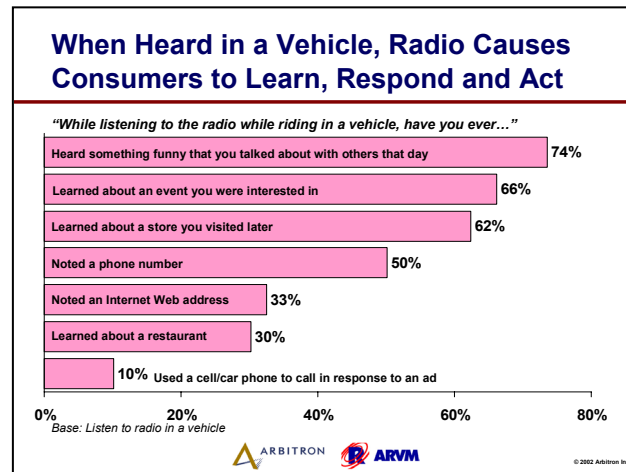
**19. Listening to the radio is by far the dominant activity for people who are riding in a vehicle.** In order to examine further behavior in vehicles, we asked, “In a typical day, which activity do you spend the most time doing while riding in a vehicle: Listening to the radio, riding with no other activity, listening to music on a CD or cassette, or speaking on a cell phone?” Clearly, radio is the dominant activity. Sixty-two percent of respondents to this question said “listening to the radio” is what they do the most.



**20. Even when people are not alone in a vehicle, they are listening to the radio.** Radio listening in a car, bus or other vehicle is not always a solitary activity. In fact, 65% of respondents who travel say they listen to the radio while they are riding with others. The decision of what station to choose seems complicated. Only 31% of in-vehicle radio listeners say they get to decide for themselves; the rest either decide as part of a group or listen to a station chosen by someone else.

**21. Only a small number of people have made cellular calls from their vehicles to a radio station or advertiser.** Only a tiny number of those who travel in a vehicle have ever used a cellular phone while driving. Of this small number, only small minorities have ever called a radio station or radio station advertiser. This is a number that radio executives may want to watch to see if cell phones might be something to integrate into programming in the future.

**22. In-vehicle radio listeners are learning, responding, and acting on account of the information they are obtaining through the radio.** Among the large number of people who listen to the radio in a vehicle, it is clear that radio has a great impact. Three-quarters (74%) said they heard something funny that they talked about with others. Two-thirds (66%) said they learned about an event they wanted to attend. And more than three in five (62%) said they learned about a store that they went on to visit later. Significant numbers said they had noted phone numbers, learned about a restaurant, or noted a Web address as well. Clearly, radio works for the people of Mexico City.



## F. The At-Work Profile of Mexico City

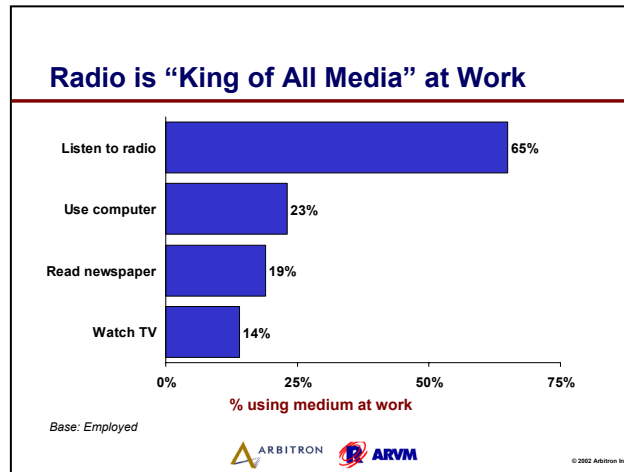
**23. Four in ten residents of Mexico City over the age of 18 are employed.** Large numbers of Mexican adults are either homemakers or students. As a result, 41% of those 18 and older are working either full or part time. The workplace is overwhelmingly male (69%) and mostly 25-44 (55%). Most of the 18-24s in our sample are students, and most of the women are homemakers.

**24. The primary workplaces are retail stores and office buildings.** Retail stores and offices make up 41% of workplace locations in Mexico City, followed by factories (12%), vehicles (11%) and schools (7%).

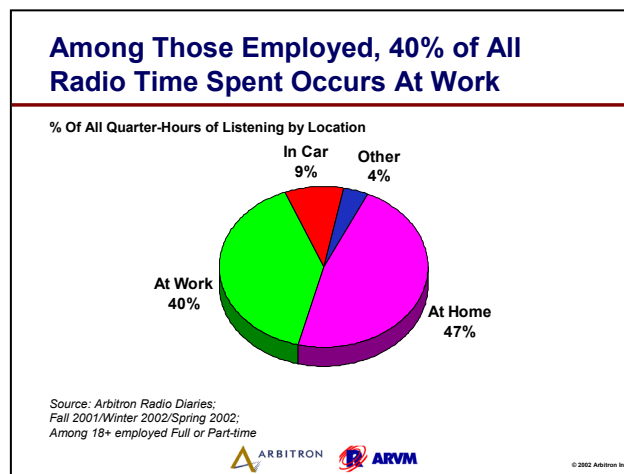
**25. Most workers work outside their homes, indoors, and work more than 40 hours per week.** Among those who are employed, two-thirds work indoors (68%) and only 13% work from inside their homes. Twenty-eight percent work more than 50 hours per week, 29% work between 41 and 50 hours, and 43% work less than 40 hours.

## G. Radio in the Workplace

**26. Radio is “king of all media” at work.** We asked those employed whether they use different media while on the job. Clearly, radio is the overwhelming leader in office media. Nearly two-thirds of all people who work listen to the radio (65%). This is followed by newspaper at 19% and television at 14%. Computers are used by 23% of workers.

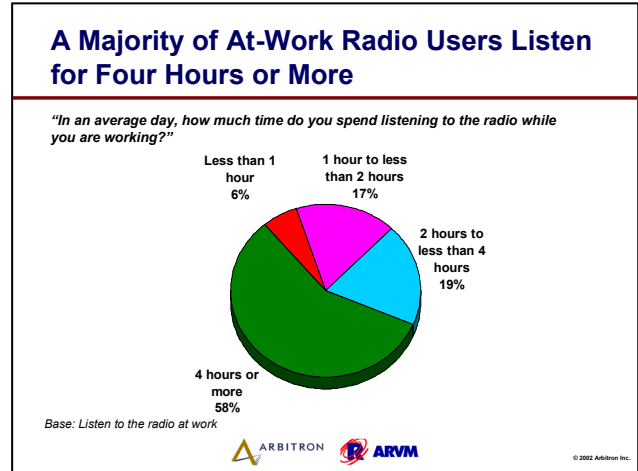
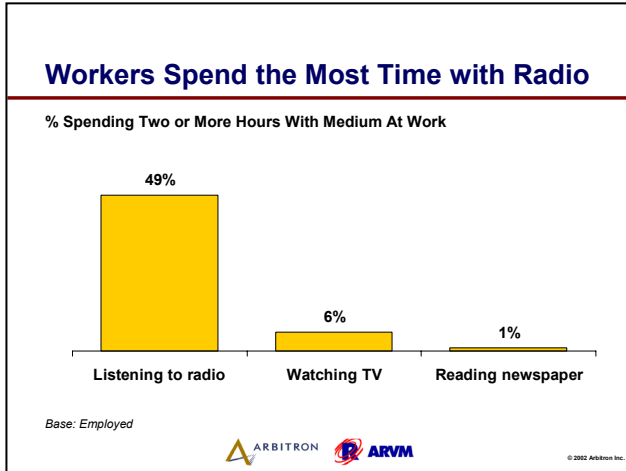


**27. Among those employed, at-work becomes one of the leading locations of listening.** While at-work only makes up 23% of listening overall, a full 40% of all listening comes from the workplace location among people employed full time or part time. Thus, radio stands out as a great medium to reach this desirable audience of employed people.



**28. Radio is also the top source for information that leads to workplace conversations.** In another measure of radio’s strength, we asked about what drives workplace chit-chat or discussions. Sixty-four percent of those employed told us that they had discussed something they had heard on the radio in the past week, compared to 61% for television. Newspaper (42%) and the Internet (18%) trailed.

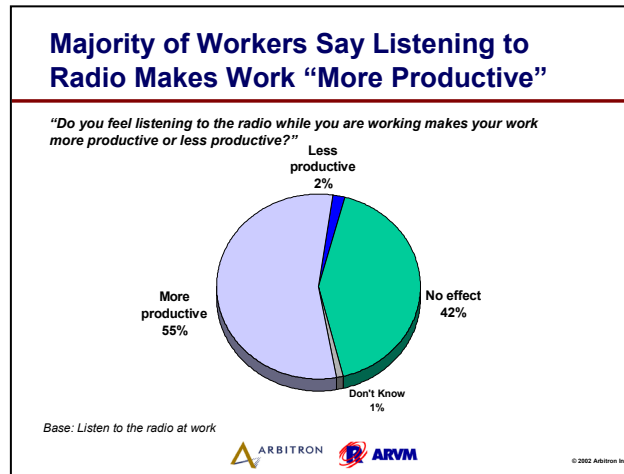
**29. Radio is by far the leader in “Media Time Spent” at work.** We have already seen that radio is by far the most used medium in the workplaces of Mexico City. Those who use radio at work also use the medium a lot. Half of *all people* who work spend more than two hours a day with radio. Fifty-eight percent of people who listen to radio at work listen more than four hours per day! Clearly, radio is delivering enormous amounts of listening among the employees of Mexico City.



These results are totally confirmed and reflected in our current radio survey in Mexico City, which shows that over 2.8 million, or 24.6%, consumers age 18 and older are reached by radio in the workplace, spending over 16 hours each week with the medium. In fact, the highest TSL that radio obtains is among the at-work listeners, according to the Arbitron syndicated study of radio listeners. The at-work listener is a truly captive audience.

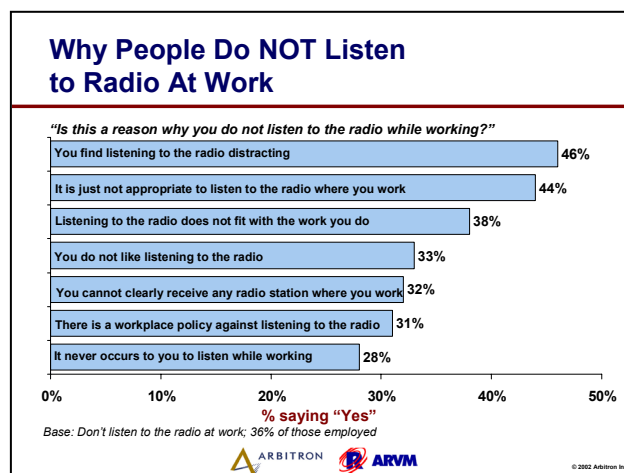
**30. Many people are listening as a group to radios in the workplace.** Only 24% of people who listen to the radio at work are listening alone. Everyone else is listening to the radio in some kind of group at work. On average, 4.7 people are listening to each workplace radio.

**31. Most at-work radio listeners say radio makes them “more productive.”** One perhaps could argue that listening to the radio or consuming other media detracts from workers’ concentration or productivity. There is considerable evidence that such is not the case. In fact, radio appears to make workers *more* productive. A full 55% of those who listen to the radio at work told us that it makes them “more productive,” and almost no one (2%) said that the radio makes them “less productive.” Thus radio is not only entertainment and companionship for listeners and profitable for owners, it is helping to improve the Mexican economy!



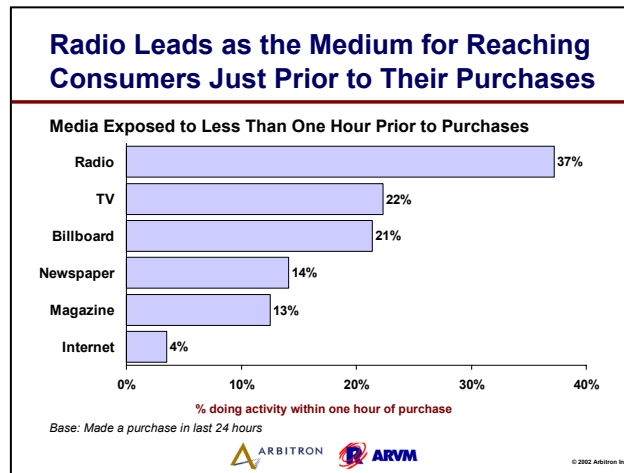
**32. The biggest reasons people don’t listen to radio at work are because they find it distracting or it is not appropriate.** We also talked to those people who work but do not listen to the radio at work to determine why they don’t choose to listen to the radio at work. The answers imply that most people who *could be* listening *are* listening. The top answers were: “You find listening to the radio distracting” and “It is just not appropriate to listen to the radio where you work.” These people will more than likely not be the best candidates for future listening at their workplaces.

However, there was a minority of those who don’t listen to the radio at work who said they don’t listen because they can’t clearly receive any radio stations at their workplace. This could possibly be solved in the future by streaming a station’s signal. Finally, 28% said, “It never occurs to you to listen while working.” This highlights a great opportunity for the radio stations in Mexico City to step up the advertising that “asks for the order”—that is, advertising that tells people how great radio is for listening at work.



## H. Recency

**33. Among those who have made a purchase in the last day, radio was by far the most likely medium to be encountered in the hour before the purchase.** Recency is a measure that examines media exposures just prior to making a consumer purchase. Radio is very successful on this measure as well. More than one-third of respondents (37%) said they had listened to radio in the hour before they made their most recent purchase. This number is far higher than that for TV, outdoor, newspaper, magazines or the Internet. Radio is the best medium for reaching people who are ready to buy.



## About Arbitron

Arbitron Inc. (NYSE: ARB) is an international media and marketing research firm serving radio broadcasters, cable companies, advertisers, advertising agencies and outdoor advertising companies in the United States, Mexico and Europe. Arbitron's core businesses are measuring network and local market radio audiences across the United States; surveying the retail, media and product patterns of local market consumers; and providing application software used for analyzing media audience and marketing information data. Arbitron Webcast Services measures the audiences of audio and video content on the Internet, commonly known as webcasts. The Company is developing the Portable People Meter, a new technology for radio, TV and cable ratings.

Arbitron's marketing and business units are supported by a world-renowned research and technology organization located in Columbia, Maryland. Arbitron has approximately 800 full-time employees; its executive offices are located in New York City.

Through its Scarborough Research joint venture with VNU Media Measurement & Information, Arbitron also provides media and marketing research services to the broadcast television, magazine, newspaper, outdoor and online industries.

### For more information

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