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For Immediate Release

COLEMAN INSIGHTS FINDS THAT STREAMING AUDIO IS AN UNDERDEVELOPED BRAND CATEGORY

New “Successful Audio Streaming Strategies” Study Provides Deep Insights into Consumer Perceptions of this Nascent Medium

WASHINGTON, DC and RESEARCH TRIANGLE PARK, NC, September 28, 2010 – Consumers who use streaming audio are not aware of many of the streaming options available to them and have relatively shallow perceptions of the options they are aware of. That is among the key findings of the “Successful Audio Streaming Strategies” study released by Coleman Insights today and presented at the RAIN Summit East conference in Washington, DC. The low awareness levels and shallow perceptions found in the research lead Coleman Insights to conclude that streaming audio is a brand category that remains highly underdeveloped.

Among the specific findings released by Coleman Insights today are:

- **On average, consumers who regularly use streaming audio can name 1.6 streaming audio brands on an unaided basis.** This compares to the six or seven brands consumers can usually name for mature brand categories.
- **The streaming audio services offered by “terrestrial” AM/FM broadcasters and Pandora are the only brands with meaningful awareness levels.** Less than one in ten streaming audio users is aware of brands such as AOL Radio, Yahoo! Music Radio, Last.fm and Slacker on an unaided basis.
- **Pandora is the leading brand in the streaming audio space, but it is far from dominant.** Only 28% of streaming audio consumers are aware of Pandora on an unaided basis and only 22% use it regularly. Furthermore, Pandora lacks strong association with the product attributes streaming consumers deem most important.

- **Streaming audio consumers are more than twice as likely to be aware of an “Internet-only” streaming brand as the streaming service offered by a “terrestrial” AM/FM radio station.** Seventy-seven percent (77%) of these consumers can name an “Internet-only” brand, while only 33% name a “terrestrial” AM/FM radio station stream on an unaided basis.
- **Users of streaming audio are much more likely to listen to “Internet-only” streams than streams offered by “terrestrial” AM/FM radio stations.** Half of streaming audio consumers report listening to “Internet-only” streams; 28% listen to the streams of “terrestrial” AM/FM radio stations.
- **Streaming audio consumers prefer listening to “Internet-only” streams over other sources of audio, including over-the-air broadcasts of AM/FM radio stations.** Only 15% of streaming audio consumers—and only 7% of 15- to 34-year-olds who use streaming audio—choose over-the-air broadcasts of AM/FM radio stations as their preferred source of audio.
- **Perceptions of “terrestrial” AM/FM radio station streams are out-of-sync with the interests of streaming audio consumers.** Consumers most strongly think of AM/FM radio station streams for personalities and local news and traffic information, as opposed to the attributes they most value, like fast buffering, few commercials, music variety and personalization.

“These findings lead us to conclude that specific strategies will increase the chance of success in the streaming audio space,” said Coleman Insights Vice President Sam Milkman, who delivered the presentation at RAIN Summit East. “Those strategies include making brand building of paramount importance, focusing streaming brands on a singular position or benefit and rethinking the unique benefits that audio streaming provides from the perspective of the consumers who use it. We also believe our findings should serve as a wake-up call for ‘terrestrial’ AM/FM broadcasters, who need to address the challenges they face with consumers who already use streaming audio.”

A full report containing the findings and recommendations from the “Successful Audio Streaming Strategies” study is available for free download from the Coleman Insights website (www.ColemanInsights.com), Facebook page (www.facebook.com/colemaninsights) and Twitter feed (www.twitter.com/colemaninsights). In addition, in the coming weeks visitors to these

resources will have access to a multimedia presentation of the study, as well as additional findings Coleman Insights will release.

About Coleman Insights

Coleman Insights, headquartered in Research Triangle Park, North Carolina, with offices in Philadelphia and Hamburg, Germany, is a firm that has helped media properties build strong brands and develop great content since 1978. Its clients include hundreds of media properties in North America, South America, Europe and Asia, including those owned by CBS Corporation, Sony Corporation, Emmis Communications, The Walt Disney Company, Lincoln Financial Media, Clear Channel Communications, EMI, Radio One, Warner Music Group, NPR, Astral Media, Bonneville International Corporation, Vivendi SA, Citadel Communications, Grupo Radio Centro, Sandusky Radio, Lagardère International, Beasley Broadcast Group, Grupo Prisa, Mid-West Family Broadcast Group, Salem Communications, The Mondadori Group, Connoisseur Media, Corporación Radial del Perú, South Central Communications, SBS Broadcasting, Maverick Media and Hubbard Broadcasting. Additional information about Coleman Insights is available at www.ColemanInsights.com.

About RAIN Summit East

RAIN Summits are the premiere educational and networking events for Internet radio. Following successful conferences in Toronto, Las Vegas, and Minneapolis this year, RAIN Summit East took place on Tuesday, September 28 in Washington, D.C. as an official co-located event of the Radio Show produced by RAB and NAB.

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