



# Assessing the influence of radio advertising on consumer purchasing decisions

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## **ABSTRACT**

Radio advertising is an advertising platform that has been used by brands, products and services since 1922. The influence of radio advertising on a consumer's purchase decision is tough to determine, the research that is available on radio advertising, in general, is far less in comparison to other advertising research studies in the marketing of brands, products and services. This study aims to determine the impact of radio advertising on a consumer purchase decision. The majority of research studies rely on the effect of television and print advertising, and recently internet advertising has shown a higher engagement level for consumers to influence purchase decisions. The disruptive nature of internet advertising has had an influence on the revenue generation for traditional platforms such as radio, print and television. Radio advertising is a platform used mostly by local businesses on a local radio station in the business's vicinity. Research in the marketing of brands, products and services have included radio advertising, including the singularity of a message of a radio advertisement message recall-analysis. Traditional media are used for branding, and to action a sales promotion to drive revenue generation and profitability. Advertising does have a material influence on consumers' purchase decisions. The question in this study determines the influence radio would have on that decision. A quantitative research design was used to collect data from the population which can be described as radio station listeners who engage with the radio station on different methods (for example on the website, Facebook and Twitter). No sample was drawn and all 505 listeners were target to complete a SurveyMonkey questionnaire. (A total of 95 responded representing almost 19% response rate). In the study, there has not been an insight into the time it would take for a radio advertising campaign to affect a purchase decision. Despite the limitations of this research study, the results answer the essential research question. The results of this study indicate that radio advertising does have a material impact and influence on consumers' purchase decisions some of the time or a majority of the time. Further research is needed to endorse the findings in this research study and create many more variables, which may show signs of success.

**Keywords:** radio advertising, marketing, traditional marketing platforms, frequency, revenue, consumers

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## DEFINITION OF KEY TERMS

<b>New technology platforms</b>	The advent of the internet and social media.
<b>Central South Africa</b>	Is a geographic area that OFM broadcasts in to include the Free State Province, southern Gauteng, parts of the North West Province and in the Northern Cape
<b>Media owner</b>	Ownership of a media company, as an example, Africa Media Entertainment is the owner of Central media Group trading as OFM
<b>Media mix.</b>	Is a combination of marketing platforms available to a business for marketing purposes
<b>Market share</b>	Refers to the amount of the market under the control of the business
<b>Brand objectives</b>	The goals of the brand that include revenue generation
<b>Traditional media platforms</b>	Radio, print and television
<b>Analytical results</b>	The real-time reporting of numerical numbers that affect a business, this could include financial information or statistics from your webpage
<b>Mass medium</b>	refers to a media platform that has access to a large population of consumers
<b>30-second commercial</b>	refers to the standard length of a radio commercial

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# CHAPTER 1

## INTRODUCTION

### 1.1 BACKGROUND

The subject of this study, 'Radio commercials' influence on purchase decisions: a survey of radio listeners in central South Africa,' is thought-provoking for any advertiser and media owner. Radio, as part of the media mix, has worked very effectively for brands and products looking to increase market share, drive sales and deliver on specific brand objectives (Johansen, 2018). As part of the big three traditional media platforms including television and print, radio has had a materially large share of advertiser spend allocated to the medium over the years (Rajagopal, 2018). Advertiser spending at radio stations is now under threat because business advertising their services and products have a variety of media platforms to choose from. These platforms typically include social media, messaging services, online advertising, out-of-home advertising, in mall advertising, email advertising and direct mail.

The new technology platforms available to advertisers are getting less expensive to use, are more direct and targeted, delivering analytical results much faster than the traditional channels. These positives provide an advertiser with more options when constructing a marketing message and with the immediacy of analytics, the ability to change a marketing message quickly. Newspapers have suffered the most impact on new technology platforms availability (Murmans, 2018). These technologies have impacted on print media's ability to deliver revenues to shareholders and on job losses in the sector. Consumers have shifted their consumption, as an example, from traditional printed news to immediate digital offerings on their mobile phones or social media platforms (Johansen, 2018). The print environment has been too slow to react to new technologies and in the manner in which consumers engage with their headings and product offerings. With lessons from another sector, the radio environment needs to be ahead of the curve and investigate the impact of new technologies in the business of radio (Rajagopal, 2018). Consumers are engaging with brands on all platforms, analysing the effects of advertising more critical to long-

term success for the radio industry. This study aims to provide evidence on the impact that radio advertising has on radio listeners.

## **1.2 PROBLEM STATEMENT AND CORE RESEARCH QUESTION**

The problem in this study aims to address the value of traditional radio advertising and its influence on consumer purchase decisions. As a mass medium available to most South Africans, radio is the one trusted platform that still demands attention from consumers and advertisers alike.

*Has radio advertising missed the mark in creativity and production value for a traditional radio listener, so much so that audio is being side-lined as an advertising media of choice secondary to visual aspects available online, television and mobile?*

Radio has for too long been one-dimensional in its advertising options to clients. The 30-second commercial has become the standard sale; it simply cannot be the future of this medium's financial success. The lack of visuals and or innovative integrated solutions by using complementary advertising platforms could impede growth. To stay relevant radio needs to find creative solutions to gain more market share and a piece of the advertising pie before it suffers the same forecasted fate of print of 2.3% growth by 2020 (Myburg, 2016). Radio can be agile in an ever-changing marketplace, and the study will indicate the value of traditional, innovative and tactical radio advertising for both consumers and the advertisers. The result of the study should indicate new tactics to use when making use of radio advertising outside of the traditional 30-second commercial. We aim to answer the core research question:

*Do you think traditional radio advertising influences you to make purchase decisions?*

## **1.3 RESEARCH OBJECTIVES / SPECIFIC RESEARCH QUESTIONS**

During the study of *radio commercials' influence on purchase decisions: a survey of radio listeners in central South Africa* we aimed to identify the influence radio advertising has on consumers' decision-making processes when at the point of purchase. The study objective was to highlight the reach the medium has into

households as in South Africa large numbers of consumers listen to radio daily. In essence, the main research question: *do you think traditional radio advertising influences you in ways you are not aware of* would highlight the influence radio advertisements have on consumer behaviour. The specific questions appear in Appendix A which hosts the SurveyMonkey questionnaire.

#### **1.4 IMPORTANCE AND BENEFITS OF THE PROPOSED STUDY**

Radio requires a substantive study on how to gain more revenue that is forecast to spend in the South African entertainment and media sector by 2020. The forecast of 5% is far below the projected estimate of growth for the internet of 12.2% by 2020 (Myburg, 2016). To increase revenue in the radio sector a study on the influence of radio advertising on consumer behaviour is required. The benefits of the study are to share the findings with radio sales teams, with current and potential radio advertisers as a means of the armoury to indicate where best advertising monies should be spent to build sales revenues, brands and consumers for life. Additionally, during the study, one will be able to assess which new technology platforms listeners are engaging with and consuming advertising messages. The radio sector needs to find innovative solutions to protect current revenues while adapting to new technologies and integrating these technologies into sales solutions and sales offerings to advertisers (Johansen, 2018).

Radio is still relevant today and this study needs to prove that from the literature study and the empirical study. The study should establish the ability radio has on building trust and relationships with an audience member and potential consumer of a product. Furthermore, it should determine the need for innovative advertising solutions for traditional radio advertisers. The study should establish the need to eradicate fake news and commercial internet placements of brands next to fake news (Verhoef, 2018). The study should prove how radio can create a brand story with an audience that is 100% invested in consuming the information, without clutter (Johansen, 2018). Radio can broadcast one message at a time without confusion or focus being taken away by competing products in the same space at the same time.

Radio has always been a progressively popular advertising medium. Many businesses have integrated their traditional television and print advertising

campaigns with a radio campaign, leading to great success. The challenge now is that integration is not necessarily across the three traditional media platforms of radio, television and print, the availability of new technologies and their access to consumers have disrupted the Big Three relationship.

## **1.5 DELIMITATIONS AND ASSUMPTIONS**

### **1.5.1 Delimitations (Scope)**

The researcher has chosen this line of investigation to obtain real intelligence and data readily available for radio marketing and radio sales teams. The data availability should create more focussed sales solutions and marketing activities for both teams to build stronger radio brands and be able to provide more efficient and effective radio advertising campaigns for clients. The study aims to answer an essential behavioural question relating to consumer purchase decisions. Radio advertising is a frequent topic of discussion online and in text books, but there is a lack of theoretical relationship studies between radio advertising and consumer behaviour. The cross-sectional survey could be compared to a panel survey, for which the individual respondents are followed over time (Lavrakas, 2018). Due to limited time focus on one aspect of the radio sector allows for a more in-depth understanding of relationships resulting from the influence of radio advertising. There could have been other topics chosen, the likes of a radio listener's appetite toward specific genres of music, their like or dislike for radio personalities and radio shows, and the effect this would have on which radio station to listen to.

This study pays attention to the influence radio advertising has on purchasing decisions. This is a focused approach where the challenges exist. These challenges include issues such as:

- The number of respondents in the study group is spread across a vast area.
- They are not readily accessible.
- In answering the questions asked, answers are not always clear (this is one reason for the closed ended questions in this study).
- Useful conclusions from the study are not guaranteed.
- A more extensive study population could have been used, but they did not indicate their willingness to participate.

- Willing participants, in retrospect, were not so willing to participate (only 18.8% eventually responded).
- Additionally, the theory that radio advertising does have a material effect on radio listener behaviour is quite complex. The research available on this topic is limited and also specifically focussed within the radio sector.

However, given the constraints above, the study elected to include radio listeners that are actively involved in the radio station as core listeners. They would have engaged with the station via text, email or online. In this case, the population comes from listeners who have shared their email addresses with the radio station and granted permission to be part of a research study panel. The research design in this study is simple and easy to manage. The respondents completed the questionnaire in ten minutes, and the data was automatically captured. No evidence was found in the analysis of the data that the constraints had an adverse effect on the data.

### **1.5.2 Assumptions**

The study group identified, as per the specific listener profile targeted, are all heavy consumers of radio. Therefore, they should be able to give feedback with their experience, consumption and knowledge of the medium. The study group is likely to answer the research questions honestly, in the comfort of their own homes or offices and without influence from others around them. The study group has indicated that they are open to research studies in the interest of making the radio sector more relevant, more effective, more entertaining and creative and also financially better.

## **1.6 BACKGROUND TO THE LITERATURE STUDY**

Advertising is designed to influence consumer purchase decisions with the message used and the platform on which it appears. I am interested in finding out if traditional radio advertising still influences consumer behaviour and if the advertising messages are trusted. Consumers are exposed to ten thousand brand messages a day (Saxon, 2017). Brands find innovative ways and means to present their products to current customers, occasional customers and those customers that are not aware that products and services exist. Consumers are inundated with advertising as long as

they are awake. In 2015 South African entertainment and media spend totalled R113, 467 (R millions) and radio had a share of R4, 344 (R millions) (Myburg, 2016).

Entertainment and media budgets spend on the radio are forecast to grow by 5% from 2015 to 2020 to R5, 295 (R million) (Myburg, 2016). The projected growth in radio advertising spend however is far below non-traditional platforms. Different platforms are tactically used by brands to expose their products to consumers. Platforms used would include traditional and non-traditional platforms the like of outdoor billboards on highways and street poles, radio, television, in print publications, leaflets, online marketing, mobile application marketing and email marketing (Cross, 2011).

Entertainment and media spend on the internet will grow by 12.2% over the period 2015 to 2020 to R76, 720 (R millions) (Myburg, 2016). With the amount of advertising, consumers are exposed to, the many platforms used for exposure and with the kind of monies spent on advertising, brands may use tactical advertising message claims to drive revenues to beat their competitors.

In an age of fake news, claims in advertising are also under scrutiny. Radio can assist in unravelling phoney news and false advertising. There are many tactics used in traditional radio advertising claims to set a brand apart from another. These tactics include highlighting the best features of a product and not features that are irrelevant, dishonest, not easily defensible, deceptive, exaggerating facts to the extreme, or to refuse to admit anything is wrong with a product. For example, if a health product ignores the negative aspects of taking the advertised drug and ignores the facts to portray the product in a better light (Suggett, 2016).

Brand authenticity is vital in building revenues, trust in a product is essential but often traditional radio advertising takes a different view, to stretch the truth. In advertising, creative agencies call this creative license. The belief is that consumers are more educated than before and advertising alone will not change their purchase decision if they do not believe the message they are exposed to.

Access to brand and/or product blogs created by customers could add value to the purchase decision. Consumer insights and sharing of experiences through online forums could make a product stronger or weaker, dependent on the actual product and the messaging used to advertise that product and the brand promise. An example would be First National Bank's reviews by customers on Hellopeter.com: FNB, how can we not help you... or let us think about it first (Sanusha, 2018). FNB's brand promise is "How can we help you?" According to this user and publisher on Hellopeter.com, they have failed in their brand promise. Do users of such aggregated online review platforms consider these insights when making a purchase decision or do we believe the advertising we consume?

When brands advertise, there needs to be substantiated claims in line with the image the brand represents. Another example of false advertising would be the image of a hamburger in advertising and the size of the actual item when a consumer purchases the product. Many believe "all advertising is false advertising" (Furgurson, 2018).

If this is the truth, then all creative agencies, their clients and the products they represent may use deception to sell. The trick to deception is not to have any. Great products have stood by their history and institutional knowledge to sell with a little creative license but not to deceive. Consumers buy a story and a history that resonates with their personal choice, values, and principles. Radio has the power to drive that agenda.

Products should use truth in traditional radio advertising, products should be telling a story, and advertising should be beyond the product with consistency in the message, be authentic and keep the narrative about the product, building trust and build relationships (Furgurson, 2018). Companies who have had to pay for their deceitful advertising claims include Apple who in 2008 launched the iPhone 3G claiming that the device was "twice as fast for half the price". It was not true (Meme, 2015).

In 2014 Red Bull had to settle an R13 million lawsuit. They claimed that their product increased performance, reaction speed and concentration but the findings were that

the product contained less caffeine than a cup of coffee (Meme, 2015). In South Africa, the Advertising Standards Authority of South Africa is a self-regulatory and independent body ensuring advertising is legal, decent, honest and truthful. The Advertising Standards Authority of South Africa's beneficiaries is the general public, government, consumer agencies and the marketing industry (Advertising Standards Authority of South Africa (2005). During this research project, I will make use of these guidelines during the study of radio advertising and its influence on consumer purchase decisions.

For advertisers, radio is the traditional media that has always been there. This research study aims to show the relationships radio advertisements form in consumer behaviour, focussing on commercial radio listeners. The media sector in South Africa has changed quite substantially for good, but new technologies in the form of digital offerings, social media and online advertising are changing the way brands are advertising (Murmman, 2018).

It is in the interest of the sector to have comprehensive research to back an argument, that radio is relevant and still a reliable medium in delivering sales results for advertisers. Part of the research study includes a degree of creative analysis in radio advertising, this being an essential part of the ability to convert listeners to buyers of products. The study provides recommendations to radio advertisers and their creative teams in developing, with media owners, the medium creatively through the use of digital platforms.

## **1.7 RESEARCH DESIGN**

The study follows a quantitative approach. As researchers, we need to ask ourselves: 'What type of question will I be asking? What kind of data will I need to gather to answer the question? What type of results will I report?' (Centre for innovation in research and teaching, 2018a).

In this study, we want to determine the link between radio advertising and the influence on purchase decisions. This is a question that asks "is there a material influence?" The research approach used a questionnaire consisting of closed-ended questions. The data provided mathematic results that can be studied statistically to

identify relationships between radio advertising and purchase decisions (Centre for innovation in research and teaching, 2018a).

A quantitative approach allows the researcher to examine the relationship between the two variables of radio advertising and purchase decisions. The data can be used to look for cause and effect relationships and therefore, can be used to make predictions. Mathematical data will add value to understanding the study to answer the question: “Do you think traditional radio advertising influences you in ways you are not aware of?”

Only study group members who have consented to be part of the study received the questionnaire. If a study group member has not given consent, signed the consent form and returned it to the researcher, they would be excluded from the study immediately. Privacy is essential to the success of the research study, therefore, the need for an online questionnaire. The current study panel, available from OFM has consenting individuals who indicated they would like to be part of research studies. Some 505 respondents indicated a willingness to participate by responding to an invitation by email. However, eventually, a total of 95 participated by the signing of the letter of consent and completing the questionnaire. A respondent who declined the invitation were deleted from the mailing list.

The research methodology is detailed in Chapter 3.

## **1.8 RESEARCH ETHICS**

As researchers, high standards of ethics are vital when engaging in a study group in the interest of a research study. The ethical principles in this study focused on harm to participants, informed consent, and invasion of privacy and if deception is involved (Bryman et al., 2014). The study aims to ensure there is no harm to participants, as the study group would not be directly affected by the results, but add value to the overall analysis of the research study. There is no possibility of physical or mental harm nor self-esteem or peril to possible career prospects. The study group will have the comfort of their own time and environment to participate in the study, without any face-to-face time spent with the researcher.

The study was also submitted to the North-West University's Faculty of Economic and Management Sciences Ethics Committee for approval. The committee classified the study to be a low risk study and issued the ethics number *NWU-00414-19-A4*.

## **CHAPTER 2**

### **THEORETICAL OVERVIEW OF RADIO ADVERTISING**

#### **2.1 INTRODUCTION**

In this chapter, the theoretical underpinning of radio advertising is provided. The chapter introduces the concept of radio advertising by providing an overview of the role of radio in society. It also includes the historical development of radio as a commercial communication medium.

The chapter also investigates radio as a brand advertising medium as well as the segmentation of the radio listeners and how radio can form part of marketing strategies. This chapter also provides a foundation for empirical research by identifying worthy variables to investigate in practice.

#### **2.2 DEFINING RADIO ADVERTISING**

Advertisers pay for the commercials seen on television or in a print publication, like a newspaper or magazine. The same advertisers would also make use of radio to market their products and brands. Here advertisers buy radio commercials or “spots” as they are called in the radio industry. Advertisers will allocate a budget and pay a radio station for the opportunity to broadcast the advertiser's radio commercial to its audience. What advertisers are buying is airtime 30 to 60 seconds in length. Radio commercials are created in a production studio. The process of making a radio commercial includes the writing of a script, identifying the right voice talent, and a producer who would mix the voice over a selected piece of music or other sound effects, to enhance the advertisers' message to the radio station's listeners (Hendricks, 2019).

#### **2.3 ELEMENTS OF RADIO ADVERTISING**

Radio commercials are divided into three categories: live reads, sponsorships and produced radio commercials. (See the policy, terms and conditions in Appendix B) (OFM, 2019). Live reads are written script broadcast live to air by the radio host of

the radio station (Hendricks, 2019). An example of a live read would be (OFM, 2018):

*“Be part of Central South Africa’s most magical charity night under the stars. The SPAR OFM Carols by Candlelight concerts, featuring Kurt Darren, Leah, Monique Steyn and the Soweto Gospel Choir, take place at the Senwes Cricket Oval in Potchefstroom on the 26th of November and at the Kopsie Cricket Oval in Bloemfontein on the 4<sup>th</sup> of December 2019. There will also be loads of kiddies’ entertainment, including colouring, balloon sculpting, face painting, Santa and more, in the dedicated children’s areas. A movie screening of Sing will also be taking place ahead of the event. The Concert starts at 19:00, gates open at 16:00.”*

Sponsorships include brands or products that align their offering to that of the radio station’s information segments that include traffic reports, weather reports and news reports, entire radio programs or bespoke created features. An example of sponsorship would be:

*“The news on OFM is proudly brought to you by Sovereign BMW, now with the all-new 3-series on offer at your nearest dealership.”*

Produced radio commercials include script writing, voice artist, music and sound effects (Duncan, 2019). An example of a scripted radio commercial would be:

**“Bed Bug Control Radio Script: 30 Second Version**

**Voice Talent:** Female Voice

**Music:** Bugs 2 theme song

**Script:** Don’t let the bed bugs bite! Simple statement ... BIG problem! Don't know what to use? Bonide has the answer to all your bed bug problems. Bonide's dual action bed bug killers kill on contact, kill all stages of the bed bug and remain effective for weeks. Bonide's bed bug products can be used on mattresses, upholstery, luggage and many other areas where bed bugs are a problem. Our bed bug control products are available in convenient and easy-to-use aerosol, fogger and ready-to-use formulations. Bonide products

are family made and can be found at your local hardware, home centre, or go to Bonide.com to find a retailer near you.”

### **2.3.1 Live Reads**

There are many positive reasons why live reads are effective in a commercial radio campaign. Live reads have a greater engagement level for a brand or product’s target market, that of the radio station (Phala, 2019).

The live read is a written script broadcast live by the radio host of the radio station, which in turn creates an unintentional endorsement by the radio host of the brand or product. Radio station listeners trust the radio host and what they say and rely on the radio hosts integrity when offering a brand or product. Indirectly a live read is a recommendation (Duncan, 2019).

Live reads improve the engagement level of the radio’s commercial campaign, if scheduled at the correct time in a trusted radio host’s radio program (Phala, 2019). Live reads are cost effective, as production, voice talent, music and sound effects are not required. All that is needed is a well written script, executable by the radio host.

### **2.3.2 Sponsorships**

Sponsorships include brands or products that align their offering to that of the radio station’s information segments that include traffic reports, weather reports and news reports, entire radio programs or bespoke created features. Radio information segment sponsorships should be a long-term radio station and brand/product partnership (Heaton, 2019) and strategically planned. Such a strategic plan gives the brand and product the opportunity to drive the brand and product message continuously (frequency) and place the brand and product at the forefront of the radio station’s listeners’ minds to increase the chance to action purchase. Sponsorships create a higher level of brand awareness through the increased brand and product name broadcasted (Theisen, 2019).

### **2.3.3 Radio commercials**

Produced radio commercials include the script writing, voice artist, music and sound effects. These four parts in the creation of a radio commercial need to work well together to create the most effective radio commercial to drive the needs of the brand or product (Krohn, 2019). Radio commercials need to include relevant information that engages a radio listener and grabs the listener's attention to action a purchase (Small, 2017).

## **2.4 THE ROLE OF RADIO IN SOCIETY**

### **2.4.1 Historical overview of the role radio played in society**

The development of radio communications began in 1893 by Nikolai Tesla's presentation of wireless communication in St. Louis, Missouri (Wyman, 2008). Nikolai Tesla's work left the groundwork for those who later worked to improve the radio we consume to this day. The man best known for the patent of radio in 1896, was Guglielmo Marconi. After the First World War, America and Europe, together with the rest of the world started to buy more and more radio receivers, for personal use in the homes and at work. Despite objections by Tesla that Marconi used his ideas, Marconi was awarded the patent for radio by the British Government (Wyman, 2008). However, six months after Tesla's death in 1943, the US Supreme Court ruled that all of Marconi's radio patents were invalid. This court then awarded the patents for the radio to Tesla (Frenzel, 2007).

In the early years of radio wireless technology was used mainly for keeping communications among ships out at sea. Radios were not primed to be able to send voice over the wireless technology, but more attuned to send Morse code, between the ships at sea and the Morse code transmission stations on land (Wilde, 2019).

Radio was first used more aggressively and widely in 1914, during the First World War, as a communication device between forces in battle, and between these forces and the leaders not on the battleground (Wilde, 2019). In 1918, at the end of the First World War, American President Woodrow Wilson's fourteen points and principles of peace were broadcast via radio into the battlegrounds of Europe (Wyman, 2008).

In 1922, the BBC started to broadcast in London alone, but by 1925 radio broadcast programs had spread across the entire United Kingdom. The content offering at the time was radio plays, classical music and other relevant programs at the time.

Wireless radio communications were new and not yet established. The print industry was still a strong sector at the time offering news and more, which radio was unable to do at that time. In 1926 there was a newspaper strike, which left the publication of news null and void over this period.

The BBC took it upon themselves, in 1927, by Royal Charter to change its name to the British Broadcasting Corporation to be able to supply news to the public (Hendy, 2019). When the Second World War started in 1939, all television was silenced and radio was at the centre of communications, not only for the public but for troops on the ground and the admirals giving direction to the war effort (Wilde, 2019).

After the war efforts, there was much change to the radio offering across Europe and the United Kingdom. In 1967 Radio One was launched by the BBC, bringing a Pop content offering to the radio airwaves in the United Kingdom. Diversification of the radio content offerings was now taking place with Radio Two, Radio Three and Radio Four stations were launched, all very different music and content offerings for a diverse consumer base across the United Kingdom (Hendy, 2019).

In 1923, the South African Railways in Johannesburg launched the very first South African radio station. This was on 29 December. In 1924, the South African scientific and technical club took over the running of South Africa's very first radio station (Erasmus, 2004).

This was followed by the Cape and Peninsula broadcasting association starting the Cape Province's very first radio station in Cape Town, also in 1924. A Durban affiliate to the Cape and Peninsula broadcasting association, also in 1924, started a radio station. The stations were funded by listeners' licenses (Mishkind, 2007).

The coverage that the three stations gave and the revenues collected made the running of the radio station quite difficult. In 1927, The Schlesinger organisation

formed the African Broadcasting Company. Here the three radio stations, from Johannesburg, Cape Town and Durban were incorporated; this did not alleviate the financial difficulties experienced by the three broadcasting radio stations (Erasmus, 2004). Additionally, the African Broadcasting Company had sole rights on broadcasting in South Africa.

This all changed in 1936 as Prime Minister General Hertzog, formed the South African Broadcasting Corporation (SABC) under Act No. 22 of 1936 (Mishkind, 2007). Here Hertzog required that all radio broadcasts should be made in Afrikaans within 12 months, as previous communications had always been in English.

In the 1960s and 1970s, the SABC chose to expand its radio broadcast services to include African languages and commercial entities. These services did, however, become the voice of the Nationalist Party government throughout this period, ending in the 1990s with the election of democratic leadership and government (Erasmus, 2004).

After the democratic elections of 1994, the SABC went through a period of change as the government wanted to privatise six profitable stations, to raise funds to run the operations of the state-owned enterprise. The six stations (as they are known now) included: 94.7, East Coast Radio, Jacaranda FM, OFM, Algoa FM and KFM. R500 million was raised through the sale of the six radio stations (Brand South Africa, 2006).

Since the privatisation of the six radio stations, eight commercial radio station licences were granted in 1997, to broadcast into Johannesburg, Durban and Cape Town. Stations that opened up included Heart FM, Gagasi FM, YFM, Kaya FM, Cape Talk, Punt FM in Cape Town and Durban, and Classic FM. Not all the stations survived, with Punt FM closing within two years of opening (Erasmus, 2004).

Over the past few years, the radio landscape in South Africa has changed with additional commercial radio players licensed. These include Capricorn FM in the Limpopo province, M-Power Radio in Mpumalanga, Radio Bosveld and Radio North West in the North West province.

Since the start of radio, in South Africa in 1923, the South African radio industry has grown from one player, to in 2019 – 39 commercial and SABC radio stations. The most significant growth in the radio sector has been the community broadcast sector.

This sector was launched after the democratic elections of 1994, from a base of zero radio stations in 2019 – 266 (Brand South Africa, 2006). The increase in the need for commercial and community radio stations as a democratic voice is evident by the exponential growth shown in this sector.

The role of radio in society requires scrutiny. Radio, as a communication medium, has been used during wars, as propaganda machines for governments, a provider of news, music and relevant information targeted at diverse peoples across the globe, in different languages, and across the FM (frequency modulation) and AM (amplitude modulation) mediums (Wyman, 2008).

Radio broadcasters and the radio stations have a material influence on society. They are essential communication channels when sharing information to communities (Erasmus, 2004). Communication has been a critical part of global growth and development. By the exchange of information, we as a society have been able to lead through the exchange of ideas, grow our wealth, build stronger communities, build through leadership, and be in a space to drive even further growth through historical communications (Whitaker, 2019).

#### **2.4.2 Areas of radio development in society**

The important development areas of radio in society include a reasoning platform: education, entertainment, provides employment, an advertising platform, information and as an overseer. These areas are discussed below.

- **A reasoning platform**

Daily, millions of South African radio listeners engage with their chosen radio station, to be part of a discussion, share insights, and promote debate and/or ask for a song to be played, ask for a message to be sent to their loved ones, and share community information. The platform brings communities closer to

each other, regardless of demographic makeup, financial ability and activity. The platform allows anyone to share an opinion and create an environment of tolerance and understanding (Balamurugan, 2017).

- **Education**

One of the SABC radio stations' mandates is to provide trusted education resources through the radio platform (Erasmus, 2004). Education is essential to the development of the country's people and growth in the economy (Balamurugan, 2017). Through constant learning, communities can develop and grow on a personal and financial level (Baliboola, 2018). Not all South African radio stations have the mandate to educate society, but those that do, do so with the intention to advance education in the country (Hendy, 2019).

- **Entertainment**

In the radio industry, entertainment is essential in developing an audience persona that indicates who listens to your radio station (Baliboola, 2018). Entertainment reminds society that the world is not as bad as they see it and that entertainment brings joy (Brand South Africa, 2006). Music and topical discussions fulfil society's need for an escape.

- **Provides employment**

As a sector that provides reasoning, education, and entertainment, radio also provides much needed employment. In South Africa, radio employs 39 commercial and 266 community broadcasters. That is a large sector that employs South African citizens (Brand South Africa, 2006).

- **Advertising platform**

The first radio commercial was broadcasted in 1922 on a New York radio station *WEAF*. The radio commercial was for Hawthorne Court Apartments. The start of radio's commercial advertising was developed by the Bell Telephone Company. The use of radio as an advertising platform changed the financial viability of the medium as well as brought customers closer to products (McDonough, 2012).

- **Information**

Radio provides society with information the likes of local, national and international news, weather, traffic, music, sports scores, and creates awareness of what is happening in communities (Baliboola, 2018). Radio is accessible when other modes of communication are not available (Thomas, 2011). Rural areas serve as a typical example of radio's superior reach as a medium of communication.

- **Overseer**

Radio can influence societies' views on religion, politics and education (Balamurugan, 2017). Radio can oversee safety and security in society (Wilde, 2019). Radio can mobilise society for the common good (Baliboola, 2018). Radio can also have a negative effect on society, to include the citing of violence and moral degeneration (Wilde, 2019). Additionally, radio is a propaganda machine for governments used to censor societies and manage expectations, information, mould public opinion and drive an agenda for a political party (Baliboola, 2018).

Since 1922, radio has been a stronger mass communication platform and has outperformed print by far. Statistics show that radio consumption in South Africa alone consists of 91% of the age group 15 years and older, they are all radio consumers (Brand research council of South Africa, 2018).

## **2.5 RADIO ADVERTISING**

### **2.5.1 The importance of radio advertising**

Radio advertisements create interest in products and services provided the messaging and the creativity in the commercial broadcasted stands out from competitors (Murmman, 2018). Additionally, when a radio advertisement is broadcasted in the day and at what time – this impacts the consumption of the message. It is critical that radio advertisement campaigns need to be tactically planned and executed with clear objectives in mind. The effect of a good radio commercial and/or sales offering should substantially drive sales in a client's

business. The use of the correct radio station is also crucial when making a radio advertisement campaign decision to ensure access to the right market for whom the product is relatable, accessible and the market wants to purchase (Myburg, 2016).

Commercial radio provides this platform with innovative radio content solutions, radio personalities, radio programs and product offerings. In South Africa, many of the commercial radio stations are situated in the larger metro centres: Johannesburg, Durban, Cape Town, Bloemfontein, Port Elizabeth and Pretoria (OFM, 2018).

Commercial radio stations have access to large listenerships which engage and listen to them daily, at home, in the car and in the office. Access to large listenership segments or mass markets or potential customers is much more accessible through the use of radio as an advertising platform (Murmman, 2018).

Creativity in radio is a key driver to sales success for customers. The influence producers have on a brand's messaging is material, and with the assistance of radio people, sales success can be achieved. Radio is a one-on-one communication medium, very warm in its nature. This allows for a more focussed approach to any message. Listeners feel as if the radio personality or a radio advertisement is meant only for them. No other medium can offer this kind of warmth.

### **2.5.2 Radio advertisements' impact on listeners**

Many large South African retailers have allocated specific amounts of advertising budgets to radio only. As budget pressures increase, these allocations are becoming less and less as new technologies offer more for less on advertising monies spend (Myburg, 2016). The above has a real threat on a radio station's ability to deliver on revenue targets.

With that in mind and with the retailers facing more competition for market share, radio stations need to provide concrete evidence that the use of radio as part of the advertising mix is still a critical part of marketing and promotion to stimulate consumers' interest. Some studies have, however, shown that specific sectors do not influence consumer decision making through the use of radio advertisements (Nysveen, 2005 in Myburg, 2016). These include travel and tourism, as this sector

requires visuals to make a sale. The reverse is applicable to retailers, banks, shopping malls, mom and pop stores, motor vehicle dealerships, sports teams and large brands.

The mentioned sectors make use of radio often since the effect is seen at the point of purchase (Myburg, 2016). However, we still need to identify which medium is the most effective in converting a sale. The placement of a radio advertisement should be precise and targeted to drive interest and to convert into a deal.

### **2.5.3 Radio advertisement and creativity**

The use of creativity in a radio advertisement does have a positive effect on sales promotions or brand positioning. Creating an emotional hook in a radio advertisement has been seen as successful as people remember that kind of advertisement. Once the radio advertisement is heard and remembered, a listener's recall to that product is quick and could close the gap between wanting a product and buying that said product. Emotional use of words in a radio advertisement is essential (Murmman, 2018).

Love, desire, happiness, warmth and yearning are key concepts that drive creativity in the radio space. As an intimate medium, audio can provide a sense of belonging more than digital technologies, where the most significant loss of revenue in radio is currently happening.

### **2.5.4 Radio can penetrate markets**

Historically, radio advertisements were broadcasted in 30-second slots. Radio listeners were then exposed to a prolonged advertising message from a specific advertiser. Over time, this has changed as reading announcements by radio presenters that have become popular, so to the sponsorship of radio programs, news features, traffic features and weather features, experiential marketing activities with the radio station and radio presenter endorsement of products. It is noteworthy that traditional geographic boundaries are crossed by streaming technology where OFM (and other radio stations) can be streamed internationally.

The use of non-traditional messaging can penetrate into market segments as the message is constructed to speak to the listener at that time who is consuming the radio station for a specific purpose. Analytics on listener behaviour gives radio the ability to be tactical and rather specific when placing an advertiser's messaging. Additionally, the use of specific formats on radio allows for products to resonate not only with the radio station itself but the listener it attracts. Formats that are for consideration by radio advertisers would include music, talk, news and sport. Entertainment drives listener interests, and if surrounded by the correct radio advertisements it would stimulate interest in that specific product (Myburg, 2016). Unfortunately, digital technologies, social media and webpages offer access to audiences on their mobile devices and at their workplace. The use of restrictive firewalls on work computers places radio at the forefront of access to potential consumers.

### **2.5.5 Radio advertisements are more interesting**

Listeners are able to consume an advertising message through sight, listening and reading; this has a material effect on buying habits. People's consumption of a message is dependent on how they feel at that time (Cross, 2011). Print and digital platforms such as Facebook do not have that ability to make an emotional connection as much as audio does. Audio has an emotional connection to a consumer more than an image ever will. Sound is warm, can create an image in the consumer's mind that is unique and develops a memory that is kept. Audio allows for recall of a message, a song and a moment, whenever wherever. We have all had those moments when we heard a song or a commercial which reminds us immediately of a brand or a memory. Visuals do not do that immediately. Radio advertisements are more emotional in nature and are more interesting to listen to. The consumption of radio advertisements happens when we are doing something else, like driving, reading, walking, and running. This cannot be done when engaged with another media platform (Murmans, 2018).

### **2.5.6 Radio and the Internet**

Radio is a one-on-one medium of communication, servicing a listener in a very profoundly special way. Listeners feel connected to their station of choice, as to how a radio show is presented is for that one listener only, although there are thousands

listening at once. With the advent of the internet and social media platforms, radio has embraced the new technologies and social media platforms and integrated their use on radio shows. Radio is the only traditional media that can integrate programming, messaging and activity through the use of new technologies. As a consumer, you are able to listen to the radio and engage online at the same time (Cross, 2011).

Radio is over ninety years old and is still the most reachable and affordable mass communication medium available. Radio is everywhere and often the only form of entertainment available to people in rural areas. The low cost to run a radio station plus distribute its signal allow for radio stations to be very local in their content offerings, local in their sale solutions for business around the corner and agile enough to report on any local news that develops. Radio speaks the language of its consumers, which makes it very powerful (Furgurson, 2018). The content offering is local in nature and reflects the community it serves.

The internet has disrupted that feeling of ownership of communities. The internet has opened the world to everyone. This is a threat to local community-based radio stations, as radio listeners can listen to any radio station across the globe. This is done through aggregation technologies, provided by smart applications or by access to radio station webpages where they offer a streaming audio service of the radio station (Rajagopal, 2018).

However, the radio is very good at creating a conversation with its listeners. The interaction between listener and radio station is a marriage of choice and drives communication. The internet, on the other hand, gives access to information across a wide variety of subjects immediately. Radio cannot do that. There are barriers to accessing the internet: Cost, language, content, education and poverty. Radio plays a huge role in being able to provide access to education for more impoverished communities (Wortley, 2018).

### **2.5.7 Radio advertising and social media advertising**

Radio advertising on its own is compelling. If a radio advertising campaign is part of a global media mix to include print titles and television, the campaign itself is even

more powerful. You could also add social media advertising to the global media mix and achieve phenomenal success (Myburg, 2016). Social media advertising on its own is also compelling provided the campaign is targeted to the market it is meant to serve. Too often social media campaigns fail to deliver results for advertisers as the specific platform is not well-understood by laymen. Specific advertising agencies would take the role of gatekeeper and influencer here to ensure advertisers don't waste their advertising budgets (Wortley, 2018).

Radio and social media are powerful tools as they complement each other. Radio can engage with a listener base by getting them to act more than any other medium. Including the use of social media these actions can be expanded and leveraged and drive sales activities in a client's business. The timing of campaigns can be very tactical and specific, as radio would lead listeners to a message and social media would convert the action. Unfortunately, this thinking has not been proven to be that accurate and limited case studies are available. The use of radio where content is delivered and action activated and combined with the use of social media, make the results more aligned (Verhoef, 2018). If an advertising campaign received a significant boost at the start through radio, social media could add an extra element.

### **2.5.8 Innovative radio solutions**

Radio and digital technologies offer new innovative advertising solutions to advertisers. The use of mobile phone technology allows the radio to be at the forefront of audio solutions for advertisers, to get their message out into the market and to a more engaged consumer (Verhoef, 2018). This would involve the use of audio recognition software. As a radio advertisement is played a consumer can use this software to download another message from the advertiser or receive an immediate link to the advertiser's webpage. The connection between consumption of a radio commercial and the immediate access to a webpage can convert a sale quicker, more efficiently and effectively.

There is a constant need for a radio station to drive listener interest in the radio station and build either a quality listener (available disposable income, access to credit, banked, insured as examples) or more listeners (anyone and everyone, a large number of listeners). Depending on the radio station's strategy, these two

factors play a role in how they adopt technology and provide radio sales innovations for advertisers. There is no direct relationship between the quality and quantity of radio listeners when advertisers choose a radio station to advertise on. What is important is the target market the advertiser needs for selling a specific product or service.

To be able to compete in the radio landscape with new technologies and alternative advertising solutions, radio stations have to build listener bases. Innovation is vital in this activity. Listenership is built on the back of targeted campaigns to convert non listeners and occasional listeners into heavy consumers of a radio station. Tools available for this include the use of digital technologies, social media platforms, ambassadors and other traditional advertising media. A threat is that radio advertisers see brand advertising on other platforms and wonder if the trust in his medium is low (Suggett, 2016). There is a consequence to this thinking.

### **2.5.9 Better radio production**

Creativity in radio advertising is critical in delivering the correct message to action a consumer to purchase a product. That in itself is not the only need. The end production value of the radio advertisement is essential in delivering that message. Advertising agencies, producers and production companies who specialise in the writing, recording and producing of radio commercials should invest more time and effort in the end product – the radio commercial. Radio station listeners also complain to the radio station about the presenters, music, the broadcast content and the commercials (Suggett, 2016). Here radio stations ought to take the cognisance and also lead and advise a client about the quality of the radio advertisement. If the advertisement is of poor quality, it will not add value to the radio station's broadcasts while is also unlikely that it will deliver the expected commercial results for the advertisers (Murmman, 2018).

The biggest influencer on the creation of a radio commercial is time. Radio is the younger cousin of the more traditional mediums: television and print. A lot of time will be spent on the creation of a television commercial and the creative look and feel for print commercials. Once these two mediums have taken most of the available budget, radio would receive the balance, and with that poor radio advertisements are

created (Murmman, 2018). This impacts on the overall client campaign, which is poor, whereas better planning of the production would have added value.

#### **2.5.10 Use of a radio station's digital platforms**

The use of a radio station's webpage and social media platforms is a good indicator that an advertiser has a high level of trust with the radio station's ability to provide a consumer that would be interested in purchasing their product (Suggett, 2016). The use of a radio advertisement, linked to activity on the radio station's webpage plus additional messaging on the radio station's social media platform offers a wide range of consumers on different platforms. Essentially, the advertiser is accessing the radio station's global consumer, where the radio station broadcast from, and its core listeners engage with the radio station (Murmman, 2018). A possible threat may be how to analyse the influence of the individual platforms when the consumer would make that purchase decision.

### **2.6 APPLICATIONS OF RADIO ADVERTISING**

Radio advertising can be used to create and manage brand awareness or to advertise products.

#### **2.6.1 Brand advertising**

Brand advertising is created through effective engaging research, clear strategic imperatives and the need for a business to drive revenues and profitability. Brand advertising demands the delivery of a clean and clear message that narrates a brand's identity, and sincerity (Zohar, 2019).

Brand advertising needs to connect with a potential customer base, both emotionally and intelligently. Brand advertising needs to action a customer base to buy. Creating brand love is crucial in developing a relationship with a customer base. This should, in turn, develop into loyalty toward the brand (Ward, 2019).

Brand identity is the personality and persona of a brand (Mialki, 2018). These traits would include a brand's logo, where they exist on the World Wide Web, the product offering and/or service offering, any language used in communications through print,

radio and television advertising, and/or any and all other visual representations of the brand toward a customer base (Ward, 2019).

All these elements, when used correctly, should be consistent in their execution. Any changes in the makeup of these elements, if they do not speak to each other, are confusing to a customer base, and may result in a lack of action, purchases and loyalty from the customer base (Zohar, 2019).

Optically, a brand logo should be easily identified, this would include the font used, and the chosen colours (essentially red, yellow and blue are the most used primary colours (Ward, 2019).

Brand identity displays many facets of a business, product offering or a company. The logo itself is the identifier of the business, this could show intention and ownership of a certain sector and could celebrate the history of the business, product offering or company (Ward, 2019).

The design of the business logo could indicate how the business, product offering or company intends to do business, to be fun and entertaining, family orientated or to be serious (Zohar, 2019). It is important that a business, product offering or company logo matches the brand.

Brand sincerity and brand advertising operate hand-in-hand. Sincerity builds trust and invariably this engages a customer base to feel happier buying from the brand itself. Honesty and trust build brand love and leadership in a sector (Zohar, 2019).

This approach can be executed in various ways, the use of influencers and/or well-known celebrities may propel a brand's sincerity and trust, sponsorship of community events that drive emotional connection may be successful, and finally, the narrative created for print, radio and television advertising may demonstrate the business's product offering or company working for the good (Ward, 2019).

Brand advertising needs to connect with a customer base on an emotional level, to change the customer's life for the good or for the customer to have a little sense of

happiness and satisfaction (Zohar, 2019). Essentially the business, product offering or company needs to satisfy a need that the customer needs satisfied (Ward, 2019).

Brand advertising adds value without access to the measurability of the advertising itself. The advantage of brand advertising is that your customer base will recognise your brand – having heard and seen it, have more trust in your brand (Ward, 2019).

Brand advertising engages on a level where the business, product offering or company are not selling something, but showing the advantages of being part of the brand's ecosystem. It should translate into a customer purchase and keeping the customer in your ecosystem, driving loyalty (see Figure 1).

**Figure 1: The customer ecosystem**



**Source:** Mialki (2018)

Many brand commercials are found in print publications, on radio and television. These commercials do not necessarily ask for a customer base to action a purchase (Mialki, 2018). The objective of brand advertising is to get in front of a customer base, build an emotional connection and when the time comes for the customer, to action a purchase (Ward, 2019).

A business, product offering or company may use “slogans” and/or “tag lines” to establish a brand identify with being top of mind for a customer base. The slogan

would derive an emotional connection with a customer, to make a material difference in the customer's life and fulfil the need of the customer (Lindblad, 2019). As an example, here would be Nike's famous "Just do it" campaign, establishing the company's brand identity as a leader in fitness. A slogan over time connects with a customer base to associate with the values of the business, product offering or company (Ward, 2019).

Brand advertising outside of the historical platforms of print, radio and television, now includes social networks. These would consist of Facebook, Twitter and Instagram. Here a business, product offering or company would engage a customer base with content that is relevant to their needs (Mialki, 2018).

New and engaging content adds value to the customer base's daily needs, adding value to their experience of the brand. Additionally, a business, product offering or company can engage on a personal basis, asking question and feedback from a customer base (Lindblad, 2019).

### **2.6.2 Product advertising**

Product advertising on radio is very effective if the messaging is clear, the offering is easily understood and where to buy the product is easily explained, be it in store or online (Zohar, 2019). Product advertising on radio is effective as radio engages with a potential customer base with immediacy, radio can sell everywhere, as listeners are listening in the car, at work or at home. Radio can engage a listener through sound, to create an emotional connection that is not easily done via a picture or through a letter. Radio creates different pictures in a listener's mind, very different from person to person (Zohar, 2019). Product advertising on radio is more effective as radio can unclutter marketing messaging, as the product being advertised is the only message heard at that time. Product advertising on radio is more cost effective in comparison to television and print. Product advertising on radio reaches more people and offers the opportunity for the advertisers to repeat their offering many more times at different times of the day.

## **2.7 RADIO ADVERTISING AND MARKET SEGMENTATION**

The birth of radio provided the only main form of communication and entertainment for many communities. Families and friends would gather together and sit in front of a radio to hear their favourite radio program, then the next day (as we do with television today) discuss the radio program at school or at their places of work (Riley, 2018).

This level of engagement created an attention level for brands and businesses alike. This level of engagement and the use of radio as a communication device brought with it an increase in customer awareness and buy-in, and more importantly, access for brands and businesses to increase customer brand love. Radio became a powerful marketing tool for brands and businesses – this became known as radio advertising (Riley, 2018).

At the inception of radio, radio manufacturers used radio as an advertising medium to drive the sales of radio equipment itself, and not to drive sales of other brands and product offerings. At that time radio stations were not seen as a standalone profit centre. Between 1919 and 1922, the content offering of radio stations started to change, to shift into a twenty-four-hour broadcast, radio station investors and owners obtained business licenses to make the business of radio stand-alone and profitable (Elezaj, 2018). Other reasons why radio advertising became a powerful marketing and also a profitable tool to radio station investors and because it targets a wide audience and breaches geographical boundaries with ease (Riley, 2018). When in 1922 *WEAF* became the first business to pay for an advertisement on the radio, this changed the landscape of the radio sector, taking it into an age of revenue and profitability (McDonough, 2012).

Radio advertising started to rival the use of print advertising after 1922, and now with the rise of online audio provision and social media, radio advertising is feeling the pressure to provide revenue and profitability to radio station investors and owners (Elezaj, 2018). There are, however, many benefits to advertising on radio. These benefits include targeted, increased frequency, memorable, cost effective, efficient and measurable.

### **2.7.1 Target market**

A radio station's target market is the radio listener community the station sees as the most lucrative community to offer to an advertiser to access with their brand message and product offerings. Market segmentation enables a radio station to divide the population into the most lucrative subset of listeners (Corbell, 2019). A radio station invests time and resources to research the target markets to understand the listeners' common interests, and with this information, design a radio station product offering that speaks to this target market, and give access to brands and products to advertise.

These target markets also advise on which brands and products would advertise on specific radio stations (Radio Research Consortium, 2018). In the case of OFM, as an example – the radio station targets 24 to 49-year-old females, in socio economic measure 7 to 10 living in Central South Africa with a household income of above R16,000 per month (OFM, 2019).

This measured approach is why certain brands and products advertise on the radio station and some do not. As an example, Shoprite does not advertise on the radio station as the radio station's target market does not speak to the customers of the brand, but Woolworths does advertise on the radio station as the radio station speaks to the target market of the brand.

### **2.7.2 Frequency**

Radio is a frequency medium. This means that all content that includes music, news and, in fact, advertising, is repeated continuously. Frequency of advertising increases the chances that an advertiser would reach a potential customer (Riley, 2018). As a frequency medium, radio advertising increases the exposure of a brand and the product's message. The loyalty of a target market toward a radio station also has an impact on the brand and product message consumed, and a purchase decision is likely (Elezaj, 2018).

### **2.7.3 Memorable**

Audio is more effectively stored as a memory than any written word. Audio provision as a radio advertisement is also a powerful tactic to drive an emotional connection

and allow the brand and product to build millions of different versions of an image through the use of audio as all radio listeners would create a picture in their minds of a brand or product to be different (Ward, 2019).

#### **2.7.4 Cost effective**

Radio is more cost effective than a radio advertising platform, in comparison to television and print commercials. The creation of a television commercial requires video equipment, a studio or multiple locations to record material to be used in the television commercial, many hours and even days to record the content for the television commercial, staff, actors and or models and props (Riley, 2018).

Print commercials require many images for use, actors or models, photographers, a studio or multiple locations to photograph the images needed that also take hours or days, designers and additional staff. Radio advertising requires fewer of these resources, to include a voice artist, script writer, a producer and a production studio to write, record and produce a radio commercial (Elezaj, 2018). This could take up to a day or even less time.

#### **2.7.5 Efficiency**

Radio is more cost effective and agile, as the message is written, recorded and produced, and can be turned around quickly in response to changing market conditions. Radio is efficient and agile as the lead time to a radio commercial is short, as planning does not take that long (Elezaj, 2018).

#### **2.7.6 Measurable**

Measurable objectives for a radio advertising campaign can be measured daily. If the radio commercial's message is not effective, the message can be changed easily and quickly (Ward, 2019).

### **2.8 ROLE OF RADIO ADVERTISING IN MARKETING CAMPAIGNS**

Over time the development of potential customer media consumption through legislation and technology have resulted in brands and products increasing their advertising spend across the traditional platforms of radio, television and print, to include non-traditional platforms like sponsorships of events and sports teams, and

outdoor activities to also include disruptive technologies, such as social media (Fulop, 2015).

The use of all platforms by brands and products is an attempt to drive sales revenues, brand trust, and profitability. Brands and products need to research and understand the different platforms to ensure budgets are not misused (Ashe-Edmunds, 2019).

Magazines, newspapers, direct mail, and catalogues allow a potential customer to spend more time with the brand or product's commercial by seeing the creative execution, and coming back to it later or storing the creative commercial. The creation of the print commercial needs a special skillset by a person that is knowledgeable in print advertising and especially so regarding the layout, design, and creativity of the advertisement (Ward, 2019). Print commercials compete for attention with the editorial of the publication. Therefore, the design element needs to be exceptional to grab attention.

Television allows brands and products to be tactical in their advertising. Television offers a moving optical story solution to a brand's offering and more targeted markets who engage with specific and relevant television programs (Ashe-Edmunds, 2019). Brand and products can place their offerings in and around the television program, should the offering speak to the consumer of the television program.

Outdoor advertising includes the use of billboards placed next to high volume vehicle traffic, signs on buildings, and in South Africa on taxis. Outdoor grabs attention from commuters and builds the frequency of engagement.

Brand and products have adopted the internet and social media as another platform to engage with potential customers to action purchase. Consumers are spending more and more time on the web and social media sites than ever before, this is why the use of the disruptive technology to advertising is a powerful advertising platform if used effective and efficiently with the traditional advertising platforms (Ashe-Edmunds, 2019). The use of the internet and social media platforms comes at a much lower cost than conventional platforms. Radio plays a material partner to most

advertising campaigns by brands and products, who are looking to maximise their advertising campaigns to drive revenue and profitability (Phala, 2019). The use of audio is one aspect of the creative journey that print cannot offer. Radio is more attractive as an advertising medium for a large commuter segment (Hendricks, 2019).

Radio as part of the traditional advertising platforms is the best platform to complement an advertising campaign by brands and products to include disruptors the likes of the internet and social media (Elezaj, 2018).

The internet and social media have growth exponentially, is useful, and influential. The power of the web may create perceptions that the traditional players as mass communicators may be coming to an end. Radio, as the very first mass communication platform, continues to reach, engage, entertain and inform many millions of people on a daily basis (Tortorice, 2017). The role of radio advertising in marketing campaigns is material, complementary and useful as the only platform for a brand or product (Taylor, 2017).

Radio has a long history of competitors. In 1950, television was seen to end radio consumption. It did not happen, radio stations adapted to changing consumer behaviour and succeeded to retain audiences.

The quality of radio broadcasts also changed from AM to FM, in the 1970s, to improve the listener experience (Tortorice, 2017). In today's radio sector and radio programs, many radio stations have engaged in disruptive technology to complement the radio stations' content offering. Technological advances have not disrupted radio's appeal, but enhanced it, to make radio an essential part of a brand marketing mix (Phala, 2019).

Radio reaches considerably more potential customers than the internet or social media. These different platforms have considerable reach and engagement, and together, the intersections and collaborations between them offer more (Taylor, 2017). Radio stations are adapting and engaging with these platforms to provide as part of an overall radio station's advertising, offerings and products. This offers more

value to the brand and products advertising needs to drive revenues and profitability. For radio stations, the use of the internet and social media extends the radio station's presence and brand promise beyond the frequency, attracting new listeners (Taylor, 2017).

## **2.9 SUCCESS CRITERIA FOR RADIO ADVERTISING**

Radio advertising reaches a large consumer base, up to 91% of South Africans engage in radio every week aged 15+ (Broadcast Research Council of South Africa, 2018). Radio advertising is still effective, albeit, in the age of millennials making use of other platforms to access brands and product offerings (OFM, 2019).

The criteria for a successful radio commercial includes knowledge of the target market for the brand or product, as discussed above, frequency of the radio commercial, the radio commercial's script, the use of remarkable voice talent, production elements, cost, and when you schedule the radio commercial on the radio station (Duncan, 2019). Radio advertising allows the creator of the radio commercial to create something unique, with a tiny budget (Riley, 2018).

### **2.9.1 Target market focus**

Marketers of brands or products need to understand the needs and wants of their target markets. This knowledge needs to align with the chosen radio station's target market and listener access to ensure maximum exposure to the correct target market (Duncan, 2019). Here owners of brands and products need to adequately research the available radio stations and the target markets these radio stations service. By doing so, they will be able to target their brands and products correctly in the market and thereby also expose the target market to adequately designed and focussed radio commercials to the correct target market.

Placement of the brand or product radio commercial at certain times of the day or night is also vital in effective and successful radio commercials (Riley, 2018). Brands and products need to be very tactical when they want their radio commercial played. As an example, placing a radio commercial for a financial institution during a radio show for children would not be very useful.

### **2.9.2 Frequency**

Radio commercials need to be played as often as possible to increase the consumption of the message and to activate a customer to make a purchase. Playing a radio commercial once a week is not sufficient (Theisen, 2019).

Frequency of a radio commercial will determine the success of the radio commercial's objectives, to either drive brand awareness or to drive revenue and profitability of the business (Duncan, 2019). Broadcasting a radio commercial many times a day increases the levels of engagement from a radio station's listener base and target market. Marketers of brands and products need to be aware that the radio commercial must not alienate potential customers to action a purchase (Riley, 2018).

### **2.9.3 Radio commercial script**

A well written radio commercial script is where great radio commercial success starts. Production, talent, cost, target markets and more are irrelevant if the text is not well written. Brands and products need to ensure they engage with the best available script writers who understand radio commercial writing and how effective excellent script writing will affect the success of a commercial radio campaign (Duncan, 2019).

Great script writers engage with the radio daily, listening to other radio commercials, thinking of ideas that drive a brand message or product offering on radio, and which radio commercial create emotional connections to a customer. Script writers can generate an image in a customer's mind of a brand or product that should action a decision to make a purchase (Riley, 2018).

### **2.9.4 Voice talent**

Voice artists are the voice of the radio commercial – the deliverers of the brand or product message. Voice artists need specific skill sets to provide the brand and product message, timing in their delivery and essential vocal presence (Clark, 2019). Brands and product gatekeepers need to be part of the selection process of the voice artist, as the gatekeepers would be best to know which voice represents the brand or product.

### **2.9.5 Production**

Radio commercial production is less strenuous than television commercial production. Radio listeners expect more cleverness from radio commercials (Small, 2017). Here great producers would have engaged with brand and product gate keepers to ensure the overall sound of the radio commercial is an absolute representation of the brand and product offering, positioning, credibility and trust (Duncan, 2019).

Sound effects and music play a big part in the success of commercial radio creation. Careful selection in sound effects and music play a material role in the result of the radio commercial success and likeability and consumption of a customer base to action a purchase (Small, 2017).

### **2.9.6 Cost**

Radio advertising creation is lower than that of print and television (Small, 2017). Radio advertising is more frequent than that of print if you compare a day at a time. Radio advertising scheduling is cheaper than that of television (Riley, 2018).

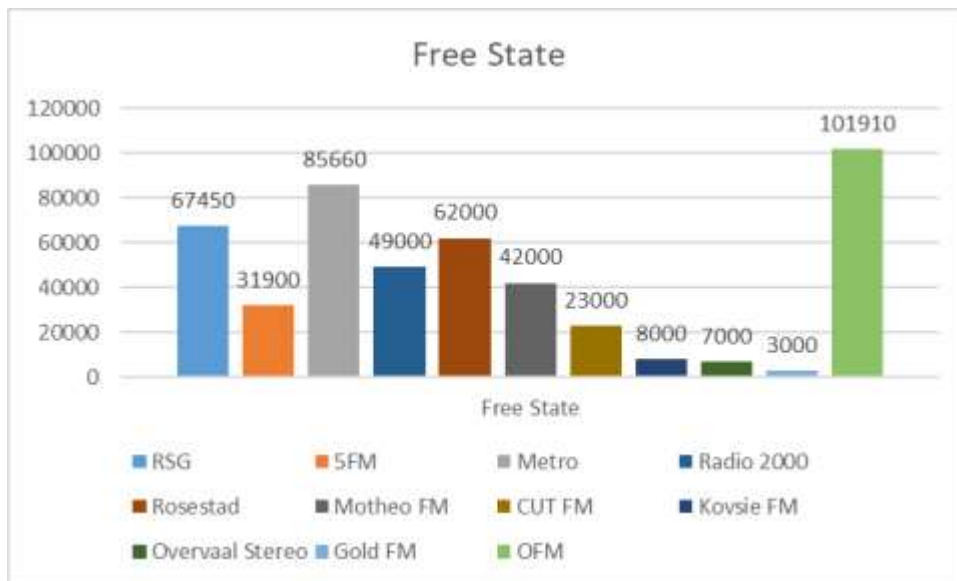
### **2.9.7 Scheduling**

Radio commercial scheduling on a radio station should be very tactical and placed at times of the day that speak to a target market (Clark, 2019). Here a brand or product can negotiate better rates for scheduling the radio commercials (Duncan, 2019). Brands and products should negotiate yearly radio commercial spend commitments to radio stations for better rates and at the same time receive the best time slots for the scheduling of the brand or product's radio commercial (Small, 2017).

## **2.10 COMPETITOR ANALYSIS AND REACH OF RADIO OFM**

The state of radio in Central South Africa, with a review of the broadcast radio council radio audience measurement diary, was released on 27 August 2019. Here OFM is analysed against its competitors in commercial, community and public broadcasting, based on cumulative audience figures and provincial audience percentages.

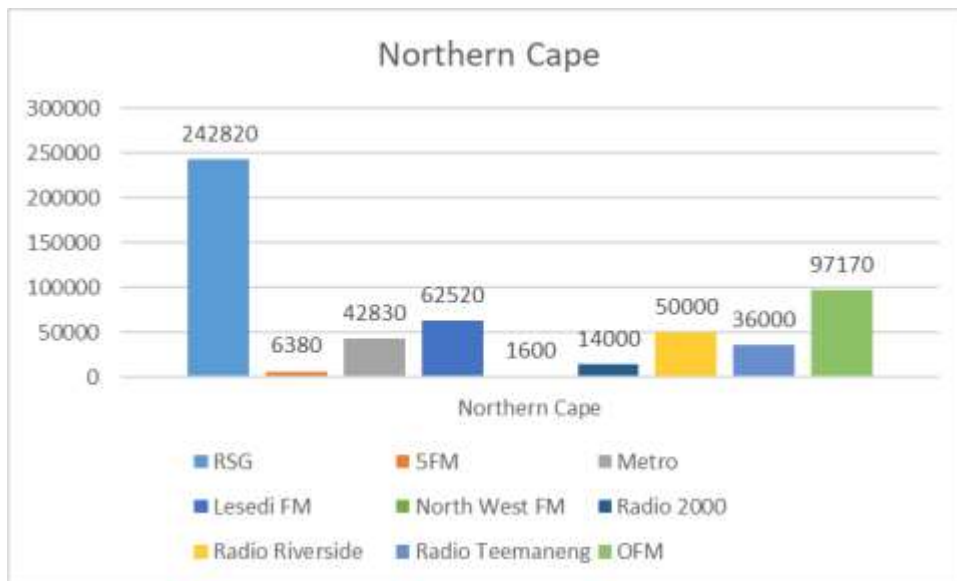
**Figure 2: Competitor analysis in Central South Africa**



**Source:** SABC (2019).

Lesedi FM is the largest radio station in the Free State by total audience size. Their audience share in the Free State is 41% of their South African audience; this translates into 1,281,660 listeners per week. A further 42% of their audience share resides in Gauteng. This SABC radio station has 73% of its audience in the lower economically active SEM (socio economic measure) 1 to 6. The balance on 27% are economically active in SEM 7 to 10; unlike the commercial players in the Free State; the likes of OFM; where 79% of the radio stations audience are economically active in SEM 7 to 10. OFM is the largest commercial radio station in the Free State; with the most influential and economically active audience and the second largest radio station in the Free State; by audience size of 101,910 listeners. Metro FM is the third largest radio station and second largest commercial radio station in the Free State, followed by Radio Sonder Grense. Radio 2000 (49,000 listeners) and 5FM (31,900 listeners) make up the rest of the SABC players in the industry broadcasting into the Free State. Radio Rosestad is the largest community radio station in the Free State, followed closely by Motheo FM. Other players in the Free State radio landscape include CUT FM with 23,000 listeners, Kovsie FM with 8,000 listeners and Overvaal Stereo with 7,000 listeners and Gold FM with 3,000 listeners.

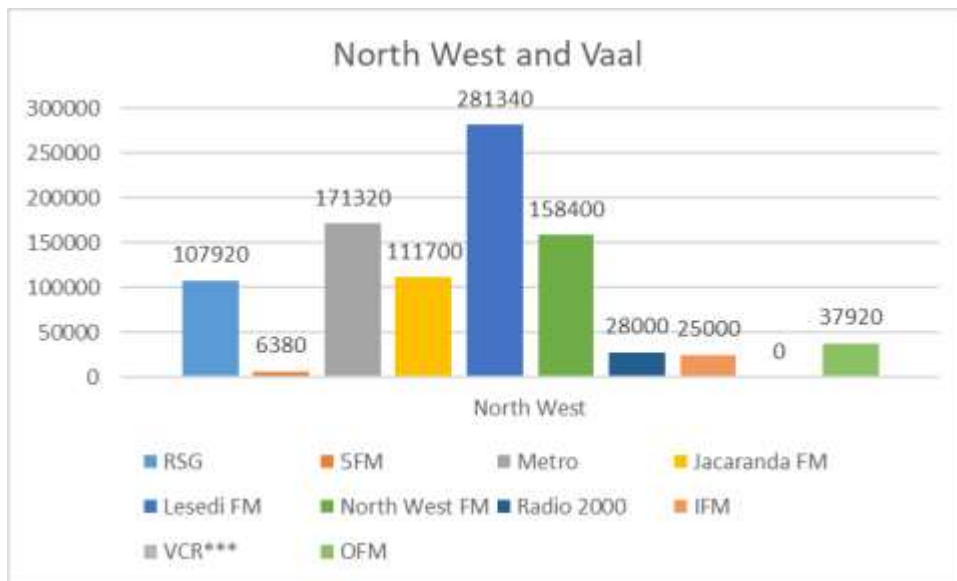
**Figure 3: Competitor analysis Northern Cape region**



**Source:** SABC (2019).

Radio Sonder Grense is the largest competitor radio station to OFM in the Northern Cape; taking in to consideration that this SABC radio station broadcasts to the entire Northern Cape province; while OFM broadcasts to a fifth of the same province. OFM is the second largest radio station in the Northern Cape; but still the number one commercial radio station; leading the way, with a broader audience share than SABC stations; the likes of 5FM, Metro FM, Lesedi FM, and Radio 2000. Community radio stations; Radio Riverside in Upington and Radio Teemaneng in Kimberley complete the radio stations in the province; with North West FM broadcasting to 1,600 listeners.

**Figure 4: Competitor analysis in North West and Vaal region**



\*\*\* Small base size, provided for indicative purposes

**Source:** SABC (2019).

Lesedi FM leads the market share in the North West and Vaal; above Metro FM, North West FM, Jacaranda FM and Radio Sonder Grense. All these stations broadcast into the entire province of the North West and Gauteng; while radio station OFM broadcasts into half of the North West province and Southern Gauteng (Vaal area) only; missing out on lucrative markets in Rustenburg and Mafikeng. OFM is the fourth largest commercial radio station in this highly competitive North west and Vaal radio market; with a smaller broadcast region in comparison to its competitors; an audience of 37,920. Community radio stations IFM (25,000 listeners) and VCR (zero listener reported during this BRC RAM diary release due to a small base size) broadcast into the Vaal only. Radio 2000 has 28,000 listeners, while 5FM make up the difference with an audience share of 6,280 listeners in the North West province.

The information compiled for this review was gathered using the latest Broadcast Radio Council Radio Audience’s measurement diary (released on 27 August 2019) (BRC, 2019).

BrandMapp (2019), a research body launched in 2018, provides a different view and insight into radio listener consumption and behavior. BrandMapp offers a view of a cultured market using a sophisticated methodology. The data is based on a sample

of 29,134 respondents and includes 242 measures, 115 categories and 1,175 individually brands making it the most comprehensive independent study of economically-active South Africans.

In November 2018, BrandMapp (2018) reported that OFM had an audience share of 484,000 in the Free State alone. This research body is new to the market, and the next statistical market release was due in November 2019; where the audience share for OFM is reported for the Free State, Northern Cape and North West (WhyFive, 2019).

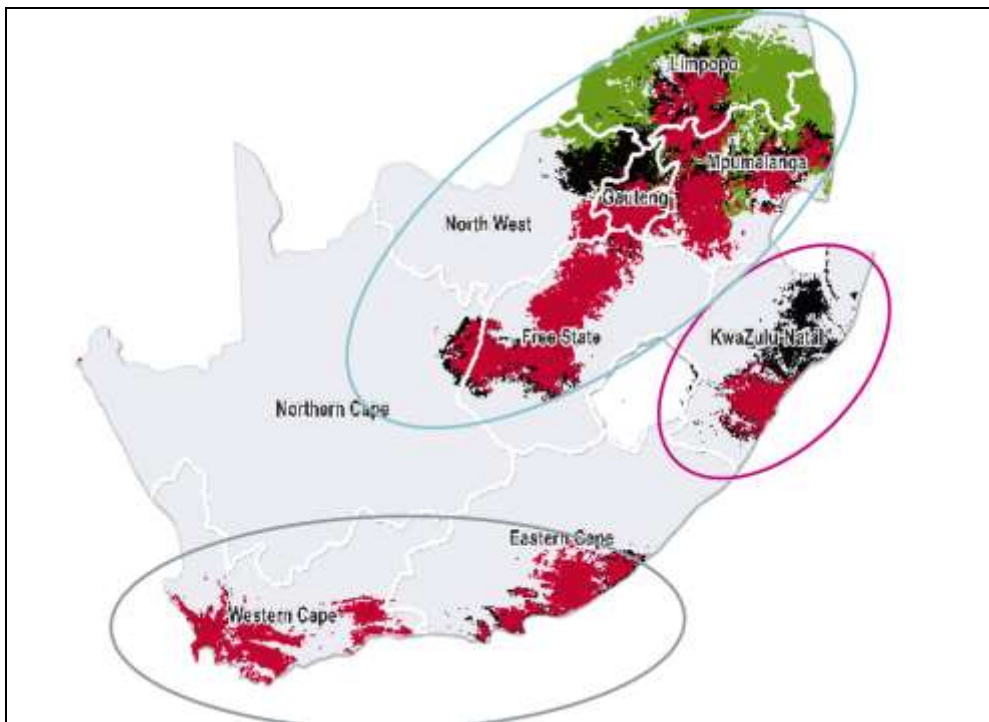
**Figure 5: Radio station audience numbers**

Central South African Radio Competitors to OFM (BRC RAM Release August 2019)						
	High	Medium	Low	Audience		
Lesedi FM			Yellow	1 282 660		
RSG	Red			418 190		
5FM			Yellow	44 660		
Metro FM		Blue		299 810		
Radio 2000				91 000		
Radio Rosestad		Blue		62 000		
Motheo FM			Yellow	42 000		
CUT FM			Yellow	23 000		
Kovsie FM			Yellow	8 000		
Overvall FM			Yellow	7 000		
Gold FM			Yellow	3 000		
North West FM			Yellow	1 600		
Radio Riverside			Yellow	50 000		
Radio Teemaneng			Yellow	36 000		
<b>OFM</b>				<b>237 000</b>		

**Source:** WhyFive (2019)

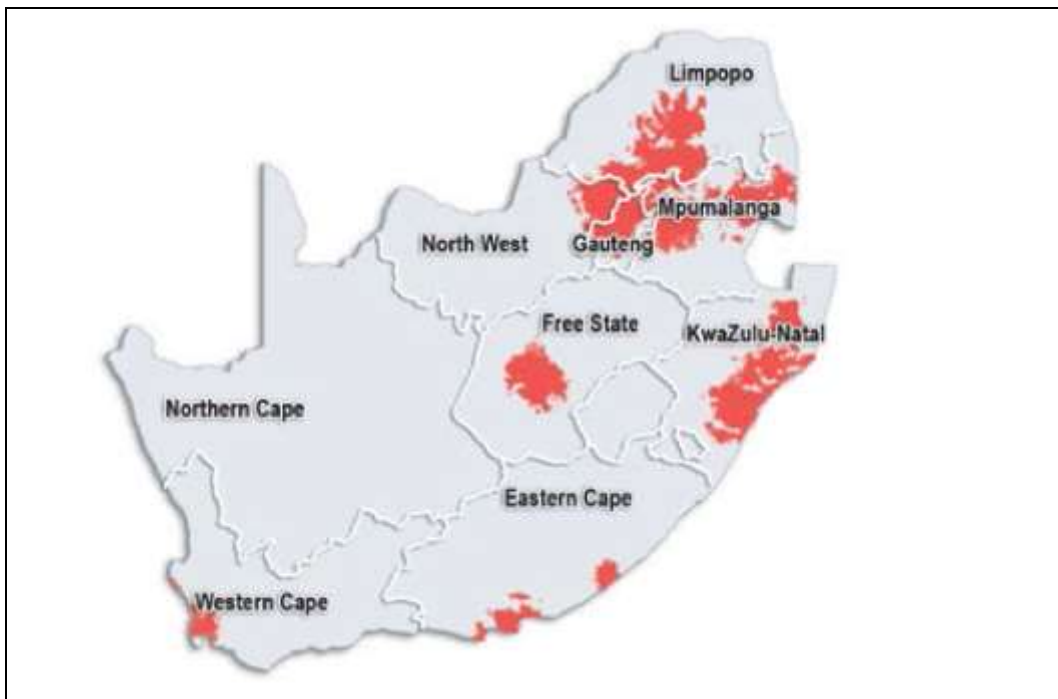
The coverage areas of the different radio stations appear in figures 6 to 10 below.

**Figure 6: Coverage of radio station 5FM**



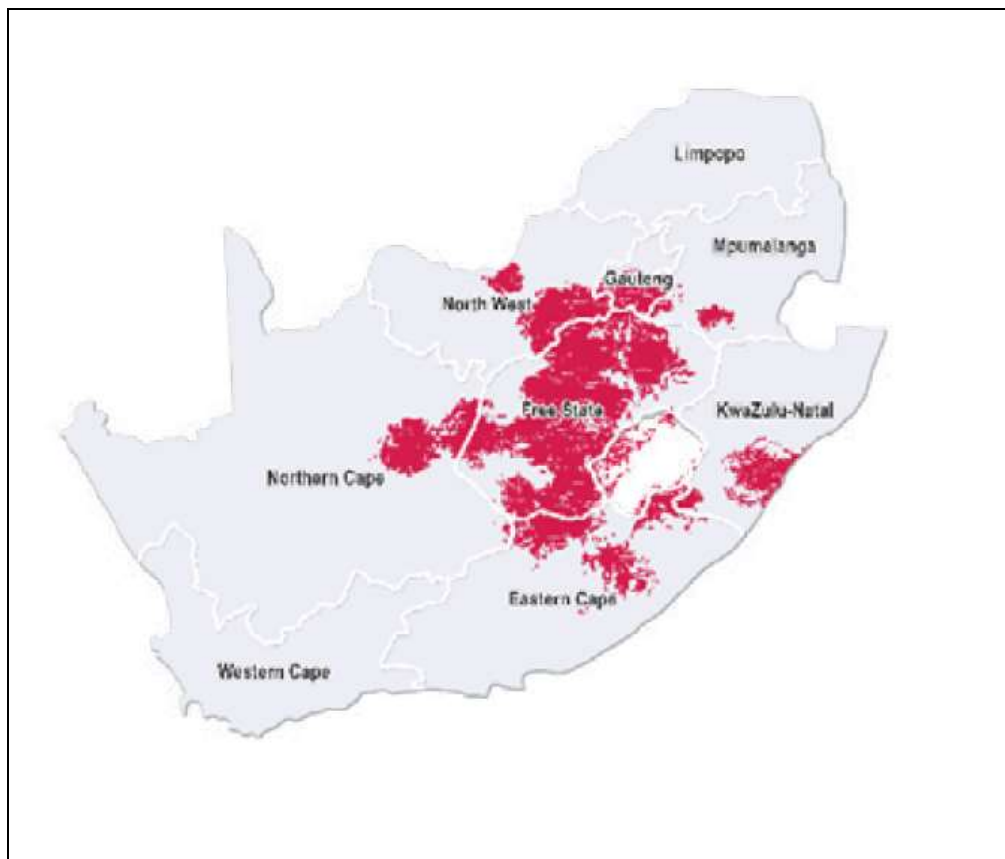
Source: SABC (2019).

**Figure 7: Coverage of radio station Metro FM**



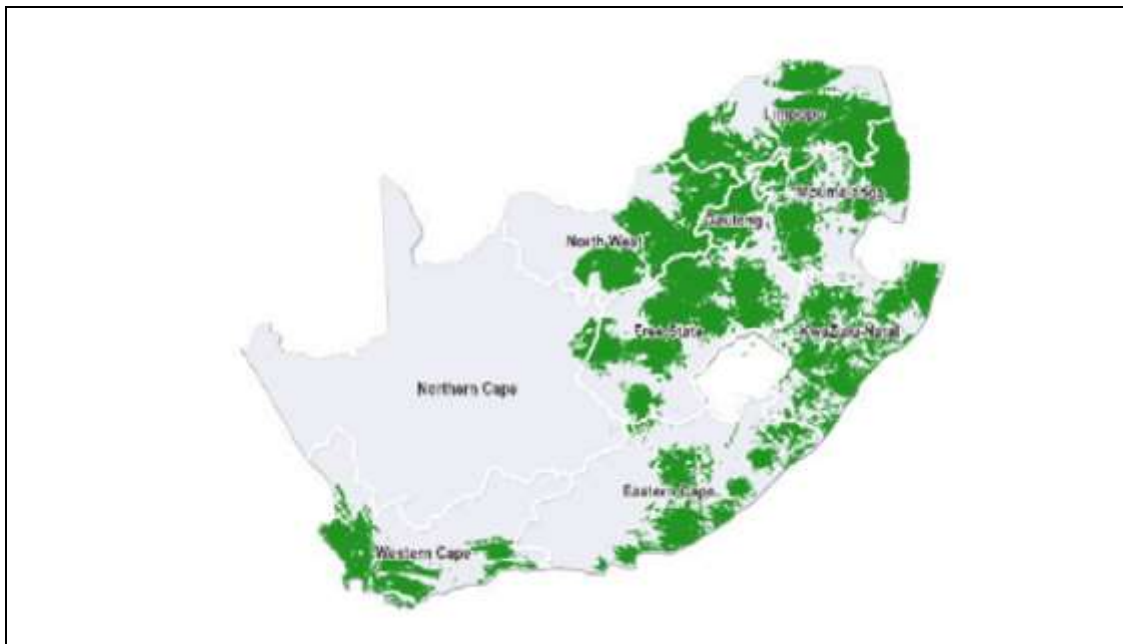
Source: SABC (2019)

**Figure 8: Coverage of radio station Lesedi FM**



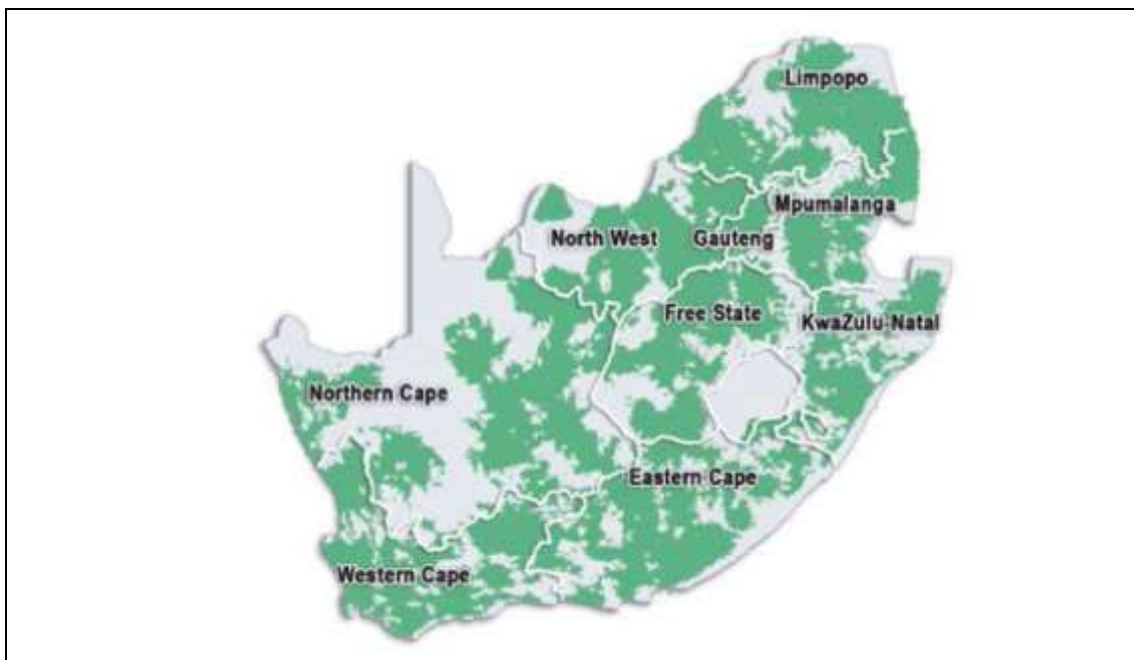
Source: SABC (2019)

**Figure 9: Coverage of radio station Radio 2000**



Source: SABC (2019)

**Figure 10: Coverage of radio station RSG**



Source: SABC (2019)

## **2.11 SUMMARY**

In this chapter, the theoretical underpinning of radio advertising was provided. This chapter introduced the concept of radio advertising, what tactics advertisers would use to attract a market to action a purchase decision by radio listeners toward their brand or product while giving an overview of the role radio plays in society. Radio advertising consists of many different tactics to include live reads, sponsorships, scripted and produced radio commercials. The chapter explained in detail how these tools are used and how effective they are. Radio advertising plays a significant role in society as a communication tool, and part of the marketing mix for many brands and products. The next chapter presents the research design and results obtained from the empirical study.

## CHAPTER 3

### RESEARCH METHODOLOGY AND RESULTS

#### 3.1 INTRODUCTION

Chapter 3 provides the research methodology and results of the study. The chapter discusses the research design, questionnaire design, the population sample and data collection method. The chapter also provides some insights into the findings by discussing the results.

#### 3.2 RESEARCH METHODOLOGY

##### 3.2.1 Research design

The study followed a quantitative approach. Researchers need to explore research questions like (Centre for innovation in research and teaching, 2018a):

- What type of questions will I be asking?
- What kind of data will I need to gather to answer the question?
- What type of results will I report?

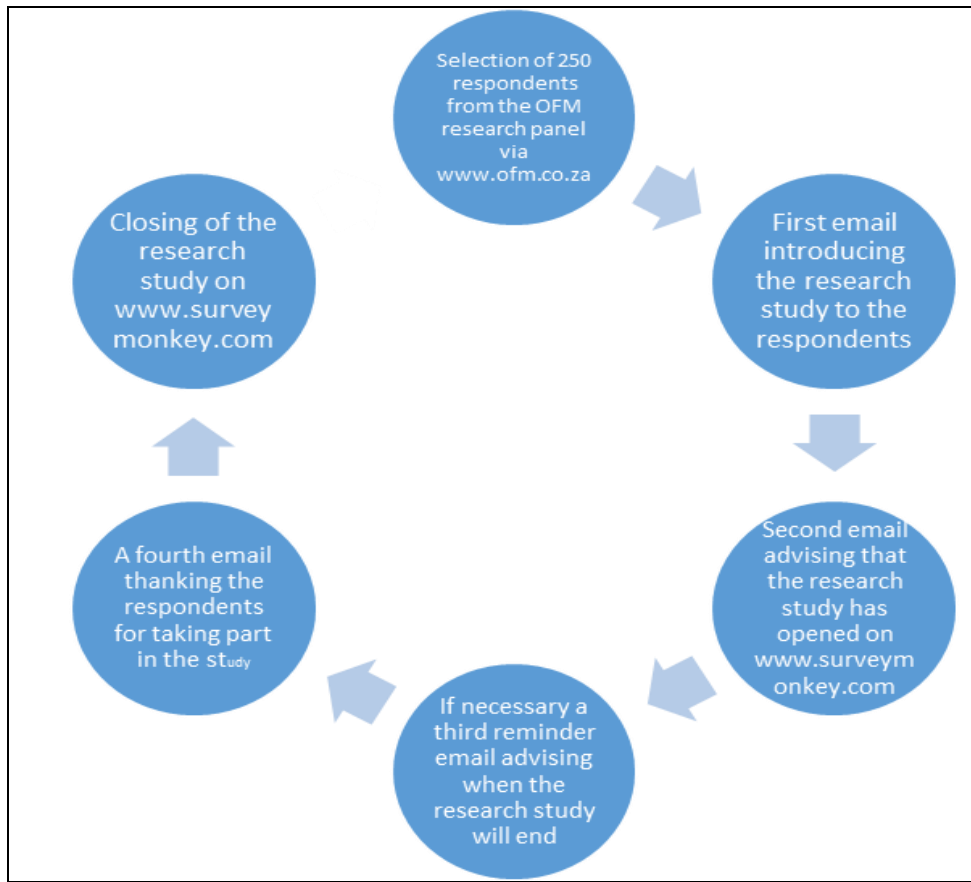
In this study, the link between radio advertising and the influence on purchase decisions was the focus. The question asks “is there a material influence” (Centre for innovation in research and teaching, 2018b). The research approach was controlled and stable using a questionnaire with closed-ended questions. The data provided mathematical results that can be studied statistically looking for a relationship between radio advertising and purchase decisions (Centre for innovation in research and teaching, 2018b). A quantitative approach allowed for the examination of the relationship between the two variables of radio advertising and purchase decisions. The data could be used to look for cause and effect relationships and therefore, can be used to make predictions. Empirical data added value to understanding the study to answer the question: “Do you think traditional radio advertising influences you in ways you are not aware of?” Here the use of surveys conducted on radio listeners/consumers advise on listening patterns (when last listened to radio and where listened to radio and for how long listened to radio per day/week/month), recall of advertising (what was the product and what was the brand promise and or

sales offering), recall on music (know the song and like/dislike a song) as examples. The need here looked for general information about the listening habits of a large group of people and the influence of radio on purchase decisions.

Additional to the research the need was to explore other media platforms that the study group engaged with when making purchase decisions. The process to follow included the development of a framework, define the specific research questions and design, devise the measure of concepts, research site selection, research respondent selection, collection of data through a research instrument, process the collected data, analyse the mathematical data and from the data develop conclusions to conclude with findings (Bryman et al., 2014). The study will be cross-sectional in nature.

Cross-sectional analysis is a form of observational study that analyses data from a selected population, or a typical subset, at a specific point in time. The research execution is primarily associated with a social survey to include research methods such as observation, analysis and statistics (Bryman et al., 2014). A cross-sectional survey gathered data to make interpretations about the radio listener of interest at one point in time, to answer the question: "Do you think traditional radio advertising influences you in ways you are not aware of?" The cross-sectional survey was a snapshot of the OFM radio listener, from whom data was gathered and be able to examine the two variables of radio advertising and purchase decisions. The data can be used to find cause and effect relationships. The cross-sectional survey can be compared to a panel survey, for which the individual respondents are followed over time (Lavrakas, 2018). The figure below shows the research process followed in this study.

**Figure 11: The research process**



**Source:** Lavrakas (2018)

### 3.2.2 Questionnaire design

The questionnaire in the research study is designed to interrogate the impact and value that radio advertising adds to the decision making process at the point of purchase of a brand or a product. As a result, the questionnaire focusses on the consumption of radio and alternate available media, to include print, television, digital, social media, outdoor and the influence that these advertising mediums would have on purchase decisions. The aim is to answer the question: Radio commercials influence on purchase decisions: A survey of OFM listeners in central South Africa.

The questionnaire consisted of questions that relate to the research study aligned to answer the question: “Do you think traditional radio advertising influences you in ways you are not aware of?” The questionnaire was made available via Survey Monkey and sent out by the IT department of the radio station, to the study population of 505 who indicated their willingness to participate in the study. The questionnaire design included the following considerations:

1. Identifying what the research study wanted to accomplish and identifying what the study needed to cover.
2. The questionnaire was tickbox designed in SurveyMonkey and the respondents could easily understand the instructions and questions.
3. The questionnaire design asked ten questions, easy to complete in less than four minutes with answers to each question either being one answer only or multiple answer questions.
4. The options given to the questions were designed to be flexible.
5. It was determined that the demographic makeup of the respondents was not important to the research study, and the results would not be influenced by not knowing this information.
6. SurveyMonkey was the tool chosen to send out the questionnaires, and also collate all the data on completion of the research by the respondents.

The questionnaire appears as Appendix A.

### **3.2.3 Population and sample**

The data collection process was done via an online social survey using the electronic platform *SurveyMonkey.com*. This method is more cost effective, allows access to a larger study group and is not geographically limited. Data can be collected quickly and relatively easily (Bryman et al., 2014). SurveyMonkey also captures the data automatically and the data-set can be exported for further statistical analysis.

The study population was OFM's "Preference 1" listeners. A "Preference 1 radio listener" can be described as a radio listener who is:

- most likely to listen to your radio station more often and more frequently than to another (Radio research consortium, 2018).
- more inclined to engage with a radio station through different methods. These would include writing a letter, sending an email, taking part in the radio station's competitions, calling into the radio station's traffic line, following the radio station's social media channels (Facebook, Twitter and Instagram), accessing the radio station's webpage and leaving their details on a

competition entry page, requesting a song via text or WhatsApp and finally attending mass participation events the radio station would present.

- a kind of radio station consumer that can be described as “daily listeners of the radio station”.

In accessing this population, the research study engaged with OFM listeners that have made contact with the radio station through the radio station website, over the past three months; this is an indication of an active listener who also engages actively with the radio station. Via the OFM radio station’s webpage, detailed information is gathered about the listener, including his or her name, surname, and contact details (email address and phone number), age of the listener and where the listener lives, together with an option for the listener to be part of research studies. More specifically, this research study engaged with OFM listeners who have made contact with the radio station through the radio station website during the past three months before (1 June 2019 to 31 August 2019). Although the OFM radio station webpage contains detailed information gathered about the listener, such as name, surname, and contact details (email address and phone number), age of the listener and where the listener lives, this information was not used because it falls outside the scope of the study. As a result, the use of these variables was not submitted nor approved by the ethics committee.

The OFM webpage also contains a section where listeners express their willingness to be part of OFM surveys and research studies by ticking the appropriate tick box. All the listeners who opted to partake in research projects constitute the population of this study. No sample was drawn. A total of 505 listeners showed a willingness to participate in a research study for the radio station in the three months prior to launching the study. All of them were targeted, and 95 eventually participated by completing and returning the questionnaires. This signified a response rate of 18.8%.

#### **3.2.4 Data collection**

Data was collected using the OFM database consisting of the listeners who expressed their willingness to participate in OFM research on the website. The steps in data collection are:

1. The IT department, independently, dispatched an email to the listeners who indicated that they gave permission to partake in the study over the past three months on the database. The email explained the study and its purpose.
2. If the listener agreed to partake in the research, he/she then clicked on the live link which directed the respondent to the Informed consent form. A live linked tick box indicated the consent is used to capture consent from the respondent.
3. Once the respondent ticked the box, he/she were directed directly to the electronic questionnaire.
4. The completed questionnaire was captured automatically in the database, and there was no connection between the respondent and the data. The data was, therefore, anonymous.
5. The analysed data (results) lies in the public domain and respondents would be able to examine the combined outcome of the research.

It is important to note that the researcher, at no time, had access to the OFM database.

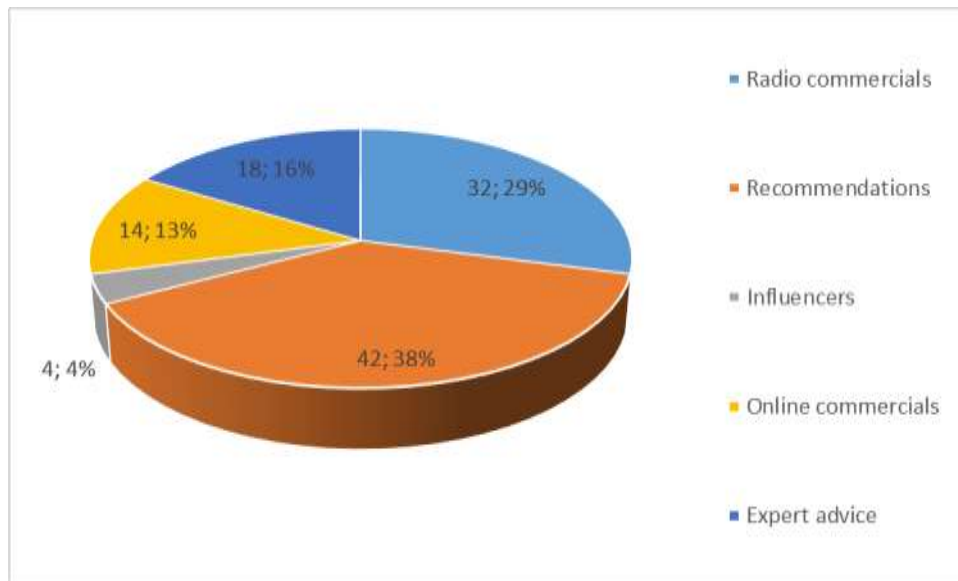
### **3.3 RESULTS**

The results and its discussions appear below. Inferential statistics were used to analyse the responses from the listeners on radio advertising. The frequency distributions are presented graphically for improved readability.

#### **3.3.1 Inferential statistics of radio advertising**

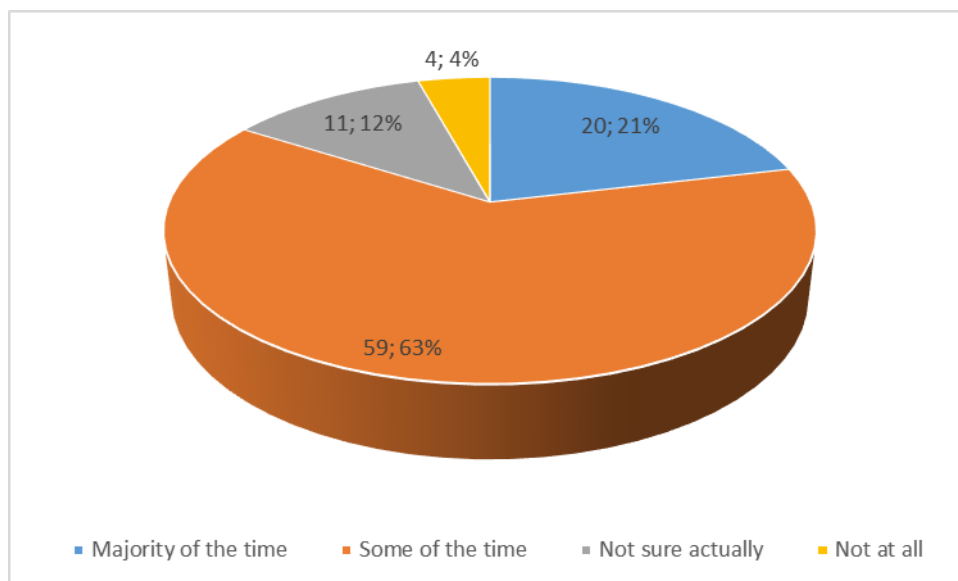
The inferential statistics about the empirical study appears in the figures below.

**Figure 12: What influences you the most when buying a product or service?**



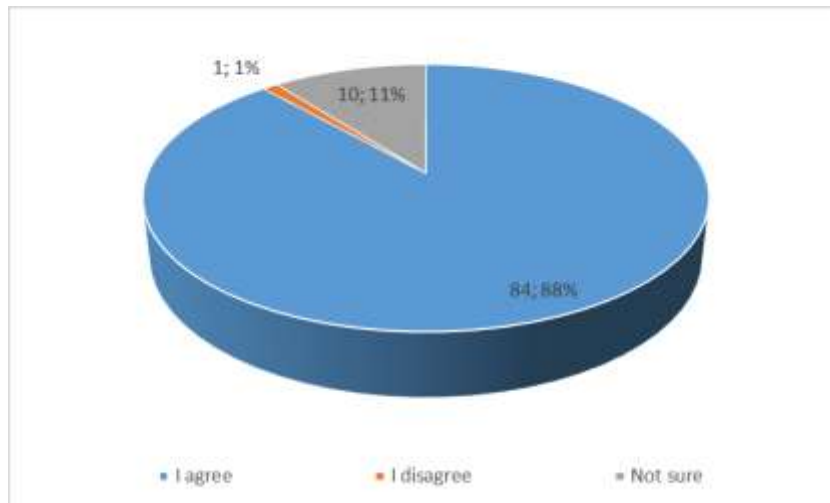
It is insightful to see that recommendations came out quite high concerning respondent choice as an influence when buying a product or a service. Radio comes out quite healthy, making up the second largest respondent choice as an influence when buying a product or a service.

**Figure 13: How much influence do you feel radio commercials have over your purchase decision?**



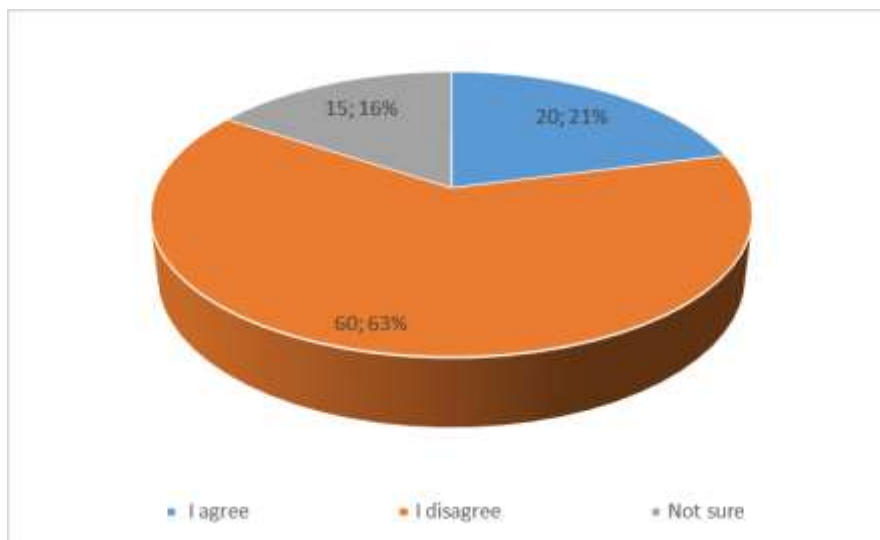
What is insightful is that radio advertising influence is rather evident with the majority of the respondents either selecting that radio commercials influence their purchase decisions some, or the majority, of the time.

**Figure 14: Radio commercials are valuable to buyers because it provides important information about goods and services. Do you agree with this statement?**



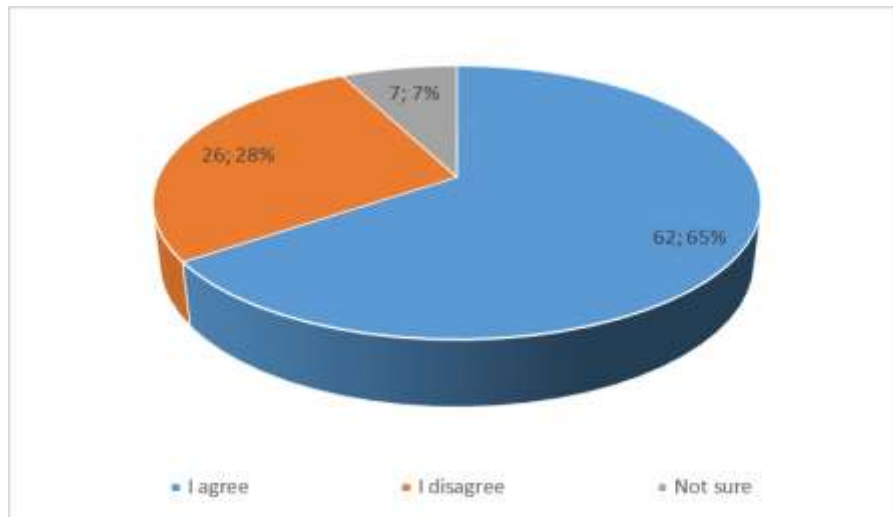
Respondents agree that radio commercials are a valuable source of information gathering about goods and services.

**Figure 15: Listeners can become victims to radio commercials through the buying of unnecessary items. Do you agree with this statement?**



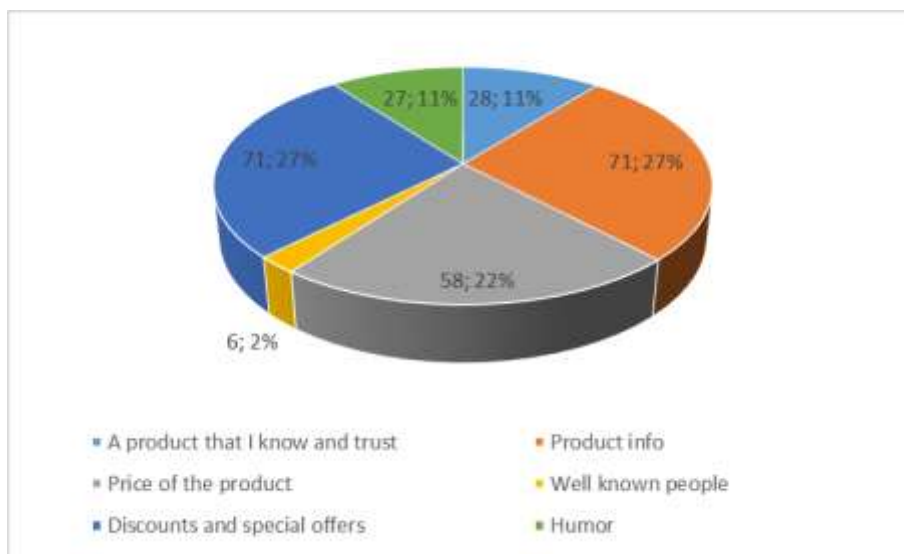
According to the respondents, radio is a trusted platform that does not bully a purchase or share information that would victimise a listener. In Chapter 2, radio in society was discussed, and this insight speaks to the truthfulness of radio as a communication platform for good.

**Figure 16: The more times you hear a radio commercial, the more likely you will buy the product or service. Do you agree with this statement?**



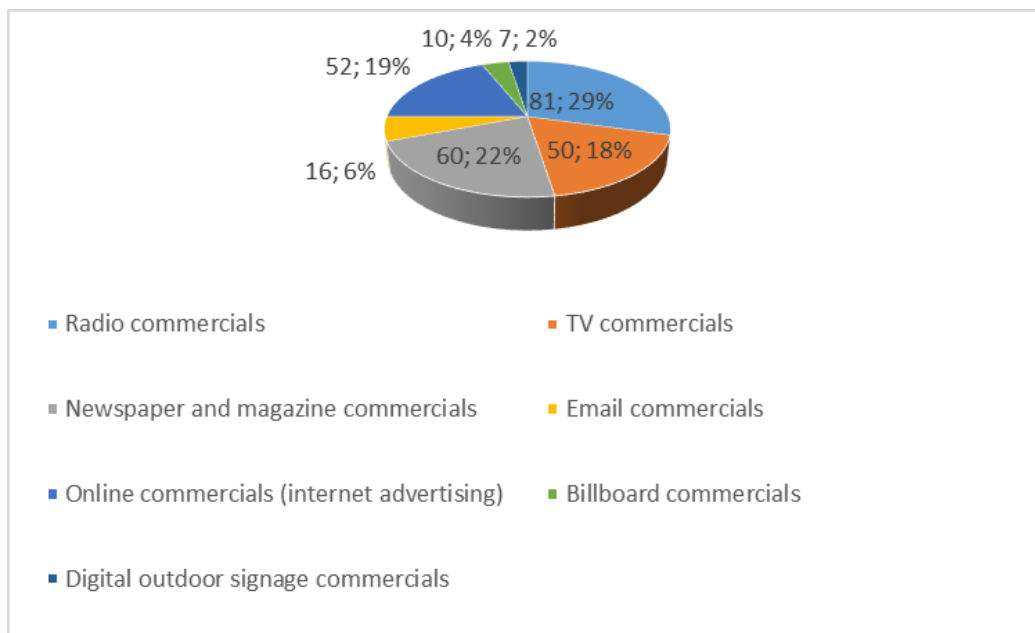
The majority of respondents agreed that the more a radio commercial is repeated will influence their purchase decision, to make the purchase.

**Figure 17: What do you listen for in a radio commercial? Please select three options below.**



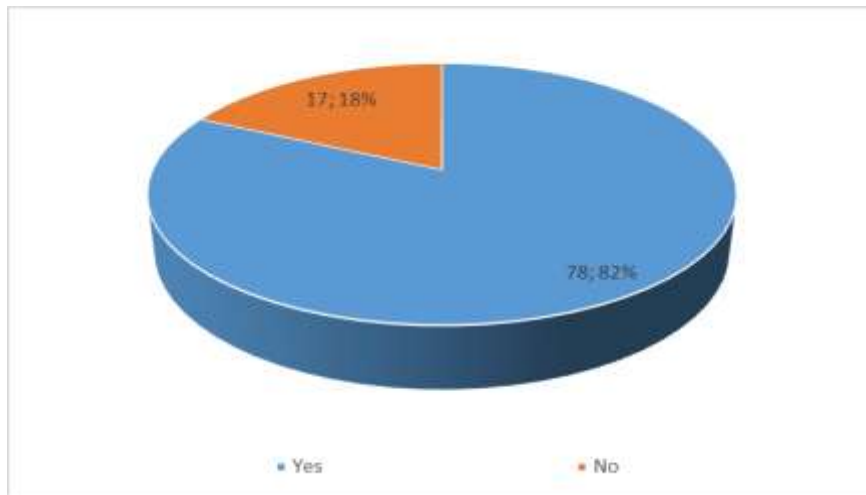
In selecting three options when listening to a radio commercial, respondents indicated that product information, discounts and special offers, and the price of the product are information that is more important to have in the radio commercial messaging than well-known people, humour, or if the consumer knows and trusts the product.

**Figure 18: What types of commercials influence your purchase decision the most? Please select the three most influential methods and rank them 1 (most influential) to 3 (least influential).**



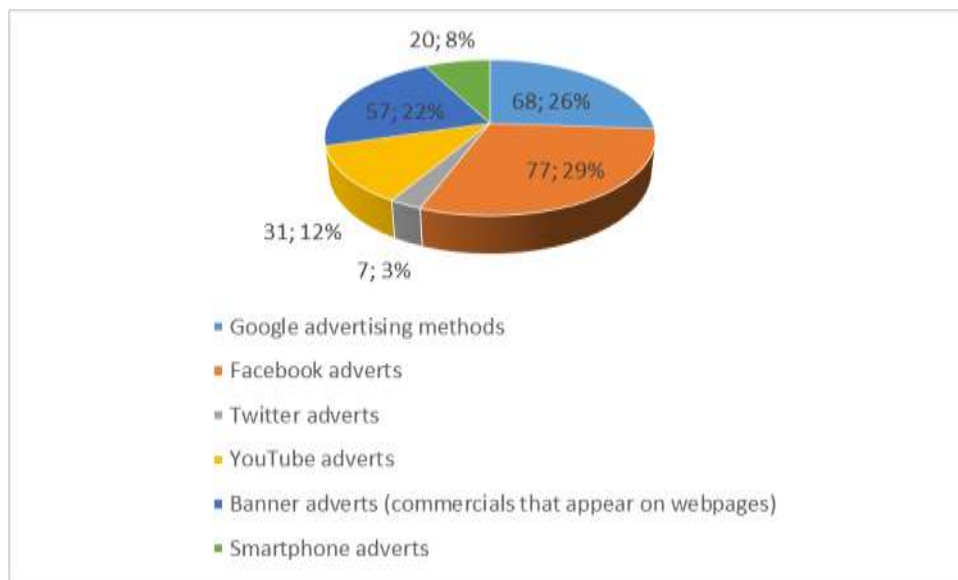
Radio advertising is the most influential marketing tool that influences purchase decisions. Print advertising is still influential, but what is interesting to read is that internet advertising has more influence than television.

**Figure 19: Do you pay attention to online commercials (internet advertising)?**



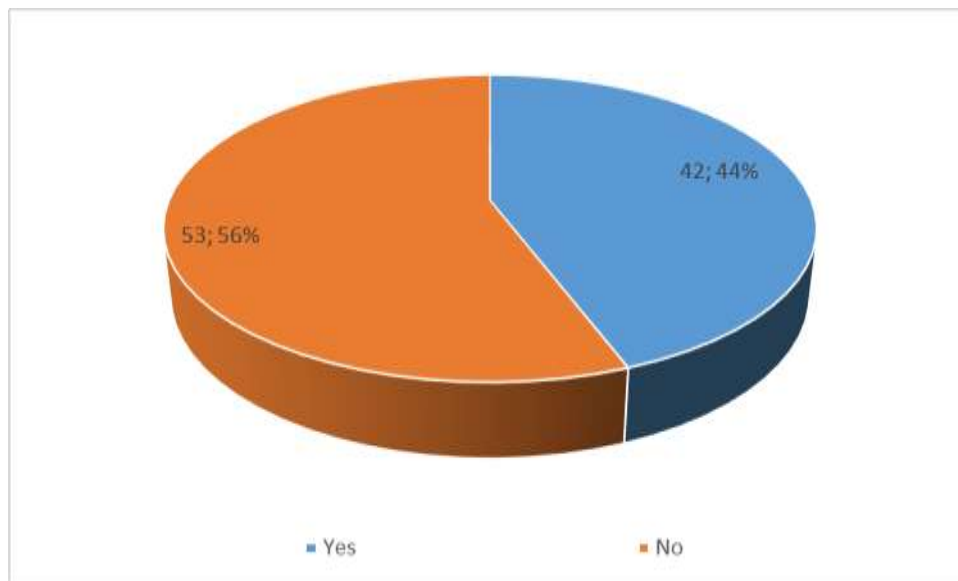
Reviewing question 7 above, it is not unexpected to read that respondents indeed pay attention to internet advertising.

**Figure 20: Which methods of online commercials (internet advertising) are most influential in your purchase decision? Please select the three most influential methods and rank them 1 (most influential) to 3 (least influential).**



Internet advertising is more influential than television, what is vital is to read that social media and Google, and online banner advertisements lead the engagement, and are the most influential.

**Figure 21: Do any advertising methods make you feel less inclined to buy a product from a brand, or a service?**



What is important here is that advertising is a valuable marketing tool for brands and products, and respondents indicate that there is no form of advertising that may make them feel less inclined to buy a product from a brand or a service.

### **3.3.2 Correlational analyses**

The study identified correlations between the variables using a Pearson correlation. Correlations of 0.50 and higher are regarded as strong correlations, while lower correlations (between 0.30 and 0.50) are also noteworthy (Field, 2009). The correlations were identified at the 95% and 99% confidence intervals. Three sets of correlations were investigated, namely:

1. Correlations between the different types of social media advertising opportunities.
2. Correlations between the different types of traditional advertising media.
3. Correlations between the traditional media and social media.

From Table1 it is evident that there are two strong positive correlations ( $r \geq 0.50$ ;  $p \leq 0.01$ ;  $p \leq 0.05$ ). These correlations are:

- Google advertising and Facebook advertising ( $r=0.500$ ;  $p \leq 0.05$ )
- YouTube and Smartphone advertising ( $r=0.520$ ;  $p \leq 0.05$ )

These correlations show that the listeners associate Facebook advertising to Google advertising, seeing a Facebook advertisement might link them directly to the web page for further information or entice them to search on Google for more information (to be confronted by the *Google Ads* listing that appear first on the search results). Advertisements on Smartphones can be watched (and responded to) directly on YouTube, hence the positive correlation between these advertising media.

There are also lower correlations (all at the 99% confidence interval) between:

- YouTube and Google ( $r=0.335$ ;  $p\leq 0.01$ )
- Banner ads and Twitter ( $r=0.394$ ;  $p\leq 0.01$ )
- Banner ads and YouTube ( $r=0.356$ ;  $p\leq 0.01$ )

**Table 1: Correlations between the different types of social media advertising opportunities**

		Google advertising methods	Facebook adverts	Twitter adverts	YouTube adverts	Banner adverts (commercials that appear on web pages)	Smartphone adverts
Google advertising methods	Pearson Correlation	1	<b>.500**</b>	-.029	<b>.335**</b>	-.165	-.090
	Sig. (2-tailed)		.000	.856	.005	.183	.500
	N	76	66	41	69	67	58
Facebook adverts	Pearson Correlation	.500**	1	.180	.039	-.204	-.238
	Sig. (2-tailed)	.000		.201	.728	.075	.051
	N	66	85	52	80	77	68
Twitter adverts	Pearson Correlation	-.029	.180	1	.136	<b>.394**</b>	-.376*
	Sig. (2-tailed)	.856	.201		.326	.004	.013
	N	41	52	59	54	51	43
YouTube adverts	Pearson Correlation	.335**	.039	.136	1	<b>.346**</b>	<b>.520**</b>
	Sig. (2-tailed)	.005	.728	.326		.002	.000
	N	69	80	54	88	80	70
Banner adverts (commercials that appear on web pages)	Pearson Correlation	-.165	-.204	.394**	.346**	1	.041
	Sig. (2-tailed)	.183	.075	.004	.002		.738
	N	67	77	51	80	86	68
Smartphone adverts	Pearson Correlation	-.090	-.238	.376*	.520**	.041	1
	Sig. (2-tailed)	.500	.051	.013	.000	.738	
	N	58	68	43	70	68	76

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

From Table 2, it is evident that although there are no strong positive correlations ( $r \geq 0.50$ ;  $p \leq 0.01$ ;  $p \leq 0.05$ ), some noteworthy correlations do exist. These correlations are:

- Radio commercial and online advertising ( $r=0.454$ ;  $p \leq 0.05$ )
- TV commercials and online advertising ( $r=0.489$ ;  $p \leq 0.05$ )

These correlations show that the listener can engage in online advertising while engaging with a radio commercial or TV commercial, being able to multitask and make a purchase. The radio and television commercial would encourage a potential customer to visit the advertiser's webpage, without having to stop listening to the radio or watch television. There is also a correlation that online advertising would complement the radio and television commercial campaign, should the listener or viewer come across the online commercial, he would be aware of the product and service already, hence the positive correlation between these advertising media.

There are also lower correlations (all at the 99% confidence interval) between:

- Newspaper and Online advertising ( $r=0.421$ ;  $p \leq 0.01$ )
- Email and Billboard advertising ( $r=0.419$ ;  $p \leq 0.01$ )
- TV and billboard ( $r=0.386$ ;  $p \leq 0.01$ )

### **3.3.3 Reliability of the data**

The reliability of the data cannot be calculated because the questionnaire measures different advertising media constructs. This means that there is limited internal stability which makes reliability measures such as Cronbach alpha, undesirable. Although this might be a problem for researchers who want to repeat this study (Cortina, 1993), the results obtained remains important to this study (Field, 2009).

The lack of reliability implies that future researchers will probably not find similar results from data captured by the questionnaire used in this study, and they design their studies with this reality in mind. The lack of internal data consistency is reported for scientific completeness and also to inform future researchers.

In addition, Tariq (2015) suggests that researchers experiencing low or negative Cronbach's alpha coefficients (such as in this study), should conduct correlational analysis to identify correlations between the variables and by that, find internal consistent variables. This study has done just that and identified some significant correlations between the variables at the 99% Confidence Interval.

The correlational analysis showed, interestingly, that there are significant, but not strong ( $r \geq 0.50$ ;  $p \leq 0.01$ ;  $p \leq 0.05$ ) correlations between the variables. However, there are some noteworthy correlations ( $0.30 \leq r \leq 0.50$ ;  $p \leq 0.01$ ;  $p \leq 0.05$ ) between the traditional advertising media and social media advertising. This indicates that the listeners do regard advertising to be inter-related and that the more traditional advertising platforms are still regarded as role players in association with social media advertisements. This indicates that advertisers should continue an integrated approach and not only use social media as the advertising platform.

**Table 2: Correlations between the different types of traditional advertising media**

		Radio commercials	TV commercials	Newspaper and magazine commercials	Email commercials	Online advertising)	Billboard commercials	Digital outdoor signage commercials
Radio commercials	Pearson Correlation	1	-.032	.088	-.185	<b>.454**</b>	-.029	-.012
	Sig. (2-tailed)		.792	.454	.175	.000	.813	.917
	N	88	71	75	55	84	69	79
TV commercials	Pearson Correlation	-.032	1	.086	-.205	<b>.489**</b>	<b>.386**</b>	-.188
	Sig. (2-tailed)	.792		.496	.172	.000	.002	.120
	N	71	78	65	46	74	60	70
Newspaper and magazine commercials	Pearson Correlation	.088	.086	1	-.065	<b>.421**</b>	-.290*	-.208
	Sig. (2-tailed)	.454	.496		.658	.000	.021	.078
	N	75	65	82	49	78	63	73
Email commercials	Pearson Correlation	-.185	-.205	-.065	1	.169	<b>.419**</b>	-.133
	Sig. (2-tailed)	.175	.172	.658		.194	.003	.324
	N	55	46	49	62	61	47	57
Online commercials (internet advertising)	Pearson Correlation	<b>.454**</b>	<b>.489**</b>	<b>.421**</b>	.169	1	-.128	-.167
	Sig. (2-tailed)	.000	.000	.000	.194		.273	.127
	N	84	74	78	61	91	75	85
Billboard commercials	Pearson Correlation	-.029	<b>.386**</b>	-.290*	<b>.419**</b>	-.128	1	.012
	Sig. (2-tailed)	.813	.002	.021	.003	.273		.918
	N	69	60	63	47	75	76	71
Digital outdoor signage commercials	Pearson Correlation	-.012	-.188	-.208	-.133	-.167	.012	1
	Sig. (2-tailed)	.917	.120	.078	.324	.127	.918	
	N	79	70	73	57	85	71	86

\*. Correlation is significant at the 0.05 level (2-tailed); \*\*. Correlation is significant at the 0.01 level (2-tailed).

### **3.4 SUMMARY**

In this chapter, the research methodology and results were provided. The chapter discussed the research design, questionnaire design, and discussion on the population sample and data collection method. It included the research study results with insights and correlational analyses. The final correlation analysis showed that there is no significant relationship between traditional advertising and social media.

In selecting the best advertising platforms, social media has become the disruptor technology offering as it is more cost effective, and messaging can be published quickly. Traditional advertising platforms are in a time where these disruptor technologies need to be adopted into the traditional advertising offering.

The next chapter presents the conclusions and recommendations obtained from the empirical study.

## **CHAPTER 4**

### **CONCLUSIONS AND RECOMMENDATIONS**

#### **4.1 INTRODUCTION**

In this chapter, we review the research study findings. Radio advertising has been around since 1922 and developed in leaps and bounds since then. Radio advertising offers brands and products the opportunity to access a market who would see value in buying their brands or products. This platform is a radio station and its listeners. Radio stations need brands and products to make use of their platform to drive revenue and profitability for the radio station to be operationally feasible and deliver on objectives set by shareholders.

In today's technologically advanced world disruptor advertising platforms are challenging traditional advertising mediums' revenue streams. Internet advertising, social media, outdoor billboards, and any other non-traditional marketing tools could add to this mix. Radio is still a very reliable advertising medium that can be used with confidence to obtain the required exposure for products and services. However, radio is not well suited to do research on the buying behaviour and purchase decisions of their listeners. Adding technology and social media to their product offering, radio stations can overcome this shortcoming by astute use of websites, twitter tracking and Facebook relies on and likes. This research could provide valuable feedback on aspects such as the relevancy of radio advertisements, to gauge the effect of radio advertising for brands and products, and also consumer likes and dislikes.

The conclusions and recommendations of this study are presented next.

#### **4.2 CONCLUSIONS**

Advertising is a communication tool to encourage the purchase of a good or service from a business. Advertising is essential to growing a business, and an economy. Radio advertising is one of the three traditional advertising platforms that are used on a daily basis by business, big and small. Exposure of an advertiser's product or service to a consumer base will drive profitability for the business. In this research study, the traditional

advertising platforms were put alongside the new platforms (disruptors), to analyse the cause and effect of radio advertising on the purchase decision of consumers.

The study makes it clear that radio advertising does have a material impact on purchase decisions and product knowledge of consumers. radio can engage consumers, everywhere, to include the car, home and office. The ability of radio to be able to be everywhere adds much value to an advertiser and the manner in which radio is consumed. The research study indicated that recommendations are another form of influence on purchase decisions; this together with radio advertising would add value to the advertisers' offering. Social media has disrupted the advertising mix, with revenues flowing to the likes of Facebook. Social media uses influencers to also add value to brands and products. Interestingly enough the respondents in this research study have indicated that influencers do not influence them the most when buying a product or service. Only 4.4% of respondents reported that social media influencers make a change in decision making.

Radio advertising's influence on purchase decisions is quite material, with 79.84% of respondents feeling that the impact is either some of the time or the majority of the time. This conclusion indicates a real feel for radio advertising and the trust consumers have in the medium's ability to broadcast truth and reliability in product and brand offerings.

Radio and radio advertising are key and trusted companions in the delivery of information, be it news, sport or weather, but especially in advertising. Respondents in the research study have indicated that radio commercials are valuable to buyers because it provides essential information about goods and services. In the age of "google it", this is a welcome conclusion with 84.88% believing that radio is very valuable in providing credible information on goods and products, and additionally, 60.63% feel radio does not encourage the purchase of unnecessary products. Again, this speaks to the trust that listeners have in radio's messaging.

Radio is a frequency medium. This means that radio commercials need to be played as often as possible and as many times as possible for the message to be consumed by a radio listener. Respondents in the research study indicated that the frequency of radio commercials add value to their purchase decision. The more a listener hears a radio

commercial the more likely they are to buy the product or service. This is a good message for a radio station to share with prospective advertisers, as more commercial plays will result in additional revenue development.

Creativity in radio commercial creation was, surprisingly not an issue for the study group. Listeners are more interested in the price, product information and available special offerings or discounts than humour or well-known people in the radio commercial. This insight is valuable when assisting prospective advertisers, and working on their advertising message.

During the research study, other platforms were added as options for consuming an advertiser's message on their brand, product or service. The three traditional advertising platforms were radio, television and print and came out quite healthy. What was interesting to read was that internet advertising outweighs the influence of television. This is a material change in consumer behaviour and accepting and consuming an advertiser's message. Internet advertising is likely to engage a customer to want to click on the commercial and engage with the business, product or service online.

The research study showed that the respondents do not feel that there is an advertising platform that would change the purchase decision. The use of all available platforms does not influence the probability to make a purchase. This is key as not all brands, products and services resonate with all platforms, but perform better on a trusted and tried platform.

It is clear that television advertising, print advertising and internet advertising are the biggest competitors for radio advertising when influencing a consumer's purchase decision. Price increases of radio advertising will have a negative effect on the ability that radio has to increase revenue generation and profitability. Prices of radio advertising and the cheaper internet advertising options will force brands, products and services who use radio as an advertising medium to move budgets to options that come in cheaper. With this in mind buyers of radio advertising have more power now than they did years ago.

The willingness of OFM listeners to want to be part of a research study indicates that the study group can be treated as a population that has a material interest in giving useable feedback to the impact radio advertising have on their purchase decisions.

Brand, products and services that make use of radio advertising to action response from radio listeners are also building brand awareness, and must not at all lose that impact. The need here is to build a brand story and a unique selling point for the brand, product or service.

### **4.3 RECOMMENDATIONS**

Traditional media is at a cross-road as more and more advertising spend is being channelled to more non-traditional platforms, as presented in Chapter 1. To protect income streams for radio the following recommendations should be adopted:

- **Price**

Radio stations need to review the operational cost of the organisations, as the cost of doing business has an influence on the price paid by advertisers to advertise on the radio station. Operations should be automated where possible, acquisitions of many more radio stations will also cut costs. This is where operational requirements can be shared. The price of radio advertising is cheaper than television and in most print titles, but social media and internet advertising is far less expensive.

- **Audience**

A radio station's audience is the commodity that a radio advertiser is looking to target. A radio station needs to ensure that the advertiser and the listener align in interest and affordability in the product offering. Constant and effective research studies on the radio station's audience, their income levels, demographics, where they live, where they shop, and how they consume radio messages, are necessary to be able to attract the most valuable and profitable radio advertiser.

- **Social media and the internet**

Radio needs to adopt social media and the internet as another revenue stream. Most radio stations have home pages (websites) on social media and their unique webpage. These platforms are consistently engaged by listeners looking for station

information. Here the radio station must align brands, products and services to their social media offerings and on their webpage. These touch points are an extension of the radio station's persona. A radio station can monetise these communities.

- **Technology**

Radio is agile enough to adopt new technologies or integrate competitive or disruptive technologies into the radio station's offering. Radio can integrate social media and the internet into its offering, for both listener engagement and radio advertising spend. Radio stations need to move away from geographical listener acquisition but look to grow listener share across a region, country and the world. Radio stations content offerings are often very different, creating a sense of familiarity for its core market. Here technology would add value to reach a wider audience outside of the geographical broadcast region. Smart speakers should be a focus area for radio stations to develop intelligent applications to provide the radio station's offering outside of traditional FM radio. Streamed audio services should be additional offerings to audiences. Not only the main radio station FM offering but additional music or information offerings. Additional channels will bring additional revenue.

- **Advertising offerings**

Traditional radio advertising includes live reads, sponsorships and produced radio commercials. These three strands of revenue generation need additional support. They should include packaged and discounted offerings under a commitment from a radio advertiser, endorsements from radio talent, partnerships and joint ventures with advertisers to include a membership club to reward radio advisers for their spend.

- **Narrative**

Positioning the radio station as a results-driven organisation would add more value than trying to sell the radio station's product or service.

- **The radio station's directory**

All the radio station's advertisers should be listed on the radio station's webpage, as a way to connect an advertiser with a listener.

- **Education**

Radio advertisers – new and current, should be consistently educated on the impact radio advertising has on the purchase decision of customers as indicated by this study. New, innovative radio advertising methods need to be shared with radio advertisers to further their engagement with a customer base.

- **Frequency**

Radio advertisements deliver results when a brand, product or service have the message repeated many times. Radio advertisers need to be reminded of this, through research and a narrative.

- **Radio commercial quality**

Radio advertisers need to be more creative in their radio commercials, the word here would be "uniqueness". The messaging in the radio commercial needs to speak to the needs and wants of the consumer, the research shows us that radio listeners are looking for product information, price, quality and discounts. A radio commercial needs to stand out from competitors. The voice talent needs to be the best at articulation to create an emotional connection with the consumer.

#### **4.4 AREAS FOR FUTURE RESEARCH**

In the disruptive digital world, radio broadcasting needs to acknowledge the impact that streamed music, disrupted advertising platforms and content services have on revenue generation for the sector. The sector needs to concede and recognise that the digital world will affect the revenue generation of the radio business and affect listener acquisition. Access to radio is no longer only geographically bound, technology has changed that. There are many aggregated audio-streamed services, applications that offer many radio services via the internet.

Digital audio provision and content offering that speaks to a listener is the area of focus and future research because of easy access beyond FM delivery and positively impacting online delivery, and changing listener behaviour. Radio listeners have more choices than ever. The digital world has made that possible. A Central South African radio listener is now able to listen to radio stations in Cape Town, Johannesburg, and Durban.

Research in this space should concentrate on the evolution of radio engagement and provision, music listening, finding music that is relevant to the consumer, listeners' wants and needs that are in line with personal interests to include news provision. There is no reason that a radio listener needs to engage a radio station because they are geographically bound. This is the result of technological evolution. Brand positioning of a specific radio brand that speaks to a listener would bring an audience, that however needs to be researched.

#### **4.5 SUMMARY**

The research study was done to answer the question of whether radio advertising had a positive relationship with the purchase decisions of listeners. The results indicated that radio plays a material role in the purchase decision of a consumer of brands, products and services. Radio plays a substantial role in society and has done so for many years as a communication medium. The research study can be supportive to agency marketers, businesses in the OFM region, to understand the needs and wants of a consumer, the messaging radio consumers are listening to and understanding the causes that impact on consumers to make a purchase decision. This research should contribute to future research on radio, radio advertisement and the effect radio advertisement have on purchase decisions. Future research will and should provide insights into the relationship between these variables.

Consumers of products, brands and services are not out to get an advertiser's message. Consumers are looking for what adds value to their lives, emotionally and materially. This is where marketing departments and creative agencies play a material role in the way that they put together advertising campaigns and a message that appeals to a radio listener, to engage their interest. Good radio advertising will increase sales of the brand, product or service plus add additional brand awareness. Good radio advertising allows consumers to

find out about brands, product and services that they want and need. Strong and memorable radio commercials affect the customer's purchase decision.

The ability radio has to engage with listeners is more material than other traditional platforms and disruptive technologies. Radio should, however, adopt new disruptive technologies to reach further and engagement and drive revenue. Advertising is a key differential for many brands, products and services in a competition driven market sector. Advertising does affect consumer behaviour.

Radio advertising, when it is local, specific and relevant is more potent than any other message that could be born out of the other traditional platforms and disruptive technologies. Additionally, there is a market outside of a geographical broadcast region that adds value to the radio station listener acquisition and revenue generation.

Radio advertising engages on a personal level and promotes a social engagement lifestyle that creates a message that identifies with a core market segment. Radio advertising establishes a brand, product or service that is a positive imprint about the ability and offering of the brand, product or service.

Radio advertising is essential for businesses to sell their products, inform on their products and to deliver on objectives, and to offer value to shareholders. Radio advertising enables brands, products and services to create awareness about a product, the benefits of the product, and what their product will bring to the consumer's life. Radio advertising is still a material, influential platform for purchase decisions by customers of brands, products and services.

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# APPENDIX A: QUESTIONNAIRE



SurveyMonkey Design Studio

https://www.surveymonkey.com/create/?name=qpc2HW2XQU9CmZ8iDy...

### Radio commercials influence on purchase decisions

SUMMARY → DESIGN SURVEY → PREVIEW & SCORE → COLLECT RESPONSES → ANALYZE RESULTS → PRESENT RESULTS

QUESTION BANK

Search for questions

Recommended Questions

Previously Used Questions

All Categories

Community

Customer Feedback

Customer Satisfaction

1. What influences you the most when buying a product or service?

- Radio commercials
- Recommendations
- Influencers
- Online commercials
- Expert advice

2. How much influence do you feel radio commercials have over your purchase decision?

- Majority of the time
- Some of the time
- Not sure actually
- Not at all

UPGRADE

NEXT →

Feedback Help

10:08 AM ENG 2018-10-08

The screenshot displays the SurveyMonkey web interface. At the top, a navigation menu includes 'SUMMARY', 'DESIGN SURVEY', 'PREVIEW & SCORE', 'COLLECT RESPONSES', 'ANALYZE RESULTS', and 'PRESENT RESULTS'. The main heading is 'Radio commercials influence on purchase decisions'. Below this, a 'QUESTION BANK' sidebar offers search and filter options. The central area shows a question with three radio button options. The bottom of the screen features a Windows taskbar with system icons and a notification area.

SurveyMonkey/Design Studio

https://www.surveymonkey.com/creator/3m4qpc3HW2ACQJBJCnZtdp...

SUMMARY DESIGN SURVEY PREVIEW & SCORE COLLECT RESPONSES ANALYZE RESULTS PRESENT RESULTS

Radio commercials influence on purchase decisions

QUESTION BANK

Search for questions

Recommended Questions

Previously Used Questions

All Categories

Community

Customer Feedback

Customer Satisfaction

3. Radio commercials are valuable to buyers because it provides important information about goods and services. Do you agree with this statement?

I agree

I disagree

Not sure

4. Listeners can become victims to radio commercials through the buying of unnecessary items. Do you agree with this statement?

I agree

I disagree

Not sure

UPGRADE

FEEDBACK

HELP

Next

10:08 AM ENG 2018 10 08

SurveyMonkey Design - India

https://www.surveymonkey.com/create/?nextpageid=1W12AC0U9JCnZdLp

SUMMARY → DESIGN SURVEY → PREVIEW & SCORE → COLLECT RESPONSES → ANALYZE RESULTS → PRESENT RESULTS

### Radio commercials influence on purchase decisions

UPGRADE

QUESTION BANK

Search for questions

Recommended Questions

Previously Used Questions

All Categories

Community

Customer Feedback

Customer Satisfaction

5. The more times you hear a radio commercial, the more likely you will buy the product or service. Do you agree with this statement?

I agree

I disagree

Not sure

6. What do you listen for in a radio commercial? Please select 3 options below.

A product that I know and trust

Product info

Price of the product

Well known people

Discounts and special offers

Humour

Feedback Help

10:09 AM  
2018-10-08

## Radio commercials influence on purchase decisions

SUMMARY → DESIGN SURVEY → PREVIEW & SCORE → COLLECT RESPONSES → ANALYZE RESULTS → PRESENT RESULTS

UPGRADE

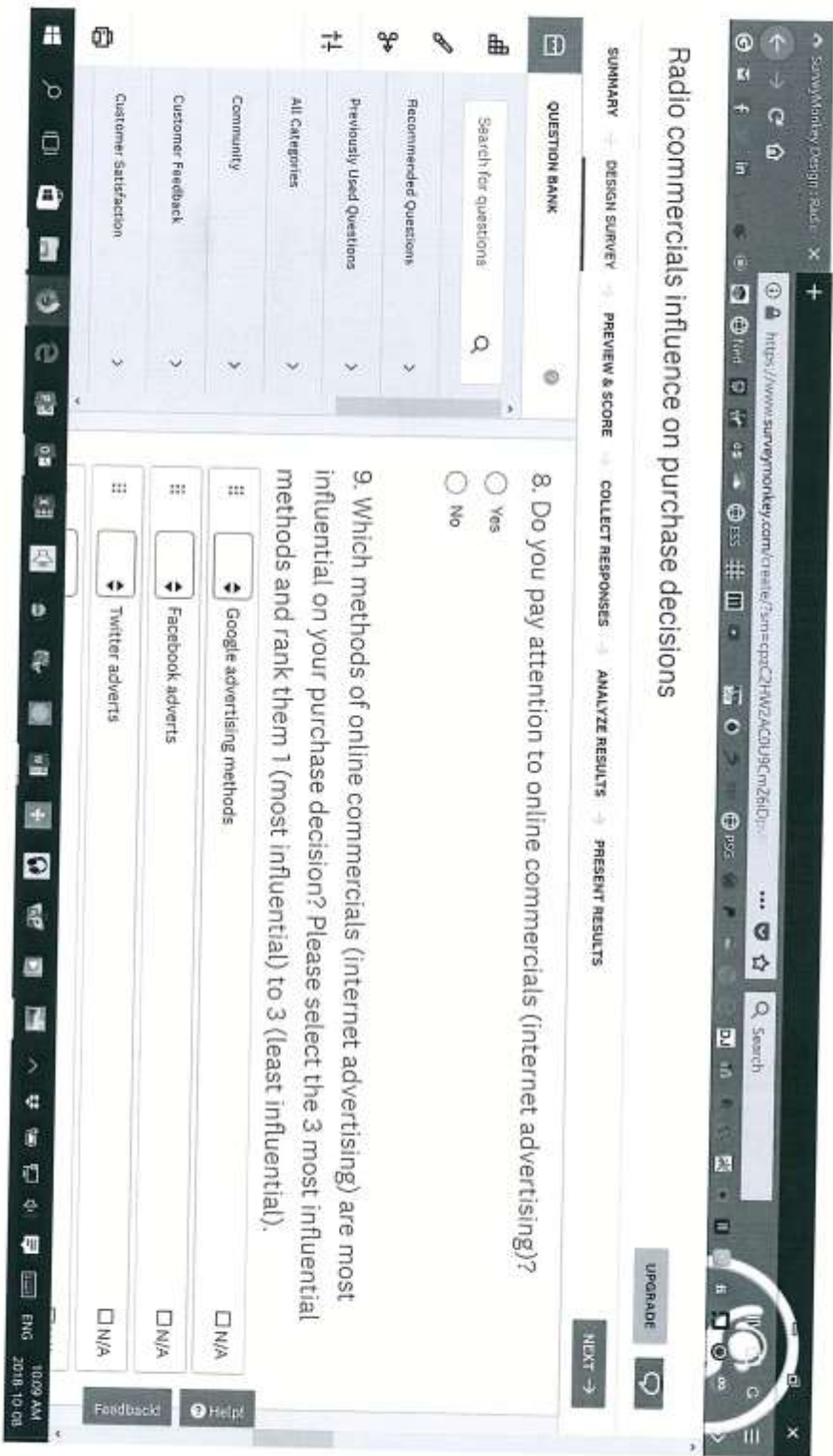
NEXT →

7. What types of commercials influence your purchase decision the most?

Please select the 3 most influential methods and rank them 1 (most influential) to 3 (least influential).

- N/A  Radio commercials
- N/A  TV commercials
- N/A  Newspaper and magazine commercials
- N/A  Email commercials
- N/A  Online commercials (Internet advertising)
- N/A  Billboard commercials
- N/A  Digital outdoor signage commercials

Feedback! Help!



### Radio commercials influence on purchase decisions

SurveyMonkey Design Studio

https://www.surveymonkey.com/create/Surveys/21W24GDU9CrZ66Dv

Radio commercials influence on purchase decisions

SUMMARY DESIGN SURVEY PREVIEW & SCORE COLLECT RESPONSES ANALYZE RESULTS PRESENT RESULTS

QUESTION BANK

Search for questions

Recommended Questions

Previously Used Questions

All Categories

Community

Customer Feedback

Customer Satisfaction

9. Which methods of online commercials (Internet advertising) are most influential on your purchase decision? Please select the 3 most influential methods and rank them 1 (most influential) to 3 (least influential).

Google advertising methods  N/A

Facebook adverts  N/A

Twitter adverts  N/A

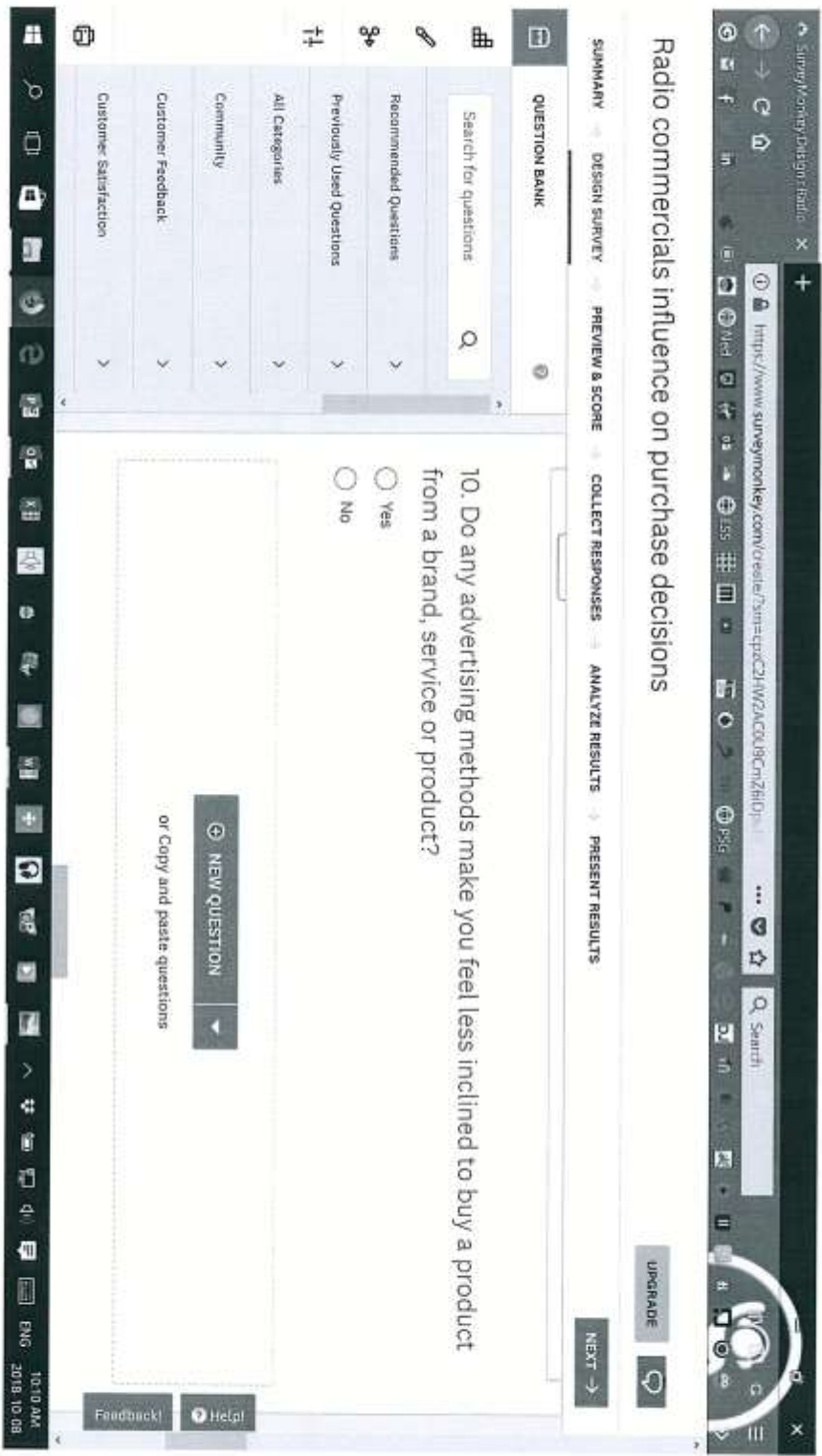
YouTube adverts  N/A

Banner adverts (commercials that appear on web pages)  N/A

Smartphone adverts  N/A

Feedback Help

10:09 AM ENG 2018 10/08



## **APPENDIX B: POLICIES, TERMS AND CONDITIONS OF OFM RADIO ADVERTISING**

- (1) The debtor agrees to be held personally liable for payment of the contract should it transpire that she/he is not duly authorised to sign said contract.
- (2) If the client provides the audio or broadcast material, the client undertakes to deliver it to OFM at least three working days before the date of first broadcast.
- (3) If recording of the audio or broadcast material has to be arranged by an OFM Account Executive, either at the OFM production studios or any other studio, it is the client's responsibility to approve the recording and to formally sign it off for broadcasting. Where existing audio or broadcast material has to be replaced with new material, the new material will only be broadcast once formally signed off by the client. OFM will regard the audio or broadcast material most recently signed off, as the correct material for broadcast.
- (4) Any agreement that varies from the terms of this agreement, or any consensual cancellation, shall not be valid unless reduced to writing and signed by both parties.
- (5) The Company is entitled to a 100 % cancellation fee if the contract is cancelled less than 28 days prior to the commencement of the said contract. All cancellations must be done in writing. Existing contracts will also adapt the 28 days written cancellation rule.
- (6) The Company may withdraw credit facilities at any time without prior notice and the company reserves the right to review the extent, nature and duration of such facilities at all times.
- (7) The suretyship is of a continuing nature and shall remain in force. It may not be withdrawn, revoked or cancelled without the company's written consent and shall only be effective if reduced to writing and signed by both parties.
- (8) All "added value" bookings are subject to change without notice, based on available airtime.

- (9) Should this contract remain unsigned, it will only be seen as a quotation and will only be valid for fourteen (14) days from the date on which it was issued.
- (10) Unless the context otherwise requires: "the Company" shall mean OFM "the debtor" shall mean the advertising client that is applying for credit on such document.
- (11) All business that is undertaken with the company is subject to the relevant terms and conditions that are printed with the relevant rate cards.
- (12) The signatory on an order warrants that he/she is entitled to contract with the company in connection with all airtime that is ordered.
- (13) In the event of the company instructing attorneys to collect from the debtor an amount owing to them, the debtor agrees to pay all costs on scale as between attorney and own client, including collection charges.
- (14) No relaxation or indulgence granted to the debtor by the company, at any time, shall be deemed to be a waiver of any of the company's rights in terms hereof. Such relaxation or indulgences shall be deemed to be a novation of any terms and conditions set out herein, and shall not create any estoppel against the company.
- (15) The debtor chooses its domicilium citandi et executandi for all purposes, whether in respect of court process, notices, other documents or communications of whatsoever nature, the address on the credit application.
- (16) All business is undertaken subject to the above conditions and this contract, and all future contracts, will become binding on the debtor once the credit application has been signed.
- (17) Payment terms on all credit facilities are strictly thirty (30) days from invoice date.
- (18) An upfront full payment in the form of a bank guaranteed cheque or cash will be required if the debtor's credit application is not successful.
- (19) Should this contract allow for committed discount or added value, and is cancelled before the commitment period, all discount or added value will be re-versed, and the client will be held liable for airtime utilised.

## APPENDIX C: LANGUAGE LETTER



Antoinette Bisschoff  
71 Esselen Street,  
Potchefstroom  
Tel: 018 293 3046  
Cell: 082 878 5183  
[Language@dlts.co.za](mailto:Language@dlts.co.za)  
CC No: 1995/017794/23

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Tuesday, 12 November 2019

To whom it may concern

**Re: Confirmation of language edit, typography and technical precision**

The MBA dissertation "**Assessing the influence of radio advertising on consumer purchasing decisions**" ND Efstathiou was edited for language, typography and technical precision. The referencing and sources were checked as per NWU guidelines.

Final, last minute corrections remain the responsibility of the author.



**Antoinette Bisschoff**

**BA Languages (UPE – now NMU); MBA (PU for CHE – now NWU); Translation and Linguistic Studies (NWU)**

Officially approved language editor of the NWU since 1998  
Member of SA Translators Institute (no. 100181)

## APPENDIX D: ETHICS CERTIFICATE



Private Bag X6001, Potchefstroom  
South Africa 2520

Tel: 018 299-1111/2222  
Web: <http://www.nwu.ac.za>

Economic and Management Sciences Research  
Ethics Committee (EMS-REC)  
Tel: 018 299-1427  
Email: [Bennie.Linde@nwu.ac.za](mailto:Bennie.Linde@nwu.ac.za)

25 April 2019

Prof C Bisschoff  
*Per e-mail*

Dear Prof Bisschoff,

### **FEEDBACK – ETHICS APPLICATION 25042019 – N D Efstathiou (29788285)(NWU-00414-19-A4) - MBA – Prof C Bisschoff**

Your ethics application on *Radio commercials influence on purchase decisions: A survey of OFM listeners in central South Africa*, that served on the EMS-REC meeting of 25 April 2019 refers.

#### **Outcome:**

Approved as a minimal risk study. A number NWU-00414-19-A4 given for three years of ethical clearance.

Kind regards,



Prof B Linde  
Chairperson: Economic and Management Sciences Research Ethics Committee (EMS-REC)

## APPENDIX E: PERMISSION TO CONDUCT RESEARCH



### **Ethics informed consent form**

**MBA study:** Radio commercials influence on purchase decisions:  
A survey of OFM listeners in central South Africa.

**Field of study:** Marketing

### **Research Methodology (MBAA 874)**

**Institution:** North-West University  
**Researcher:** ND Efstathiou  
**Student number:** 29788285  
**Researcher's email address:** nick@ofm.co.za  
**Researcher's cellphone number:** 0829224943  
**Supervisor:** Professor Christo Bisschoff  
**Supervisor's e-mail address:** christo.bisschoff@nwu.ac.za

Dear Gary Stroebel (CEO – Central Media Group t/a OFM),

This letter serves to obtain clearance and consent from Central Media t/a OFM as the subject matter for the proposed MBA mini-dissertation relating to the study "Radio commercials influence on purchase decisions: A survey of OFM listeners in central South Africa.

1. The purpose of the study is to obtain information from consumers of the radio station (OFM listeners) in an attempt to determine their everyday experience related to the research topic.
2. The procedure to be followed will be that of quantitative research design which includes structured, controlled and prescriptive questions. Listeners will not be asked to share any personal information.
3. The questionnaire for the research study will be available online and could be completed in 10 minutes.
4. At any point if any respondents is not comfortable in answering any of the questions; they are welcome to end participation in the research study.
5. A summarised copy of the final dissertation will be made available to Central Media Group t/a OFM upon request.
6. The data gathered from all respondents will be used for research purposes only.

I Gary Stroebel, hereby declare that I have read and understand the contents of the clearance and consent statement, and give my full approval to ND Efstathiou to progress with his MBA dissertation; giving access to Central Media Group t/a OFM listener contact information.

  
\_\_\_\_\_  
**Gary Stroebel**  
CEO  
Central Media Group  
Date: 8 October 2018