

Effects of advertising on regional radio (a field experiment and media economic investigation under low-budget conditions)

The examination of the impact of advertising on regional radio stations was conducted in the years 2005 and 2006 in cooperation with the Landesmedienanstalt Rheinland-Pfalz and the Landeszentrale für Medien und Kommunikation (LMK). The study has been fostered by the LMK. Special thanks go out to Dr. Rolf Platho and Ms. Silke Knebel (MA), who have accompanied the study within a constructive dialog.

1. Aim and layout of the study

The aim of the project was to investigate the success of advertisements on a regional radio station and in a selected print medium. Previous research has shown that advertisement in newspapers is still the form of advertisement that is used most often. This resulted in the choice of the advertisement forms “radio spot” and “print advertisement”. The two types were to be compared with the study with regard to efficiency and effectiveness.

The layout of the study was designed from the imaginary point of view of a regional business with a fixed advertising budget. The budget was set within a range between 1.000 and 3.000 Euros. The effectiveness of low-budget radio advertisements had not been investigated before, which shows the innovative character of the project.

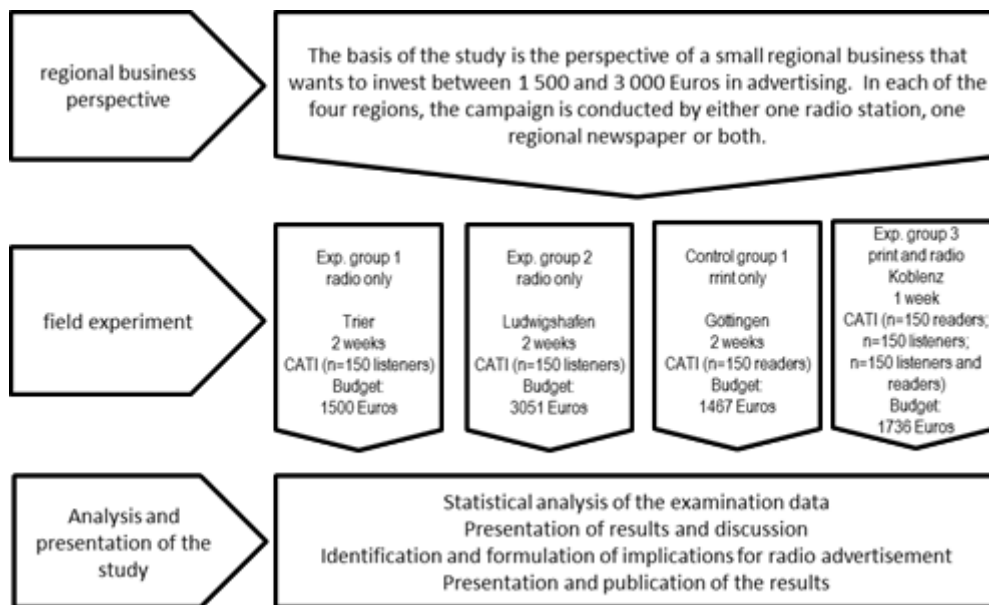
2. Methods

The study was designed as a field experiment. Within the first steps, the radio spot and the print advertisements were designed (see image below).



(Source: Raab, G. & Neuner, M. (2006): Werbewirkung im regionalen Hörfunk, p. 159-160 Baden-Baden: Nomos).

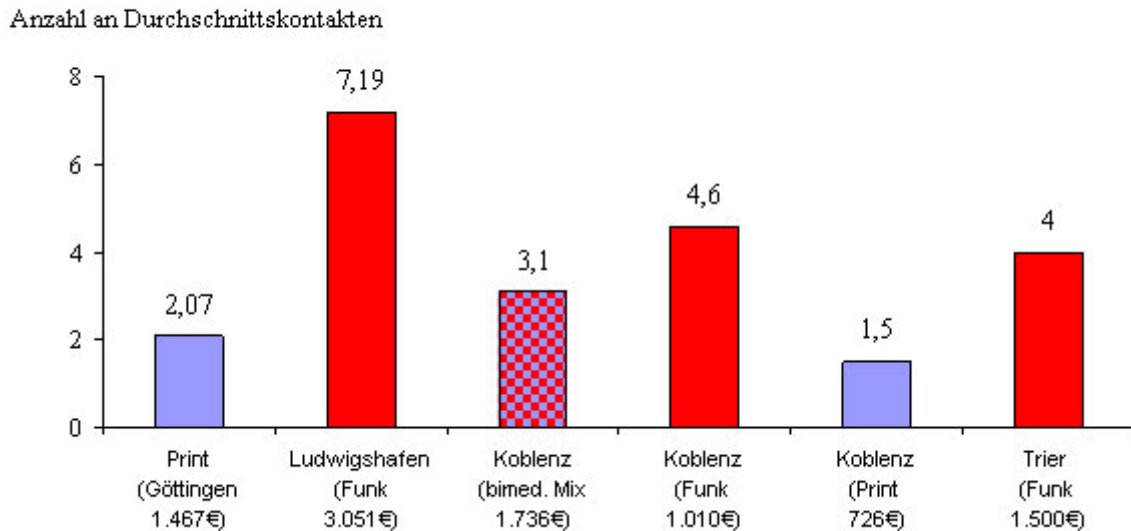
The advertisements promoted the fictitious bicycle store “Tretlager”. The advertisement was published in various regions in the regional newspapers (Die Rheinpfalz; Göttinger Tageblatt) or on the radio (Rockland Radio, Antenne Koblenz, Antenne West). The regions were selected carefully, so that an overlapping of the different media was impossible. The following table gives an overview over the examination design:



Design of the study (Source: Raab, G. & Neuner, M. (2006): Werbewirkung im regionalen Hörfunk, p. 52. Baden-Baden: Nomos)

The budget included either two colored or four b/w advertisements or about 2 weeks of regular broadcasting on the radio. After the campaign period, interviews among the inhabitants of the respective regions were done. All in all, 900 persons were interviewed.

3. Results

A. Effectiveness, measured by the number of average contacts

Comparison of the effectiveness of print and radio campaigns

(Source: Raab, G. & Neuner, M. (2006): *Werbewirkung im regionalen Hörfunk*, pp. 114-115. Baden-Baden: Nomos)

Radio advertisement (Ludwigshafen, Koblenz) reaches a significantly higher number of average contacts than print advertisement (Göttingen, Koblenz-print).

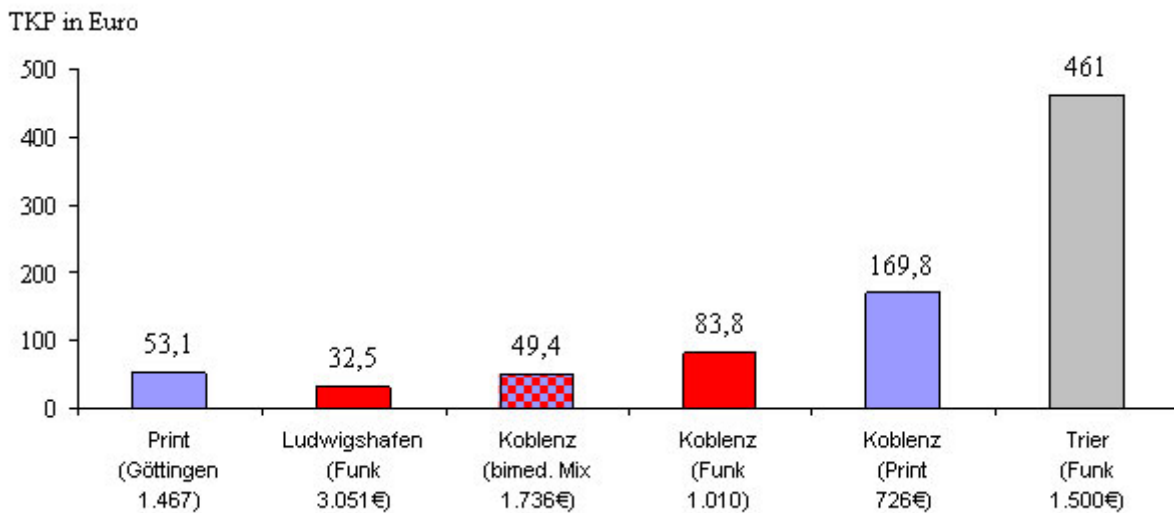
The dual approach (Koblenz – bi-medial mix) also generated more average contacts than print only (Göttingen).

In the low-budget approach (Koblenz), the number of average radio contacts is significantly higher than the number of contacts of print only advertisement in newspapers.

B. Efficiency, measured by the price that has to be paid for 1000 contacts (supported recall).

The performance figure can be calculated with the number of persons that were able to recall the name “Tretlager” from a list, multiplied by the number of average contacts to the advertisement costs of the respective region, multiplied by 1000:

$$TCP = [\text{advertising budget} / (\text{number of average contacts} * \text{number of recalling persons})] * 1.000.$$



Efficiency of print and radio advertisements

(Source: Raab, G. & Neuner, M. (2006): *Werbewirkung im regionalen Hörfunk*, p. 121. Baden-Baden: Nomos)

Radio advertising (Ludwigshafen) shows the lowest prices per 1000 contacts with a continuous spot design. A spot design with a lot of interruptions and intensive use of reminders instead of continuous spots with a length of 30 second (Trier) doesn't appear to work in the low-budget area. In the minimal cost area up to 1000 Euros (Koblenz-radio) the contact cost for radio advertising are considerably below the cost of print advertisement in newspapers (Koblenz-print).

4. Publication

The results of the study have been published under the title „Werbewirkung im regionalen Hörfunk. Eine feldexperimentelle und medienökonomische Untersuchung unter Low-Budget-Bedingungen“ at Nomos, Baden-Baden. The Landesmedienanstalt Rheinland-Pfalz hosted a Media Colloquium under the title „Hörfunk und Fernsehen regional – erfolgreich und unwirtschaftlich?“, where results of this study were presented.

Downloads

[MedienColloquium 2005: Impressions](#)

Radio spot „Das Tretlager“ [long short](#)

Key facts:

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Fostered by: Landeszentrale für Private Rundfunkveranstalter Rheinland-Pfalz