Radio Reborn
How One Company Is Using Its Data to Lead Radio’s Digital Transformation

Despite the dire warning of The Buggles (“Video Killed The Radio Star”) nearly forty years ago, radio remains alive and well, with 93 percent of U.S. adults tuning into a radio station every week, according to Nielsen Research. That’s music to the ears of Entercom, which operates over 250 local radio stations in the country, organizes over 750 local concerts every year and recently launched RADIO.COM, the new digital home to all things audio.
Despite their ubiquitous presence, Entercom faces some stiff competition for advertiser dollars—but not from the names you might expect. iHeartRadio, Pandora, and Spotify may compete for listeners’ attention, but when it comes to getting marketers’ attention, Entercom is in direct competition with names like Facebook and Google.

These digital platforms attract the lion’s share of advertising revenue because they’re global, simple, and customizable. Want to target a campaign to moms between the ages of 35 and 50 with at least one dog in the house? Click a few buttons and Facebook or Google can launch a pickup truck. We can slice and dice our audiences like Facebook, and that’s very powerful for our advertisers.”

Dan McKinney, vice president of data & analytics, Entercom

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THE DIGITAL NATIVE

Dan McKinney, vice president of data & analytics at Entercom, is a self-described “digital man,” having spent his entire career in the digital space for advertising and media companies. In addition to bringing a wealth of digital experience to his new role, Dan brought something else important with him from his last job: the Lytics customer data platform. “There’s a perception that radio doesn’t have the same ad capabilities or the same amount of data as Facebook and Google,” he explains. “And, for the most part, those perceptions are right. But we think we’ve cracked the code in how the radio industry can get there, and it’s with the help of Lytics.”

While radio has some natural challenges around audience identity, it has also been sitting for years on a mountain of buried treasure: phone numbers. Facebook, for example, builds its social identity graph from data such as cookies, device IDs, and email addresses. Cookies, however, are often blocked or deleted, device IDs change frequently, and even email addresses lack the longevity of phone numbers. Phone numbers have become the defecto persistent identifier that marketers can use to identify consumers over time. The radio industry is a magnet for phone numbers through radio station call-ins, text messages for song requests, concert tickets and so on. With Lytics, Entercom can collect this unique first-party data through its radio stations, live events and digital properties, and then enrich this data with third-party data featuring over 16,000 distinct attributes that detail everything from what individuals drives to what they eat.

“One of the main things we wanted to solve with Lytics was how to describe our over-the-air listeners,” Dan recalls. “Now, with the addition of Lytics to our tech stack, I can tell you how many people in a given radio audience are looking for a chain restaurant with over 10 locations was able to use Advanced Audio to measure a 65% sales lift from their radio ad campaign by linking listeners with diners.

FROM SIGNALS TO SUBDIVISIONS

Until every car becomes a smart car like a Tesla, radio will still be a predominantly broadcast medium. Entercom’s diverse portfolio extends well beyond traditional radio stations to include live event management, audio podcasts, and the market’s fastest-growing audio app, Radio.com. Entercom taps into customer interactions across all these channels and collects signals from them to create a multi-dimensional identity graph, then enriches them with third-party data to fill in the gaps. Entercom can now, with the help of Lytics, generate meaningful, actionable insights from this data to drive more effective and highly targeted marketing campaigns.

“We’re not just using Lytics to remarket and sort of spray and pray,” Dan McKinney points out. “We’re using it to figure out what are the best audiences to target.” In addition to using Lytics for their own marketing efforts, Entercom has launched their Advanced Audio platform which brings to market a new set of ad sales capabilities to help advertisers target their desired audience and track ROI. Dan and his team are able to “connect the dots” between ad campaigns and actual sales by matching their own data of ad listeners in Lytics with their advertiser’s customer database. In one case, a chain restaurant over 10 locations was able to use Advanced Audio to measure a 65% sales lift from their radio ad campaign by linking listeners with diners.

THE DIGITAL TRANSFORMATION

The digital transformation of radio is nowhere more apparent than RADIO.COM, which is becoming the digital destination for all things related to radio. In addition to live content from its 250+ radio stations, RADIO.COM features podcasts and other audio-based media from Entercom’s vast library. In a world where millions of apps exist and companies often fight for limited space on a mobile device, Entercom is taking no chances; it plans to turn an eye inward, leveraging Lytics to match content affinities so they can reach the most likely new users first. “Lytics will help us target the people who are most likely to download our app,” Dan McKinney explains, “so we can be smart about how we spend our own money to acquire new listeners.”
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—Dan McKinney, vice president of data & analytics, Entercom

The early returns on their customer data strategy point to long-term success for this digital strategy. “We’re getting meetings with advertisers today that the radio industry simply never got before, like the big direct-to-consumer brands,” Dan confides. “With Lytics, we’ve been able to take the best data technology from the digital world and apply it to radio. That’s what advertisers want—and that’s exactly the reason why I brought Lytics here with me.”