

# Future of Audience and Revenue Study

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## Trends, Evolutions, and Opportunities with the Modern Audience

FUTURI

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SMITH GEIGER  
GROUP

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## /// Introduction

Since March 2020, the world has experienced changes that have affected every industry on the planet. The media industry in particular has had more than its share of disruption.

In the extensive study this white paper covers, executives in radio, television, and digital publishing were asked how their companies have been impacted since the onset of COVID-19. Their wide variety of responses indicated change in nearly every part of their business. For example, 77% of the executives reported that their company has lost advertising revenue, 73% have said they have employees working from home, 44% have said they've experienced layoffs or reduced headcount, and 35% have said that their responsibilities have changed.

### The pandemic's impact on the media business

Media professionals can all agree that the pandemic has wide-ranging impact on their businesses. Those in content leadership feel particularly impacted in more areas overall.

Since the COVID-19 pandemic began, what were some of the ways your company has been impacted?		Difference from Total				
		Local Television Broadcasting	Local AM/FM Radio Broadcasting	Station Leadership	Corporate Leadership	Content Leadership
Your company has lost advertising revenue	76%	+6	+1	+7	-5	+4
Your company has employees working remotely from home	73%	+18	-7	-1	-10	+9
You have adopted virtual meetings to communicate with your team	68%	+21	-10	-3	-9	+10
Your company has experienced layoffs or reduced head count	44%	-7	+6	-6	-10	+19
You have shifted your business priorities and strategies	39%	+5	0	-5	+11	+1
You have adopted new training methods to keep things on track	37%	+15	-7	+4	-8	+3
Your company has reduced hours or salaries for some or all	36%	-18	+3	-2	+6	+8
Your responsibilities have changed	35%	-5	+2	-11	-1	+21
Your company has canceled or postponed capital expenses	34%	+7	-2	-9	+7	+15
Your company has canceled or postponed hiring	32%	0	+2	-5	-7	+11
Your company has instituted furloughs	27%	-14	+5	-7	-2	+15
Your company has cut back on crucial local resources	26%	-12	+5	-8	-1	+18
Your company is moving toward centralized/"hubbing" of services	24%	-1	+3	-4	-12	+12
New "corporate-level"/local resources have been reduced	16%	-5	+4	-4	-12	+12
You have postponed new product rollouts	16%	+2	0	0	+5	+2

The broader canvas is one of profound societal and technological change, complicated by an intergenerational handover that is eroding the certainties on which business models and revenue streams have been based for decades.

At the same time that economics necessitated that the media industry substantially remodel its business structure and allocation of capital, audiences have adopted social media, on-demand content, video and audio, streaming, and even eSports at an unprecedented pace. The changes in both audience habits and industry operation has never been this extreme.

As recent events attest, the future is hard to predict. However, the saying is also true that one of the most reliable ways to predict the future is to create it yourself. This is a task made far less daunting when armed with the right data and capabilities to do so.

If there is one message in this report, it is that there is ample opportunity for media companies that wish to build this future — and significant danger in not acting to do so. Ultimately, there's never been a more important time to focus on what your audience actually wants vs what you're hard-wired to think they want, and how best to monetize your relationship with them. Our study found big gaps in what your teams know to be important and how well-equipped they consider themselves in order to make it happen.

## /// Executive Summary

In this report, we examine the highlights of a Futuri x SmithGeiger study conducted in the late spring through mid-summer 2021. The report aimed to understand:

1. How Americans perceive, consume, and pay for media content today, particularly now that we've been experiencing pandemic-related disruptions for more than a year-and-a-half.
2. How media executives perceive the sector and its ability to meet future challenges.
3. How media executives can leverage technology to impact content, audience, and revenue growth.

To create the report, our research partner for this study, SmithGeiger conducted over 2,000 nationwide interviews with media users ages 16–74, and nearly 200 interviews with TV, radio, and digital publishing executives throughout the US. The study polled a statistically significant sampling of America across age groups, employment, income, and education, as well as an accurate cross-section of the media industry based on age, gender, properties, and experience levels. The study also conducted focus groups with more than 100 American media consumers.

The study clearly identifies **several tectonic shifts** in the way a modern audience consumes media, all of which have the potential to unlock revenue growth and enhance ROI. The findings also show that for many broadcasters and digital publishers, this will not be an easy road.

A substantial investment of time and resources will be required to claim the potential rewards. Given the trends in audiences shifting over to digital platforms, the cost of inaction — losing traction with today's heavy consumers of media — is far greater.

Our interviews with media executives identified three key concerns that are near-universal:

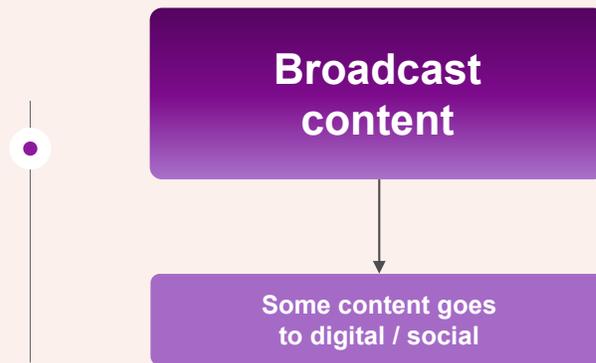
- **Revenue leaders** are concerned that they do not have the data-driven sales research and marketing pitches to position the uniqueness of their brands/audiences and keep up with digital-first competitors.
- **Content leaders** are struggling with downsizing at a time when both quantity and quality of content has never been more important.
- **Everyone** is worried about their company's ability to keep up with emerging technologies, from 5G to self-driving vehicles.

For media organizations with unique content, the good news is that content is still king. The appetite for content has never been greater, and leading broadcasters and digital publishers know great content. With the proliferation of sources and creators, as well as technology solutions that enable teams to efficiently **identify, create, and monetize content** designed to engage their target audiences, the future belongs to those who understand the modern consumer and the critical role of **the omnichannel approach** in their strategies for engaging them.

## The future for media brands

• OMNICHANNEL

### Traditional media brand



### Today's successful media brand



Video on demand



Podcasts/  
Audio on demand



Broadcast



Smart speakers



Blog



Website



Social



Mobile app



OTT



Free vs.  
subscription strategy

## /// Key Takeaways

*The Future of Audience and Revenue Study* is intended to help identify the genuinely ground-shifting trends that will affect the long-term future of the media industry. The results clearly indicate that fundamental innovation is required to keep pace with the evolution of how Americans consume media in the modern era.

In this report, we'll cover the key data that emerged from the conversations, surveys, and focus groups we conducted in the course of trying to answer the above overarching question.

If we were to summarize the extensive insights of the report into three points, they would be as follows:

- **The perception of media is changing.** Formerly well-established concepts such as "TV" and "radio" no longer exist as they once did. Instead, we have a continuum of professional and semi-professional content delivered through innumerable routes to the end consumer, who is, as a result, more selective and less trusting of the major players who used to dominate the field. In focus groups featuring more than 100 media consumers, we found that modern consumers interpret the term "television" to mean all forms of video, from standard live television to streamed events, video posts on social media, and of course YouTube. The same expanded definition applied to radio, which now refers to any form of transmitted audio over any channel. **In every case, respondents brought up non-broadcast content when asked to describe their experience of "radio" or "TV."** Consumers used the terms interchangeably with a variety of audio and video resources. This is both a threat and an opportunity.
- **Social media is the greatest opportunity for content, audience, and revenue growth.** Attempting to fight the new media platforms is a lost endeavor. They are no longer the 'alternative' but are quickly becoming the new mainstream. Embracing and mastering new platforms and channels need not be a threat, as it represents a huge opportunity to reach new markets and user profiles with the content that they want.
- **Investment in social and digital platforms is essential for growth.** While being an established player has advantages in terms of reach — and to an extent, reputation — making the required changes in company culture, strategy, systems, technology, and personnel in order to meet the opportunities of the new normal will only be possible through hard work and considerable investment.

## /// Industry-Specific Key Takeaways

In addition to the items noted above, there are takeaways that are industry-specific.

### Radio

- Radio now comprises a far wider breadth of audio content than its traditional definition. The phenomenon of streaming has altered what used to be a limited broadcast medium into a form of content that can be consumed across all digital devices. The old AM/FM dial has (like so much else) been largely replaced by the search bar.
- There is still an opportunity to **leverage talent as a differentiator**, provided that **authenticity, targeted content** and **topics**, and an **omnichannel approach** are prioritized. Focus group respondents made clear that they remember throwaway breaks (“I don’t want to hear about the eggs you ate this morning”) and enjoyed podcasts’ lack of the tight time restraints and content restrictions to which broadcast personalities are bound.
- Another note on podcasts: they continue to go from strength to strength, capturing listeners who are looking for a more controllable, less restricted alternative to mainstream content. Nonetheless, time-shifted broadcast audio is a smart transition of a traditional medium to the modern world.
  - **Original podcasts** offer:
    - A deeper connection/relationship with the audience.
    - Topics that are tailored to a specific audience.
    - An unfiltered, unstructured, and therefore a “more authentic” style.
  - **Time-shifted broadcast** audio offers:
    - Broadcast quality in a more shareable format.
    - A way for audiences to sample content on their own terms.
- Local content is key, even if your personalities aren’t physically in the market. Listeners, especially those in our focus groups, see that as a differentiator and want more of it. Consumers are becoming **more willing to pay for local information** from digital publishers, and they’re already willing to pay for audio and video subscriptions. **Radio needs to lean into local content** — even if not *produced* locally — to stay competitive and grow.
- Morning shows in particular have a big opportunity to use social media — especially Facebook — more effectively to capture those crucial first occasions of the day.

Each of these approaches is right for a content provider’s own target audience, and they should ideally offer both in order to reach a maximum audience.

## Television

- As with radio, “television” has become an all-encompassing term for video-based content of all kinds, whether on the web, social media, YouTube, or a smart device. While the definition obviously still includes broadcast, cable, and satellite, they are synonymous in the minds of consumers.
- With video consumption rising, there is an increased expectation to include video content as a default component of your company’s media strategy, e.g. a company- or product-related YouTube channel with bite-size explainer content.
- Like radio, TV morning shows, in particular, have the potential to make greater use of Facebook and Instagram as part of their broader video content strategy in order to capture the audience’s first views and interactions of the day.
- With more consumers getting their news from social platforms and the rise of user-generated content, traditional ways of delivering the news can feel inauthentic. Content and delivery that comes across as authentic is crucial at a time when so many are getting their news from personalities on social platforms.

## Digital Publishing

- In a broad universe of content, understanding what is valuable, unique, and perceived as special or premium for your target audience is the first step toward creating digital publishing content that they will engage with. This means combining standard demographics with detailed preference data (e.g. what emotional/psychological need is your content going to fulfill).
- Audiences are growing increasingly comfortable with the subscription model. Major digital publishers such as The New York Times are leading the way, achieving impressive revenue growth thanks to subscription fees. This loosens the cap for all types of digital publishers.
- Incorporating video and audio content into a digital publication strategy will maximize engagement, and with it, audience numbers and top-line growth.

## /// Current Media Landscape

### Connected and Active

Overall, the demand for media has never been more robust. Today, Americans are voracious consumers of content, with 41% consuming more than 10 hours of video per week, and 64% – almost two-thirds – consuming more than 5 hours.

Survey respondents also reported that their usage increased from Q1 to Q2 2021, with the following breakdown by channel:

- 57% watched streamed content more often.
- 51% watched TV more often.
- 48% used social media more often.
- 30% listened to local AM/FM radio stations more often.

### Shifting media habits

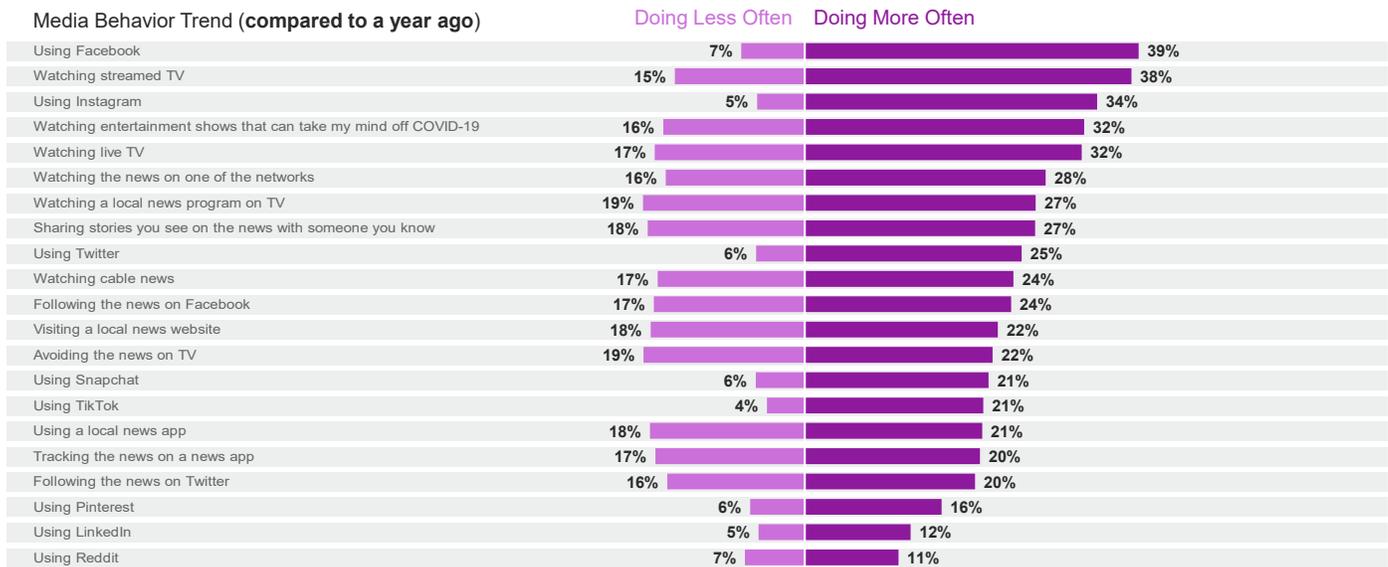
Americans expect to consume tremendous amounts of media and content moving forward, although to a lesser degree than during the peak of the pandemic. Online shopping reaches new heights in future expectations similar to online grocery shopping.

Activities Doing More Often Over the Past Few Months	Percentage	Difference from Total				
		Plan to Travel or Go on Vacation 42% of Americans	Plan to Buy Furniture 30% of Americans	Plan to Buy a Car 20% of Americans	Plan to Remodel Kitchen 16% of Americans	Plan to Buy Appliance 17% of Americans
Watching streamed content	57%	+6	+3	+9	+6	+6
Using technology to connect with others	54%	+4	+7	+9	+4	+8
Staying updated on news and COVID-19 developments	53%	+3	0	+8	+8	+1
Watching television	51%	+3	+4	+8	+5	+1
Using social media to occupy time and/or connect with others	48%	+3	+7	+11	+14	+9
Finding time for myself	43%	+4	+2	+6	+7	+3
Focusing on personal relationships	40%	0	+6	+7	+10	+8
Watching local evening newscasts	40%	-1	0	+5	+9	+4
Making a point to support local businesses over national businesses	39%	+4	+5	+5	+4	0
Saving, investing and/or planning for the future	37%	+2	+2	+1	+3	+5
Focusing on self-improvement	36%	-1	+7	+6	+15	+8
Learning new hobbies or skills	35%	-2	+8	+4	+12	+7
Watching local morning newscasts	34%	-2	+2	+5	+6	+10
Observing how various companies treat their employees	32%	0	+4	+3	+9	+9
Listening to the radio (any local AM or FM stations)	30%	-1	+4	+3	+12	+10
Paying attention to how companies promote environmental issues	30%	-1	+2	+4	+9	+5
Taking short staycations in my local area	21%	-1	-1	-5	+1	+1

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Compared to a year ago, growth was seen in usage of social media, streamed and live TV, and entertainment programs that take one's mind off the pandemic. Usage of local news websites was relatively flat.

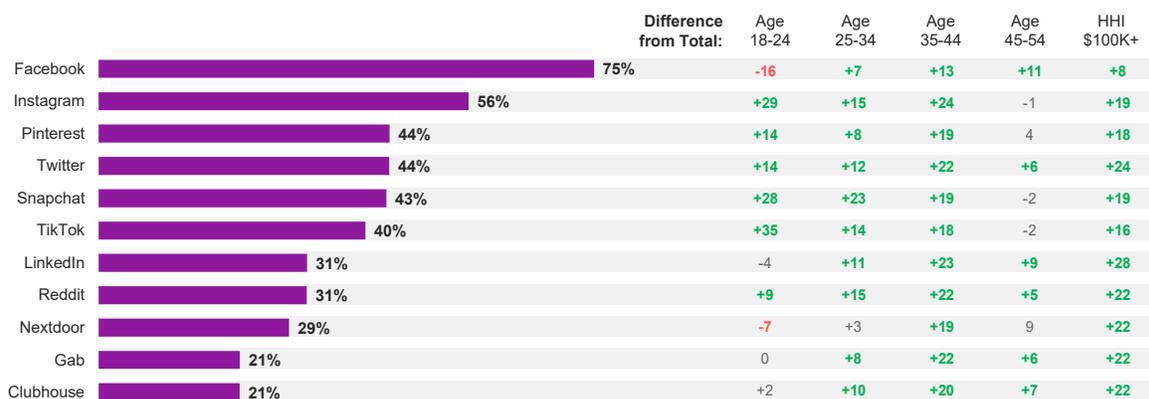
## Social, streamed TV, and live TV are growing in usage YOY



On the topic of social media usage, Facebook leads all social platforms in weekly usage. That said, social landscape is incredibly active with a wide range of Americans in both age and income levels.

## Social media usage (weekly)

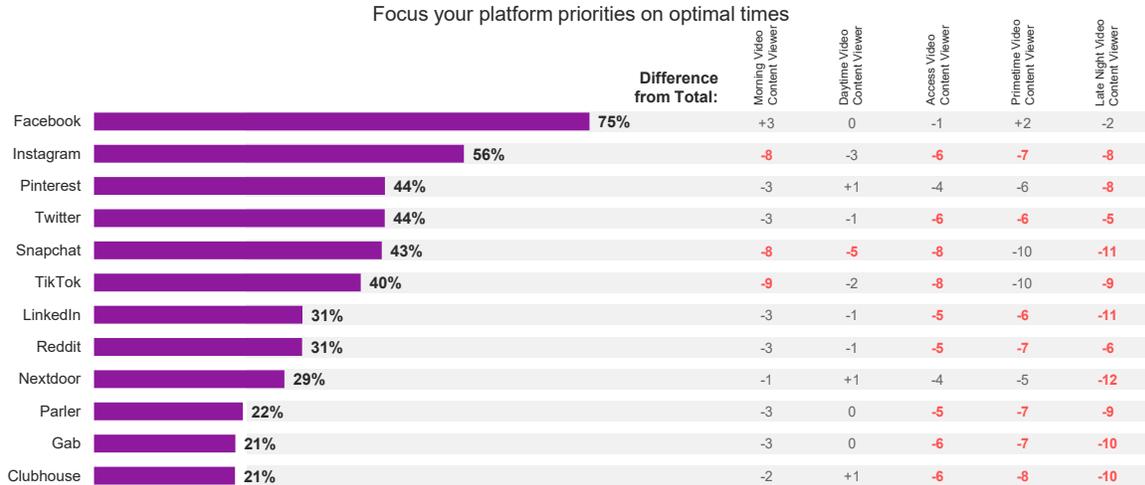
While Facebook leads all social platforms in weekly usage, the social landscape is incredibly active with a wide range of Americans in both age and income levels.



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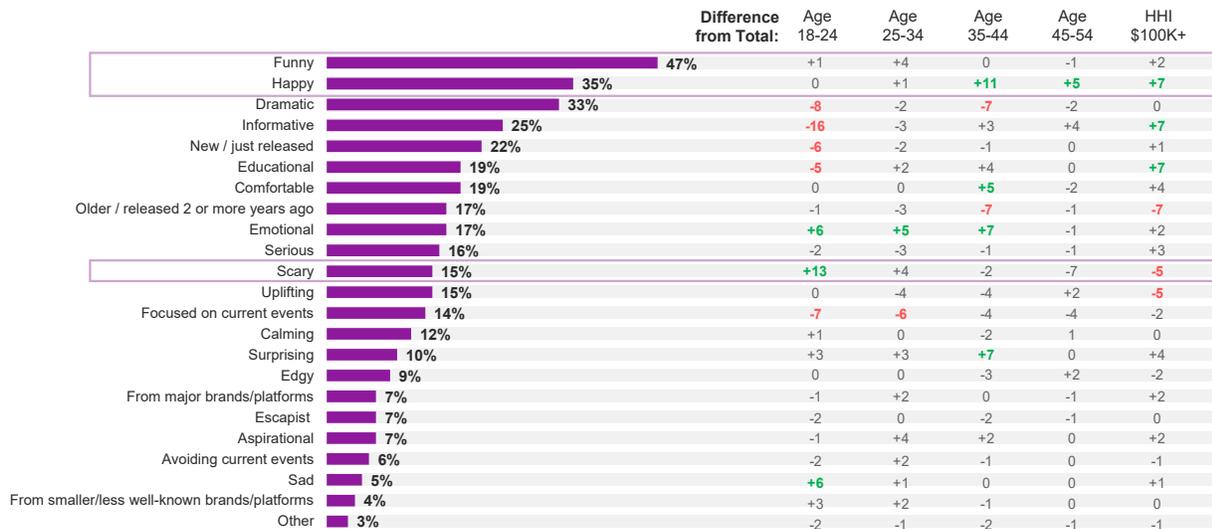
Facebook also slightly outperforms with those who watch video in the morning.

## Social media usage — daypart



When asked about the type of content they were seeking, the categories that elicited the strongest responses were 'Funny' and 'Happy'. Note that in the 18-24 demo, 'Scary' content also ranked highly.

This is consistent with the notion that people are using media increasingly as a means of solace or escapism to offset the uncertainty of societal events and a more insular, pandemic lifestyle.

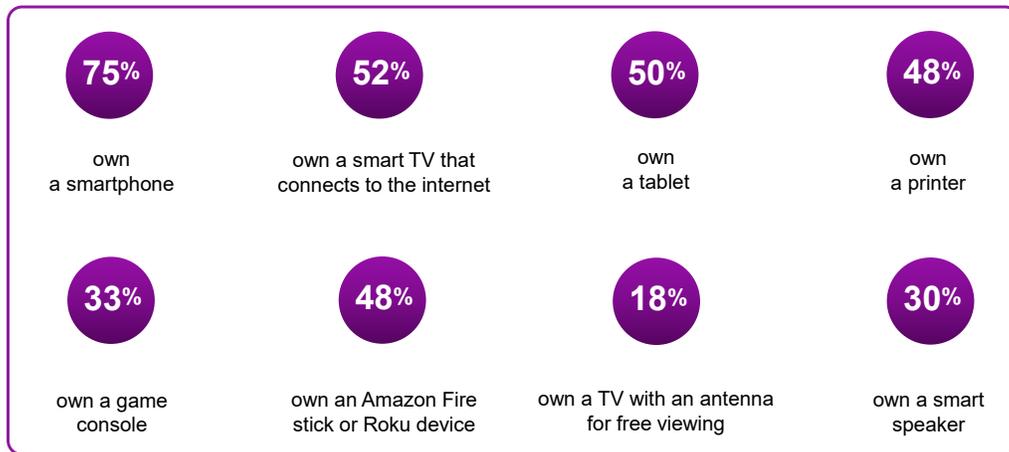


## Future of Audience and Revenue Study: Trends, Evolutions, and Opportunities with the Modern Audience

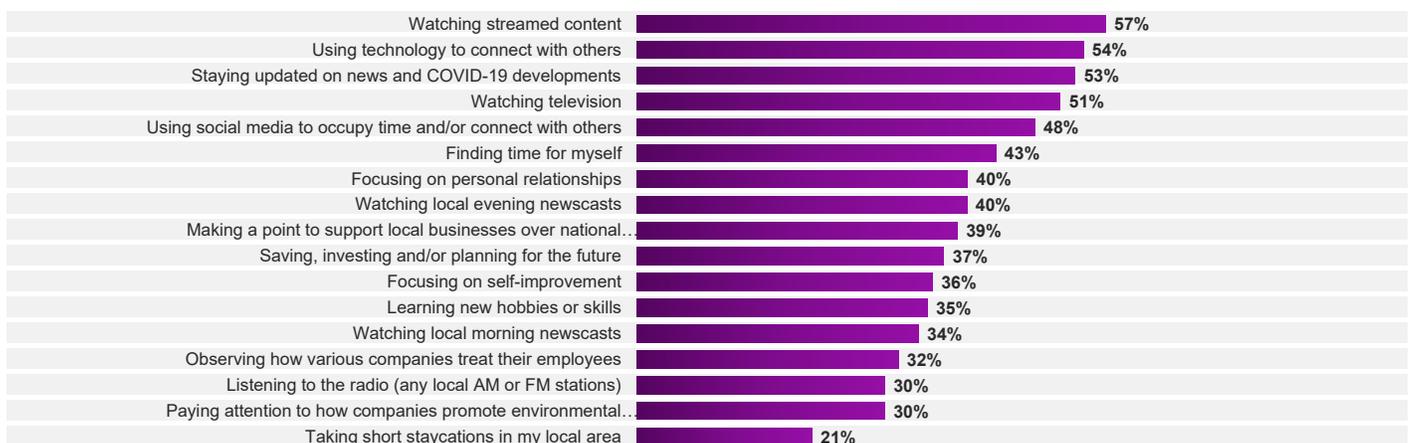
Preference for channels naturally varies depending on the type of content being sought. For example, broadcast radio remains the primary source for pandemic-related news for the majority (65%) of HHI \$100k+ Americans.

Nevertheless, the trend towards digital channels is clear, not least because consumers have never been more connected. Of the respondents to our survey, 75% own a smartphone, 52% own a smart TV, and 50% own a tablet.

Incredibly, more consumers own a smart speaker (30%) than a traditional antenna-based TV set for free viewing (18%)!



The shift can also be seen in the data showing how people are spending their time, with the top two activities – watching streamed content and using technology to connect with others (each accounting for over 50% of the respondents) – relying on digital media. The following chart references activities respondents indicated they were doing more often from Q1 to Q2 2021.



With the exception of 'Taking short staycations in my local area' (the bottom category), it's difficult to find a single activity on the above list that either is not or could not be conducted primarily through a digital medium.

Taken as a whole, the growth of connected services and ever-growing demand for content means that opportunities are plentiful for the provider who is in step with the new digital age.

## Capitalizing on New Opportunities

2020 was famously the year in which The New York Times made more money from subscriptions than through advertising. As the media landscape continues to fragment, subscription revenues have emerged to provide a viable funding model to supplement and even replace traditional advertising revenues.

Americans are already spending between \$37 and \$51 per month on video and audio subscriptions (depending on age – see below). In the case of more affluent HHI \$100k+ consumers, this number has reached \$66 and has room to climb further.

**Average monthly amount paid for all streaming video & audio services combined:**

Total	Age 18-24	Age 25-34	Age 35-44	Age 45-54	HHI \$100K+
<b>\$45</b>	<b>\$37</b>	<b>\$51</b>	<b>\$51</b>	<b>\$47</b>	<b>\$66</b>

*“Just as cable introduced a paid layer to television in the 1980s, the internet’s paid layer is taking shape 40 years later.”*

– Axios, August 11, 2021

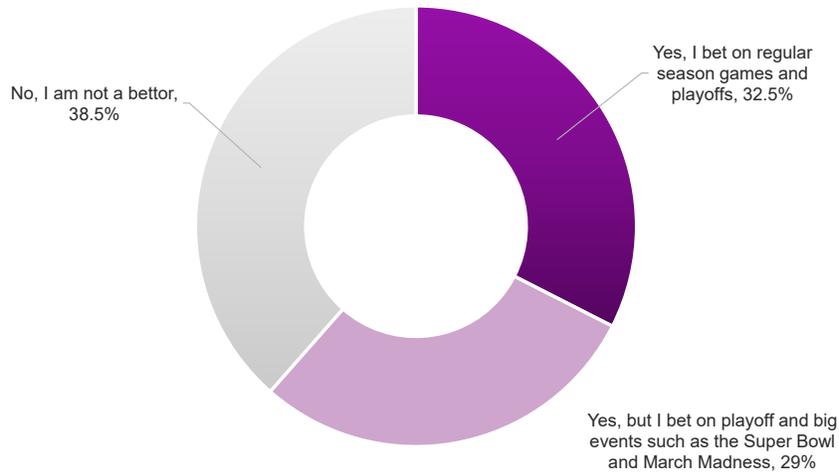
## The Rise of Sports Betting and Its Implications for Media

A good example of a new opportunity is the emergence of esports — a blue ocean market and a product of the modern age. Another would be the projected growth in regular sports betting. Broadcasting of sporting events continues to drive audiences to local news and broadcasting outlets weekly, with 72% of 18-to-74-year-olds tuning in to a local TV program, 69% to a local news website, and 71% to a local news app. These already impressive numbers jump dramatically for e-sports and gaming fans turning to local options weekly, with 92% choosing a local TV program, 90% visiting a local news website, and 90% opening a local news app.

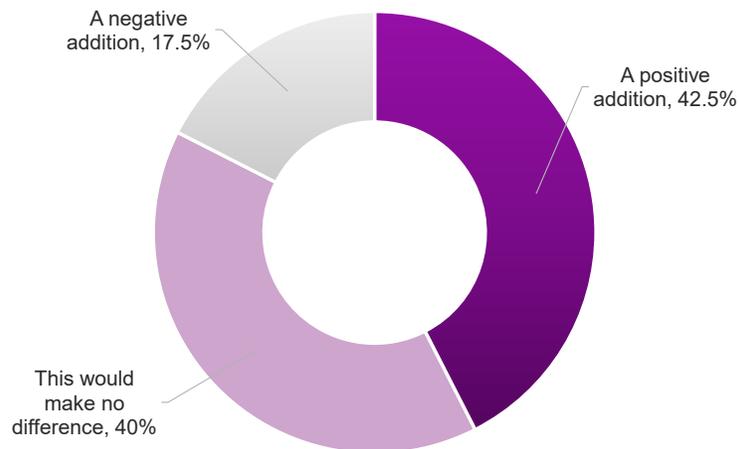
We dove into the sports angle more deeply with a series of questions about the attractiveness of sports betting and related information. Now that sports betting is legal in many states, 61.5% of respondents reported that they bet on sports events in some form or fashion — 32.5% said they bet on regular-season games and playoffs, and 29% bet on playoffs and major events like the Super Bowl.

This growth revealed opportunities for media organizations to grow their audience with related content. Forty-two percent agreed it would be positive if “local news programs on TV were to offer odds, betting lines, and best bets in their sports reports,” and 36% said they would be more likely to watch “if local news programs were to include sports betting information in their local news programs.”

**Are you betting on any sporting events?**



**What if local news programs on TV were to offer odds, betting lines, and best bets in their sports reports? Would you see this as ... ?**



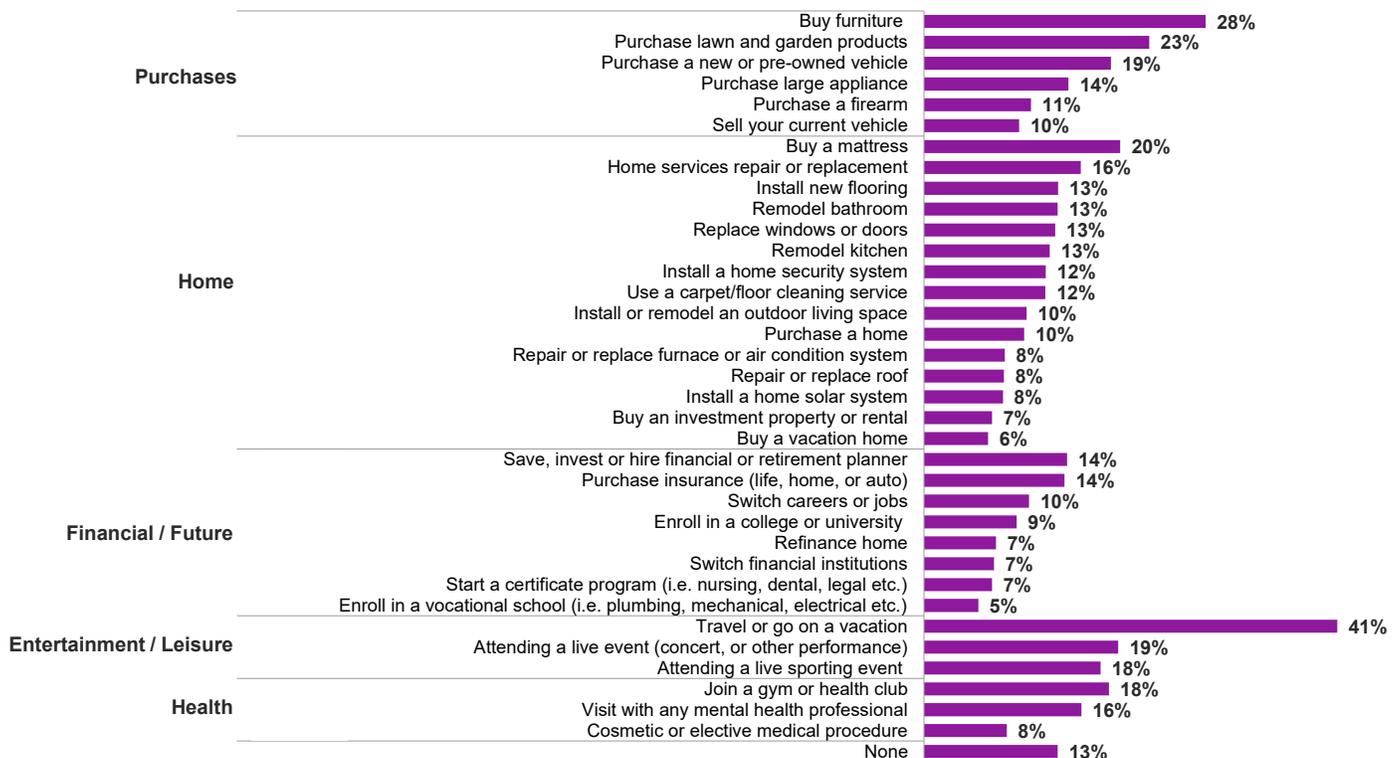
## Media Consumers Are Planning to Make Major Purchases

Our study found that Americans currently emerging from the confinement of a pandemic lifestyle are already making plans to make big-ticket purchases, with taking a vacation being the most popular choice (41%), and home purchasing and/or improvements also featuring between 10–30% of the sample.

**41% Plan to go on vacation**  
**10% Plan to purchase a home**  
**28% Plan to buy furniture**  
**16% Plan home service repair**

**Ability to spend and willingness to pay clearly exist.** While the challenge for media content teams is to best identify the content that will keep consumers spending time with their brands, the challenge for media sales teams is to tell the right data-driven stories to convince clients of their company’s effectiveness in driving those consumers to purchase action.

### Which of the following is your household planning to purchase (or do) in the next year?



## /// Understanding What Has Changed

### Shifting Terms

When terms and definitions change, two executives can draw completely different conclusions from the same dataset.

In our focus groups involving over 100 media consumers, we found that modern consumers interpret the term “television” to mean all forms of video, from standard live television to streamed events, video posts on social media, and of course YouTube. The same expanded definition applied to radio, which now refers to any form of transmitted audio over any channel. **In every case, respondents brought up non-broadcast content when asked to describe their experience of “radio” or “TV.”** Consumers used the terms interchangeably with a variety of audio and video resources.

This is important for media professionals, because the category ‘television’ now contains a mixture of both professional and user-generated content. And with creators increasingly empowered to monetize their content via services such as Patreon, the definition of “professional” is increasingly hard to pin down.

### Declining Trust in Large Institutions, While Local Remains Strong

The beginning of the 21st century has seen a general decline of trust in large institutions, with major TV outlets being no exception. Of the major networks included in our analysis (CBS, CNN, NBC, ABC, PBS, FOX, MSNBC, and Newsmax), not one commanded the trust of more than half of the respondents.

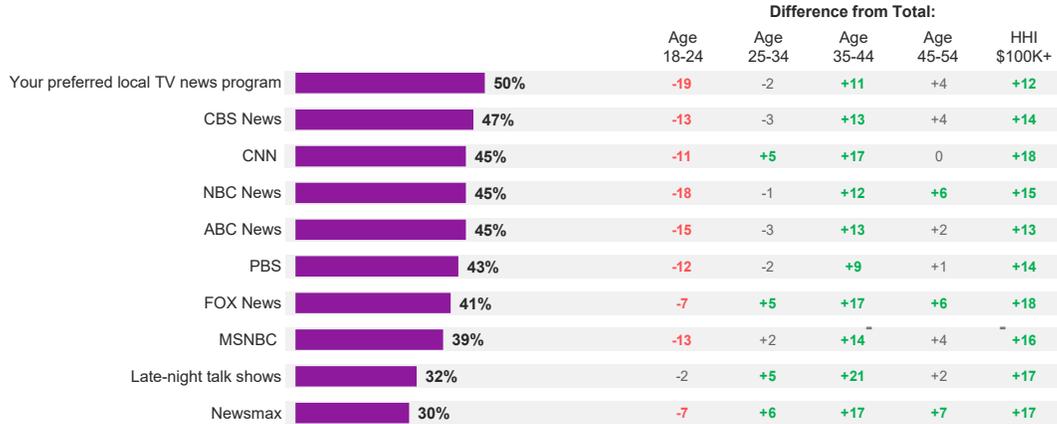
Credibility scores ranged between 30–47% for the respondent group as a whole, and dropped markedly for younger Americans to a narrower range of 23–24%, implying not only lower trust, but also that the providers are more or less interchangeable.

In fact, one of the exceptions to the general decline in trust has been local radio, television, and newspaper brands (including digital), which have continued to enjoy a good reputation for trustworthiness.

Respondents ranked local radio highest for clarity and facts (45%) among a selection of audio and print (including print digital) brands. Local newspaper brands ranked #2 (44%). In the TV category, local TV ranked highest with 50%, surpassing network TV, news aggregation sites, and – interestingly – social media.

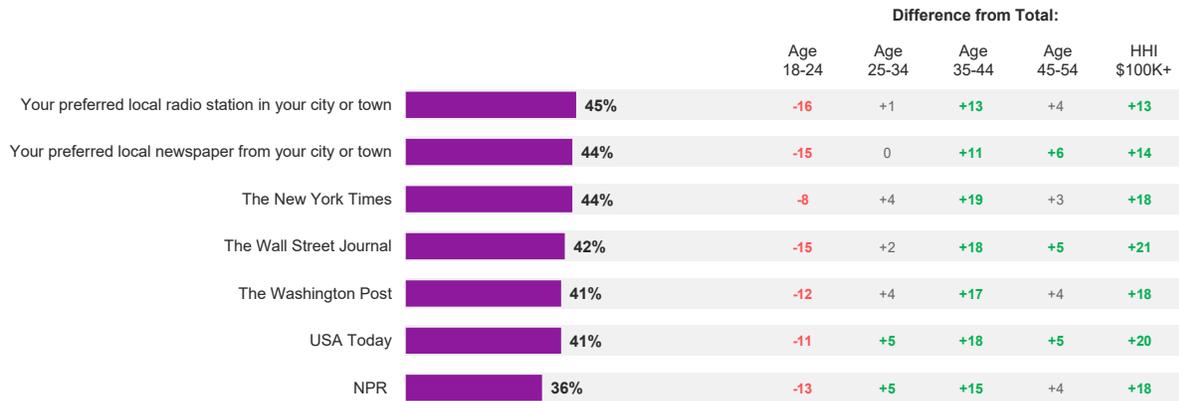
## Media reliability for clarity and facts (TV)

Television news is a top source for clarity and facts in today's media world.



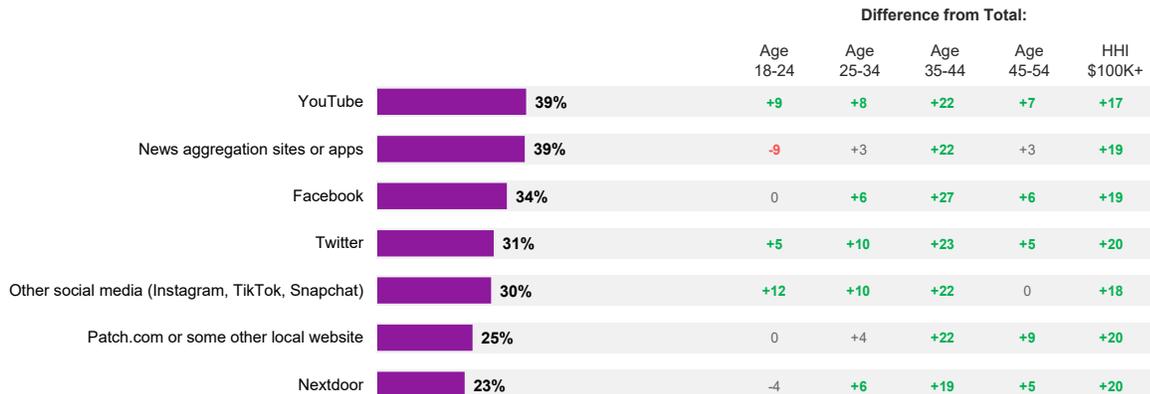
## Media reliability for clarity and facts (print and audio)

Local radio stations are essentially at parity with major print publications on providing clarity and facts.



## Media reliability for clarity and facts (digital and social)

Social media is a key component among American consumers for deciphering truth and clarity.



## Usage vs. Trust

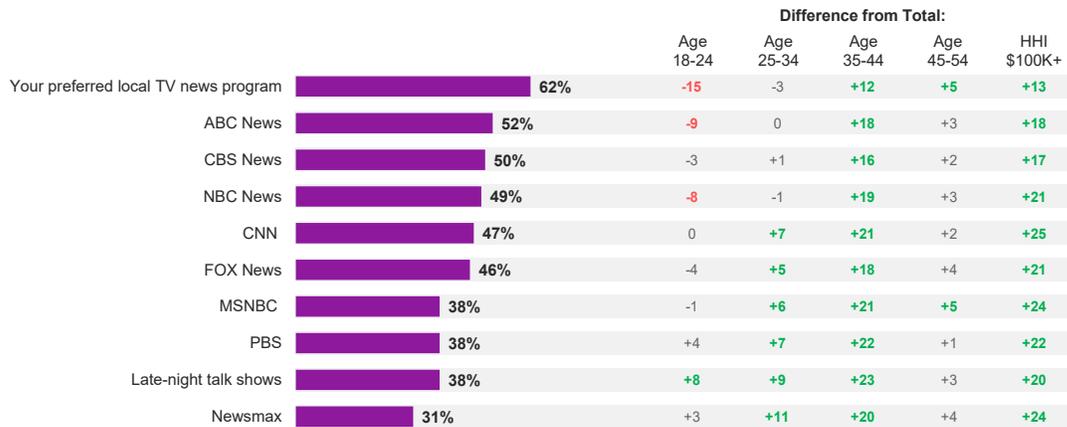
It is important to distinguish level of usage from level of trust. While Facebook may be the most used of all the social media platforms when it comes to news, many consumers appear to doubt the clarity and legitimacy of the news they consume there. Nearly half of users expressed distrust towards the information obtained from Facebook, with YouTube and news sites enjoying higher levels of credibility.

This is a stark reminder to distinguish usage from trust – although the two typically are correlated, this may not apply to every sub-category.

Among TV options, local reigned supreme, with 62% of respondents citing their preferred local TV news program as their top source for pandemic news. Between 31–52% of respondents named one of the major networks as their primary source for pandemic-related information. Among social and digital outlets, Facebook (64%) and YouTube (61%) came out on top for usage, with other social platforms such as TikTok, Snapchat, and Instagram ranking at 48%. This would have been difficult to explain to someone 20 years ago, but is now our reality.

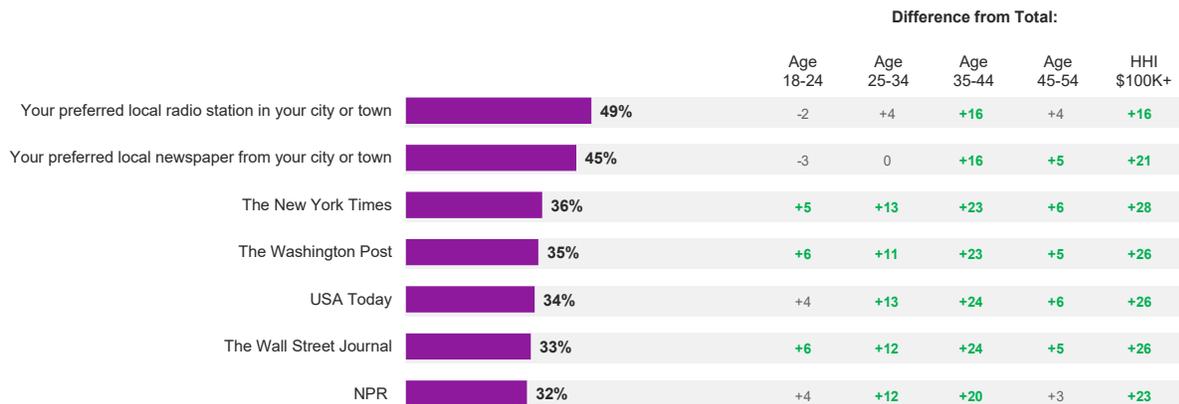
### Media usage for pandemic news (TV)

Local preferred TV is the top source for pandemic news; however, the pandemic is catalyst for news volatility and elevated levels of network sampling, especially in key demos.



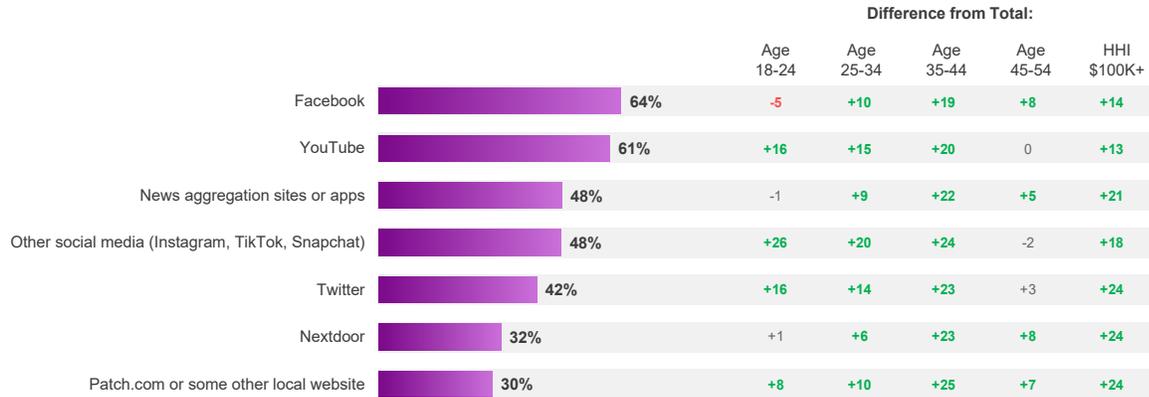
### Media usage for pandemic news (print and audio)

Local radio stations are a top destination for high sought-after demos (A35-44 and HHI \$100K+) over-indexing in usage levels compared to the average American.



## Media usage for pandemic news (digital and social)

YouTube emerges as a contender to Facebook as top sources for pandemic news in the digital and social ecosystem with several notable demos.



A majority of \$100k+ HHI Americans depend on local newspapers and local radio for their pandemic news (66% and 65%, respectively), demonstrating the mediums' importance for critical updates about the pandemic with a demo that's attractive to advertisers. Local TV ranked #4 with this group (62%), slightly behind CNN (63%).

## Where Do We Get Our News?

As the pandemic has shown us, one of the biggest manifestations of declining trust has been where people turn to for news.

Increasingly, people are turning away from the standard channels. 47% of Americans turn to Google every week for their news, followed by Facebook (42%), which is closely trailed by local TV news. Larger network TV news comes fourth, followed by YouTube (33%), Instagram, and Twitter (both 28%). National newspaper websites (such as *The New York Times*, *The Washington Post*, *The Wall Street Journal*, *USA TODAY*) capture 19% of Americans.

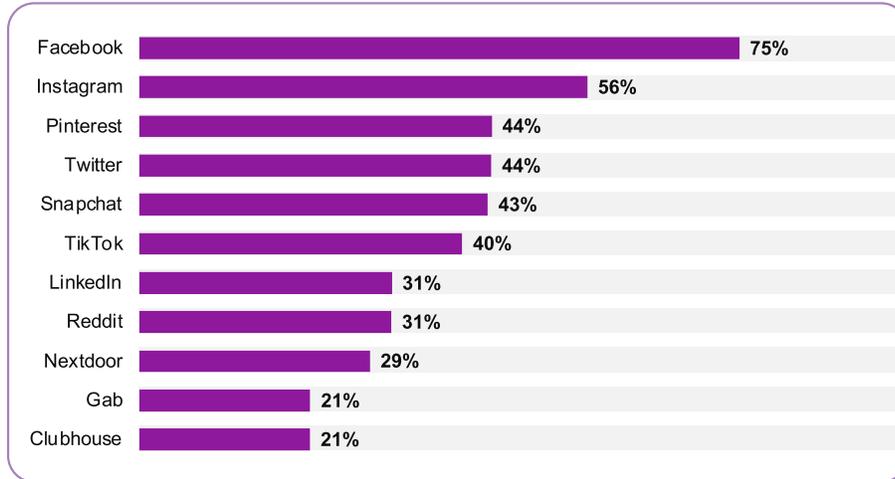
## Sources you turn to for news weekly:



## Future of Audience and Revenue Study: Trends, Evolutions, and Opportunities with the Modern Audience

Our findings reveal that Facebook is far and beyond the most used source for news in the digital and social landscape (75%), with Instagram also commanding an impressive share (56%). Twitter ranks alongside Snapchat, TikTok, and Pinterest in the low 40s, and LinkedIn is tied with Reddit at 31%.

### Social Media Usage - Weekly



### Sourcing New Content

It's worth noting that the content creators are heavily scouring social media newsfeeds, trends, groups, and/or social networks to source new content. This is especially true with local TV, where 88% of content teams turn to social media to identify compelling content. Paired with the reductions in content staff many organizations are seeing, tools that help make this process more efficient, targeted, and ultimately successful, like Futuri's AI-driven story discovery system TopicPulse, are a crucial part of today's content creator toolkit.

## How are content creators sourcing new content?

Social media is the top overall source for media professionals in discovering or creating new content. There are notable differences in how journalists at local TV and radio stations uncover content items and ideas.

How are the journalists and content creators at your company discovering or creating new content?	Percentage	Difference from Total				
		Local Television Broadcasting	Local AM/FM Radio Broadcasting	Station Leadership	Corporate Leadership	Content Leadership
By scouring social media newsfeeds, trends, groups and/or social networks	73%	+15	-4	-4	+1	+15
Through personal interviews in and around the area	58%	+34	-13	+11	-11	-2
By cultivating a network of sources and key contacts in the community	56%	+32	-11	+7	-16	0
From audience tips and/or suggestions	51%	+28	-10	-3	-11	+9
From sister stations in other markets	40%	+35	-9	+3	-20	+20
From press conferences and news briefings	39%	+41	-14	+7	-12	+5
By localizing an out-of-market piece of content or story	39%	+32	-8	+4	+1	-3
From different research resources within the company	36%	+18	-5	-8	-3	+16
Through analytic platforms and dashboard platforms	28%	+17	-6	-8	-28	+36
By monitoring the competition within your market	24%	+34	-15	+2	+3	+4
From third-party research and strategy firms	13%	+8	-4	+5	+1	-1
None of these	10%	-10	+4	+1	+3	-6

Content leaders, often struggling with shrinking teams, were most vocal in articulating interest in technology to help them meet the consumer's growing appetite for content.

## Identifying content

How interested would you be in each of the following services for your company in identifying or serving different kinds of content for your audiences?

Service	Interest Level		Total	Impact Score				
	Not interested	Interested		Local Television Broadcasting	Local AM/FM Radio Broadcasting	Station Leadership	Corporate Leadership	Content Leadership
A system that alerts you to content that is resonating with certain key demos	23%	57%	+35	+54	+31	+18	+15	+76
Real-time insights that identify unique content not yet aired by competitors	24%	57%	+33	+58	+27	+30	+8	+64
Technology that identifies the next viral story before it goes mainstream	29%	55%	+26	+58	+16	+15	+15	+56
A system that identifies which platform is suited best for specific content	26%	50%	+24	+42	+20	+15	+8	+48
An interactive tool that allows content creators to quickly build (drag and drop) a rundown with the hottest topics optimized engagement and flow	33%	45%	+12	+38	+5	+6	-8	+40
Early indicators that signals when a piece of content is losing momentum	29%	42%	+13	+38	+4	+15	0	+24
Pre-produced content that only needs station branding applied	33%	42%	+8	-17	+22	0	-8	+20
An email to your inbox, twice each day, with content you can use right now	31%	40%	+10	+8	+13	+18	-31	+24

## Are We Prepared?

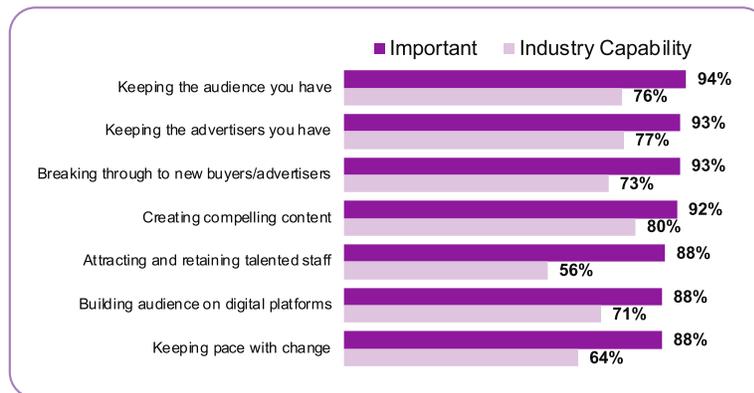
The new normal is already beginning to make itself felt. While content consumption has grown, content teams have been downsized and restructured.

As noted in the graph on [page 21](#), 83% of content leaders in our sample reported reductions in content-related headcount, and more than half noted that their responsibilities had changed in the past year. This contrasts starkly with the experience of sales- and corporate-level executives in other areas of the business, who have seen roughly half of these reductions in their own departments.

Looking at these emerging trends and extrapolating further down the road, it's understandable that media execs are somewhat nervous about the future.

Our study showed numerous gaps between the emerging issues that media executives considered to be important and their confidence in the industry's capability to address them.

While the top issues in terms of importance were audience retention (94%) and advertiser retention (93%), there was no issue not deemed important (all rated 88% or above).



In every category, the data showed a material gap between the importance of an issue and the industry's ability to address it. The largest gaps in terms of confidence were in the categories 'Attracting and retaining talented staff' (-32%) and 'Keeping pace with change' (-24%).

There were a number of challenges below the top 7 where large gaps between importance and ability to address were identified. These included attracting and retaining younger audiences (85% important, 47% capable), responding to new and disruptive competitors (84% important, 54% capable), capturing more accurate metrics and audience measurement (78% important, 47% capable), and innovating on the next digital platform (71% important, 47% capable).

## /// Finding the Opportunity in the Challenge

The above issues are only a threat if ignored. The future of media organizations of today will be determined by their ability to find the hidden opportunity within the apparent chaos.

For example, content teams being downsized at a time when content consumption is at an all-time high is a clear call to leverage technology for more efficient and targeted content creation.

At the same time, finding and developing the right people for the roles you do retain is all the more important given slimmer budgets. The perceived gap between the need for talented, well-resourced staff and the ease of finding and recruiting them suggests that firms who make this a strategic priority are likely to develop a sustainable competitive advantage.

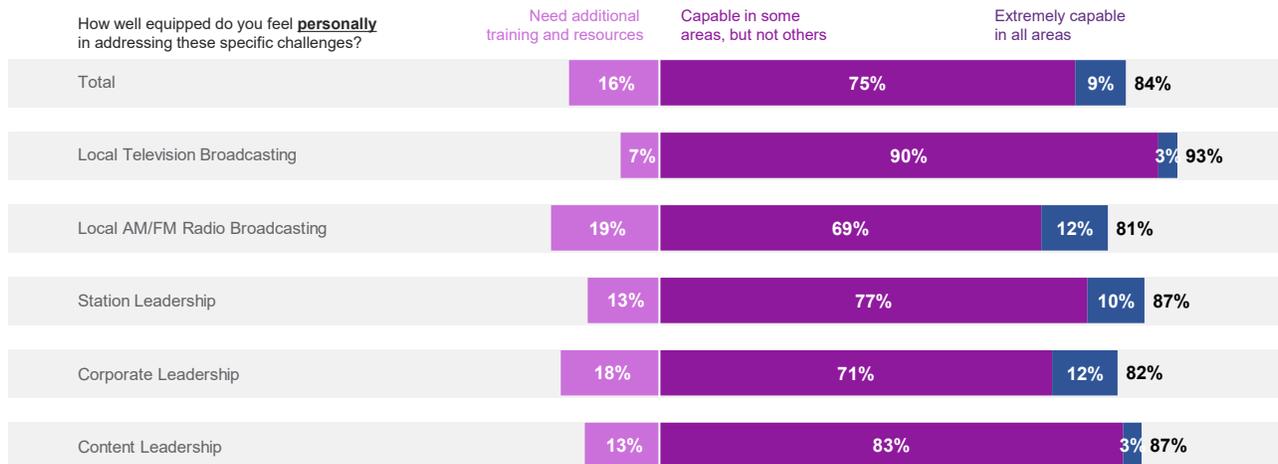
Before recruiting, there may well be opportunities nearer to home in developing the team members already present. Our findings showed that an alarming number of respondents in positions of leadership at local radio and corporate media companies do not feel extremely capable in personally addressing all challenges their industries face.

- 97% of Local Television Broadcasting
- 96% of Content Leadership
- 90% of Station Leadership
- 89% of Corporate Leadership
- 88% of Local Radio Broadcasting

Taken together, 91% of those surveyed believe they do not have all of the proper resources and training they need to succeed in the new landscape. Equipping teams with the right training and resources to address key challenges has the potential to deliver a substantial ROI and could be a more cost-effective solution when compared with the cost of hiring external talent.

### Personally equipped to address challenges

Personal sense of capability to address industry challenges is widely mixed. Very few feel extremely capable. About 1 in 5 local radio and corporate media leaderships says they, "Need additional training and resources."



## Future of Audience and Revenue Study: Trends, Evolutions, and Opportunities with the Modern Audience

Media professionals agree that there are plenty of both challenges and priorities in today's media landscape. Breaking responses down by role, we can see some alignment among Station Leadership (TV and radio), Content/Programming Leadership (TV, radio, and digital publishing), and Corporate Leadership. The primary challenges today among all three groups are retaining audiences and advertisers while attempting to grow both with increasingly engaging content.

Specifically, Corporate Leadership and Station Leadership were very aligned on their top 3 responses, with both saying "breaking through to new buyers/advertisers" was critical (ranking first and second, respectively), and "keeping the audience you have" ranking third by both groups.

Corporate Leadership was aligned with Content/Programming Leadership in terms of both ranking "creating compelling content" in the top 3 (ranked second and first, respectively). Consistent with both Corporate and Station Leadership, "keeping the audience you have" was second most important for Content/Programming Leadership.

For all three of these leadership roles, the rest of the top 5 responses were all focused on attracting younger audiences, dealing with the pace of change, handling disruptive technology and competitors, and building audiences on digital platforms.

### Most important challenges facing the industry today

Media professionals agree that there plenty of challenges and priorities in today's media landscape. The primary challenges today are retaining audiences and advertisers while attempting to grow both with increasingly engaging content.

	Station Leadership (TV/Radio)	Content/Programming Leadership (TV, Radio, Digital Publishing)	Corporate Leadership
1	Keeping the advertisers you have	Creating compelling content	Breaking through to new buyers/advertisers
2	Breaking through to new buyers/advertisers	Keeping the audience you have	Creating compelling content
3	Keeping the audience you have	Building audience on digital platforms	Keeping the audience you have
4	Keeping up with the pace of change	Attracting and retaining younger audiences	Building audience on digital platforms
5	Attracting and retaining younger audiences	Responding to new and disruptive competitors	Creating new sponsorship/advertising assets

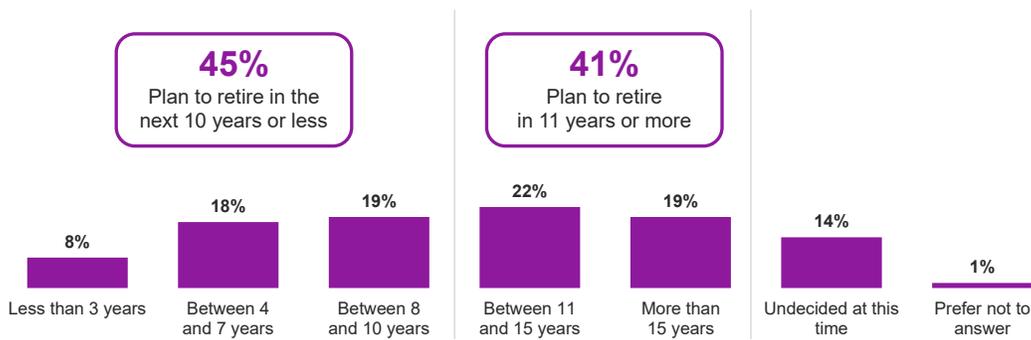
## How the Time Horizon for Retirement Impacts Priorities

All industries are grappling with the reality that retirement for millions is just around the corner. This is compounded by the fact that the traditional retirement age is not the only driving force. Shifting priorities about how to spend quality time or the downsides of chasing ever-increasing salary dollars to the detriment of health or relationships is causing more and more Americans to consider career changes or leaving the workforce altogether, if they can afford it.

A full 45% of our respondents plan to retire within the next 10 years. This includes eight percent within the next three years, and 18% between the next four to seven years. The bulk of the other half, or 41%, plan to retire in 11 or more years. Fourteen percent are undecided.

It's interesting to note, but perhaps not too surprising, that those closer to retirement — nearly half the industry — place more emphasis on “increasing customer retention” rather than “developing new business with advertisers and/or agencies” (73% vs. 70%). Those who are 11 or more years from retirement have those two priorities reversed, with 80% choosing new business as a top priority, and 73% choosing audience retention. Increasing digital revenue was the #3 priority for those with 11+ years until they retire (70%); it did not show up in the top three for the other group.

**Succession Planning:  
 Half of the media industry is planning  
 to retire in the next 10 years.**

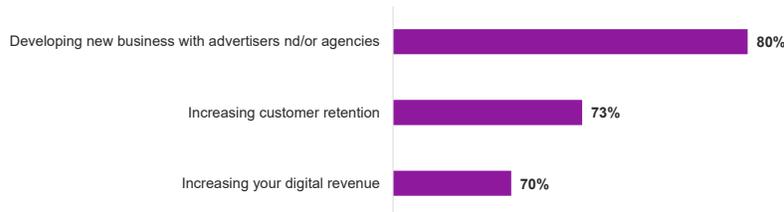


**Proximity to retirement = different priorities**

**Plan to retire in 10 or fewer years**



**Plan to retire in 11+ years**

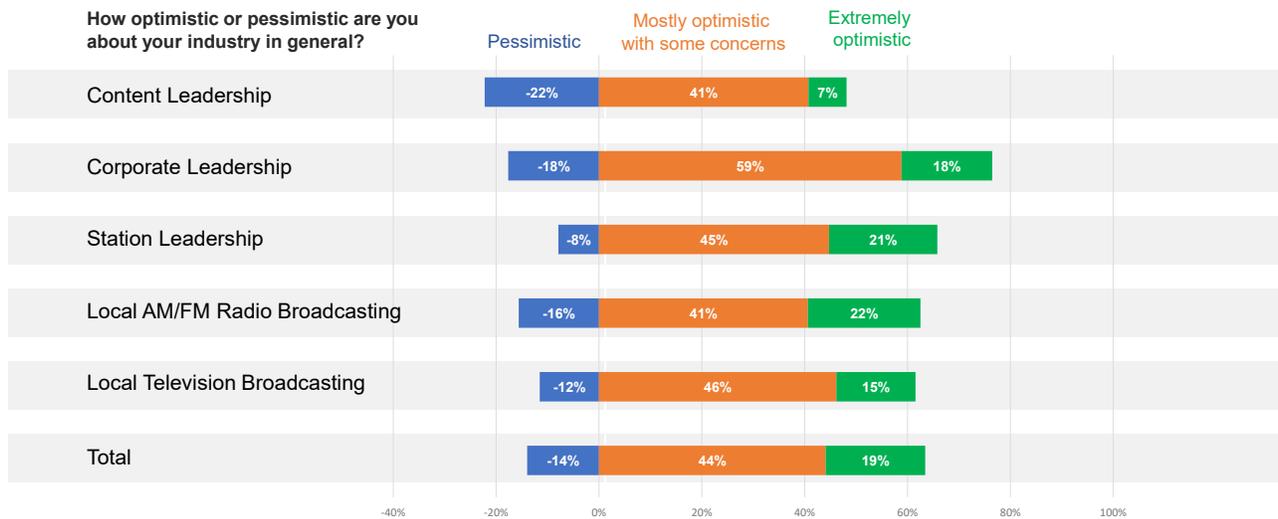


## Industry Outlook and Sentiment

Media professionals are mostly confident about the road ahead, but not without some concerns. The optimism of corporate leadership is significantly higher than those at the local operation level. Content leaders are among the most pessimistic.

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Media professionals are mostly confident about the road ahead, but not without some concerns. The optimism of corporate leadership is significantly higher than those at the local operation level. Content leaders are among the most pessimistic.

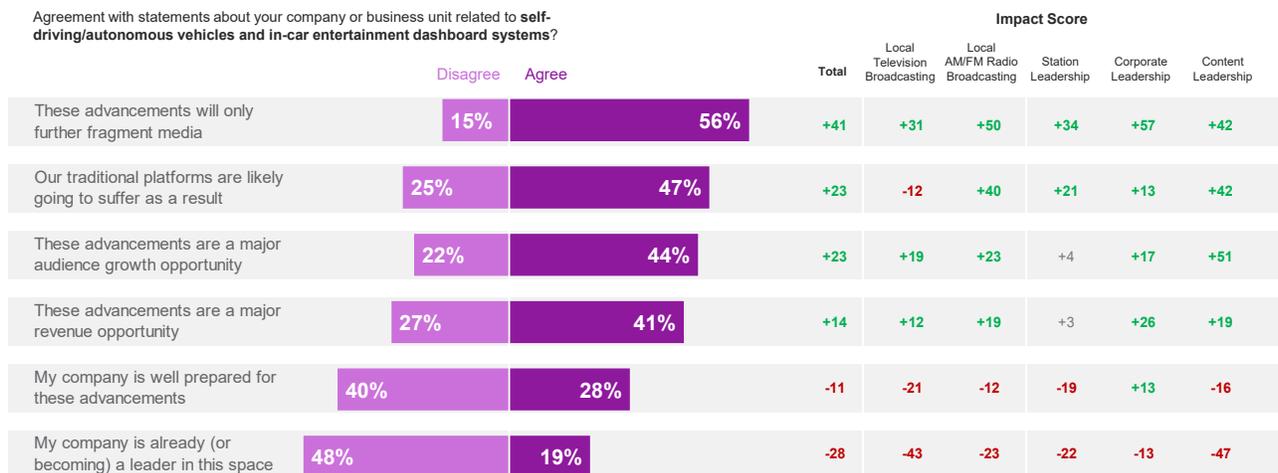


## Autonomous Vehicles and In-Car Entertainment Dashboard Systems

While media industry professionals are optimistic about audience and revenue growth opportunities in a rapidly evolving in-car media experience, these same leaders also expect further fragmentation and admittedly feel totally unprepared.

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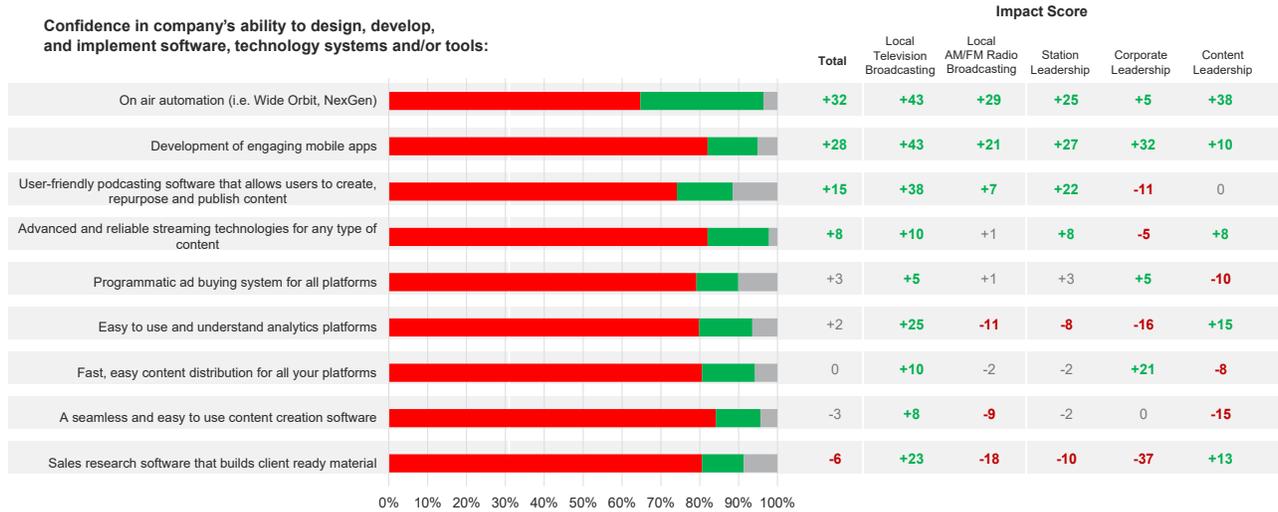


## Confidence in Technology Development

Media executives and professionals at various levels are mixed in their levels of confidence in their abilities to design, develop and implement technological solutions.

### Confidence in technology development

Media executives and professionals at various levels are mixed in their levels of confidence in their abilities to design, develop and implement technological solutions.



## Room to Improve Effectiveness of Sales Research Investments

Our research uncovered that, generally, media executives do not believe they are getting value from their investments in sales research. While a strong majority (73%) agree it “would be great if we were all proficient in these resources,” a majority also believe “only a select few know how to use these resources” (57%) and that “we don’t have the time to all be expert users with these resources” (also 57%).

The gap between value that could be realized from sales research and tools and what is actually realized became even more clear when we asked about usage and outcomes. Only 33% agree that they “are definitely using these resources effectively” and more than a third (34%) admit “it is unclear whether or not we’re seeing a positive ROI”.

### Generally, media executives do not believe they are getting value from their investments in sales research

How much do you agree with the following investments in various quantitative and qualitative sales research data and/or tools?	Disagree		Agree		Total	Impact Score				
						Local Television Broadcasting	Local AM/FM Radio Broadcasting	Station Leadership	Corporate Leadership	Content Leadership
It would be great if we all were proficient in these resources	5%			73%	+68	+71	+74	+67	+69	+71
There are only a select few who know how to use these resources	10%			57%	+47	+50	+52	+53	+23	+63
We don't have the time to all be expert users with these resources		11%		57%	+46	+58	+48	+50	+38	+42
It is unclear on whether or not we're seeing a positive ROI		18%		34%	+16	+29	+8	+17	+31	+8
We are definitely using these resources effectively		37%		33%	-4	+13	-8	+3	-38	+4
We are absolutely seeing a positive ROI on these resources		30%		29%	-1	+4	-2	+10	-38	+8

## /// Closing Thoughts

While the pandemic may have accelerated many of the changes identified in this report, these changes were, in most cases, already well underway, driven by more fundamental changes in technology and society.

The industry is under no illusions as to its preparedness for this new world. Figuring out how to make money from new content, with new revenue models, team restructures, and unfamiliar competitors will be no mean feat.

That said, none of these fundamental shifts are occurring so rapidly that a far-sighted player cannot plan, respond, and emerge victorious.

In publishing this research, we are looking to start a conversation that leads to a practical set of solutions, resulting in a profitable industry and a well-served market. If you believe that your firm is part of this solution, you are the kind of partner we want to work with.

Futuri is uniquely positioned to help with all key considerations this study has uncovered:

1. How do you create content for so many different channels?
2. Where do you distribute your content?
3. How can you address the audience's desire for control and personalization?
4. How do you leverage talent as a differentiator, focusing on authenticity and personal connection?
5. How do you expand the news brand to multiple channels without compromising quality or credibility?
6. How do you leverage the trust your audience has in you as a strength across all channels?
7. How do you take advantage of the growth of sports, eSports, and betting as content, audience, and revenue growth opportunities?
8. How do you use data-driven marketing and sales research as an opportunity?
9. What's the best way for your brand to leverage consumers' growing willingness to pay for quality content?

To discuss the full findings of the *Future of Audience and Revenue Study* and how you can address the challenges and opportunities discussed in this white paper, reach out to us for a review customized for your unique business.

 [FuturiMedia.com](https://FuturiMedia.com)  877.221.7979  [partner@futurimedia.com](mailto:partner@futurimedia.com)

## /// Put These Insights Into Action with Futuri Solutions

Since 2009, we've been a trusted partner to media organizations that prioritize using innovative technology to grow their content, grow their audience, and grow their revenue.



Don't let throwaway content hurt your brand's relevance. TopicPulse is real-time, AI-powered story discovery and turnkey social content targeted to your specific audience.



Make the most of your investments in sales research by using TopLine's mix of cutting-edge AI and expert human analysis to tell the data-driven stories that move the needle with marketers.



Make your brand truly omnichannel and deepen your talents' personal connection with your audience. POST is the podcasting, audio on-demand, and video system that maximizes your content ROI.



Radio brands use Tether to give their audiences the control they crave. Turn your music station into a dynamic interactive experience with Tether technology and imaging.



Designed for radio pros, Prep+ is the all-inclusive show prep system: curated news aggregator, content written by format experts, team collaboration tools, audio content, and so much more.



For today's omnichannel media brand, a mobile app is table stakes. A great mobile app moves the needle. Futuri mobile apps are customizable, engaging, and highly monetizable.



The shift to digital consumption is accelerating rapidly. If your audio stream is only so-so, that's a huge no-no. Futuri Streaming delivers the high-quality experience your audience requires.



The market for smart speakers and other devices powered by voice assistants is only getting larger. Make sure your brand is properly represented in that space with Futuri Voice.



**AdMatic**

AdMatic aims to organize and monetize the world's podcasts. This revolutionary system helps podcast platforms and creators make their content more discoverable and monetizable.

## /// Consumer Insights and Focus Group Verbatims

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For our Future of Audience and Revenue Study, we had the good fortune to talk directly to more than 100 media consumers on a wide range of topics. Focus group participants included both those who actively use local radio and local TV, as well as disenfranchised consumers who used to but now no longer do. Their candid responses and opinions allowed us to understand their perceptions of the current media landscape in their own words.

### Radio vs. Podcasts & Music Streaming

#### A MATTER OF CONTROL

A key theme that emerged around media usage is one of control. Yes, multiple technology trends over the years have been converging to put more control in the hands of consumers. That said, it is not lost on us that this theme has had even more resonance during a pandemic when so many of us lost control over foundational patterns in our daily lives, like going to work or school, restaurants, stores, or nearly any event, both public and private.

This reality was perhaps best highlighted while speaking with consumers about the difference between listening to the radio and listening to podcasts. We asked each group “how do you feel when listening to the radio?” “Out of control,” was the first response.

In comparison to radio, we asked groups what their primary reasons for listening to podcasts were. “Control” was the first response. “I’m in control of what I want to listen to, when I want to listen to it. It’s just all about that for me, whereas when you listen to the radio, the DJ has control.”

Now, it can be easy to dismiss this desire for total control and no ads as unrealistic given the large percentage of consumers who also don’t want to pay to stream the content of their exact choice. Broadcast radio is still a free medium; however, our research shows there is an impressive percentage of people willing to pay for streaming services. For those who are unwilling or unable to pay, our industry has new capabilities to make programming more interactive, and the topics DJs discuss on-air, along with the the advertising content listeners hear and see, way more relevant for consumers —that’s where Futuri solutions Tether, TopicPulse, and TopLine come in. There’s also the opportunity for radio brands and talent to launch podcasts that complement what happens on-air and gives the audience the control they crave — enter Futuri’s PPM-encoded podcasting system, POST. This improved alignment can decrease listener perception of lack of control.

When asked about music streaming services (e.g., Spotify), one listener expanded on the importance and convenience of control while describing his paid premium service. “You can pretty much program it to play anything that you want — and no guesswork. I’m in control, totally. I’m a control freak.”

# Future of Audience and Revenue Study: Trends, Evolutions, and Opportunities with the Modern Audience

## ACCESS TO NEW INFORMATION

A society of people in total control over all content that reaches them could raise the recent, broader concern over the ramifications of people only choosing content that supports, rather than challenges, views they already hold. However, we learned from consumers that control doesn't mean staying myopic. When asking people about why they choose podcasting, we heard some say they valued "just trying to get a different perspective on things, a different view on how the world works."

This love of podcasts by some has brought the medium from the commute into the workplace. "I just recently found a lot of podcasts that I like, and there are so many that I wasn't able to [listen to all of them on my commute]" — which, for this respondent, is one-and-a-half hours! — "So it leaked into my workday as well."

Another compelling attribute of podcasting is "substance." We asked listeners what they thought AM and FM radio stations could learn from podcasts. "Substance over chatter. Talk about something that is meaningful for the community." There is an understanding, too, that the podcast format offers much more freedom to the broadcaster. "For AM and FM you have to follow FCC guidelines," said another respondent, "and I feel like that can inhibit some conversations."

## PERSONALITIES, AUTHENTICITY, AND LOCAL CONTENT

A key theme that emerged when discussing radio personalities was the desire for authenticity. This is perhaps unsurprising given the democratization of media, and the ease with which social media-savvy "regular people" with a point of view can build meaningful audience with content that doesn't always adhere to industry standards of the past.

## THE RELATIONSHIP WITH RADIO TALENT

Throughout our focus groups, it became clear that listeners value local content and remember throwaway breaks. Some of the first words thrown out when asked to describe AM/FM DJs were "corny," "fake," and "cheesy," but in the same discussions, participants articulated the valuable role they can play in the community with the right content. "[Local DJs] help me feel connected to the local culture and keep me up-to-date with things happening in the city," said one respondent.

When asked how local DJs can improve, one person said, "Maybe if they talked about their daily life [in terms of] new restaurants in the area, places to see live music — that way, it relates back to the community aspect you get in FM radio. It's not just like 'Oh, I had eggs for breakfast.' — it's useful information." Building on that, another respondent said, "Just something to [make them sound] more plugged in and informative instead of shameless self-promotion." Building on the prior comment about podcasts not being bound by FCC guidelines, one respondent said, "Someone I want to listen to who might swear a lot — he might not be allowed on the radio."

One conclusion from these discussions is that there's a clear distinction between "authentic" and "mundane." Talking about one's life as a highly informed member of a community, or using podcasts as a complement to broadcast explore topics that might not be appropriate for AM/FM is authentic and great. Talking about the humdrum details of one's day in a way that doesn't add anything to the conversation or isn't in line with the funny content our study shows that listeners crave is not compelling, and could even be potentially brand-damaging.

## Local TV News vs. Online News

We asked focus group participants to tell us how they felt when watching local television news. “Restricted” was the first word from one viewer. He went on to elaborate, “because I’m not able to control what I’m watching, unlike a web page where I can just jump over and read whatever I want. They have a specific order I have to go through in [local TV] news.”

A positive for both local TV news and online news sources is the ability for consumers to find “niche” information. “If I’m really looking for a local story, or something that’s not going to be picked up at a national scale, that’s typically why I would go to a local news outlet,” which is a version of control applicable to local newspapers and TV stations in both their traditional and online formats.

# /// Appendix: Methodology

## Futuri and SmithGeiger's Future of Audience and Revenue Study 2021

### Nationwide Study of Media Users

SmithGeiger conducted

**2,029**

online interviews with 16- to 74-year-olds throughout the USA



### Nationwide Study of TV, Radio, & Digital Publishing Executives

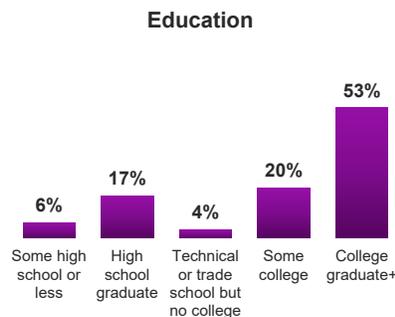
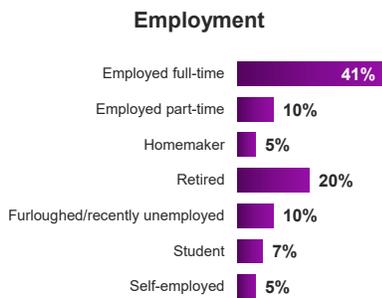
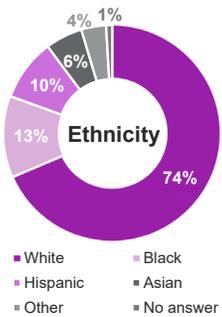
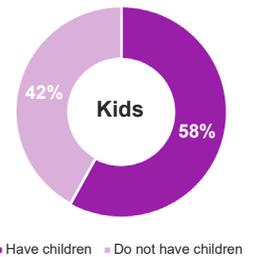
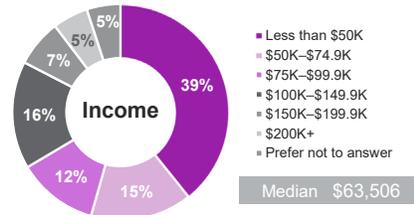
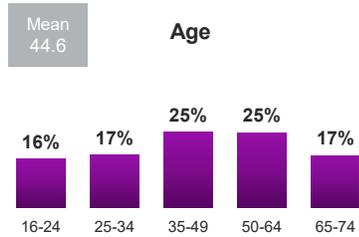
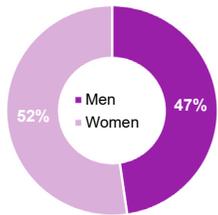
SmithGeiger conducted

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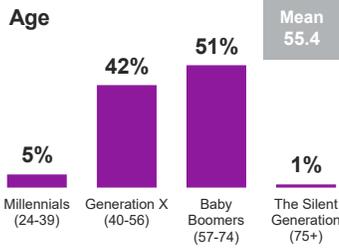
online interviews with industry leaders throughout the USA

Focus Groups with Users (active and disenfranchised) of TV and Radio

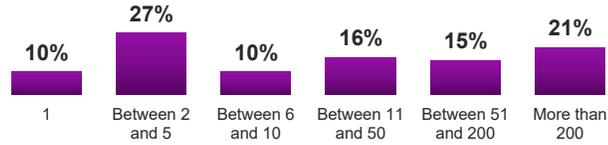
## Nationwide media user survey



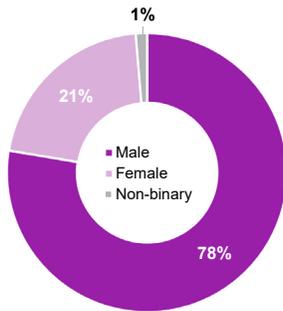
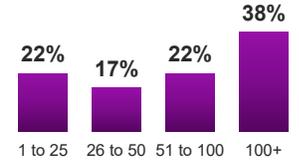
## Nationwide industry leaders study



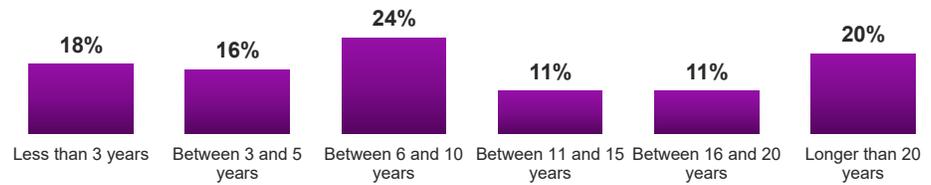
Number of Properties That Company Operates



Market Size



Length of Time at Current Company



## Media executives: What is your primary role within your company?

