

In-Car Listening

THE TOPLINER SERIES

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music biz
consumer
insights™

loop

AUDIENCE NET



SECTION 1: Introduction

Traditional terrestrial radio, after years of maintaining its stance as the dominant in-car music provider, still rules the listenership throne. It is, however, seeing its grip loosening with the advent of satellite radio (Sirius XM) and music streaming services such as Pandora becoming increasingly available in 'connected-cars' – those equipped with 4G wireless broadband technology.



Importantly, understanding the current in-car listener is crucial when predicting how their listening behavior may change in years to come. This report, has profiled these listeners, and looks at their current habits alongside their perceptions of developing technology, such as in-car music streaming and in-car mobile connections.

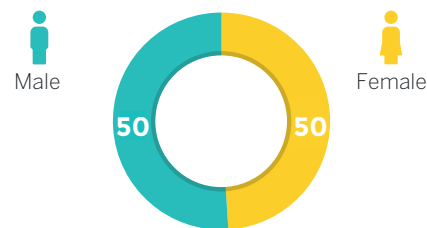
This topline report accumulates two separate studies, named Survey 1 & Survey 2. Both surveys investigated nationally representative samples of US respondents (aged 15-54 in Survey 1), recruited through AudienceNet's network of professionally managed consumer panels.

To achieve a demographically representative sample of the US population, quotas were set for: Gender, Age and Geographic Region.

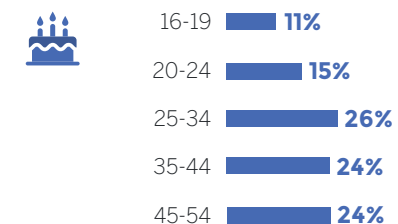
Fieldwork was conducted in September 2016 for Survey 1 and May 2016 for Survey 2. The demographic profile of those who responded was as follows:

SURVEY 1: 1515 RESPONDENTS

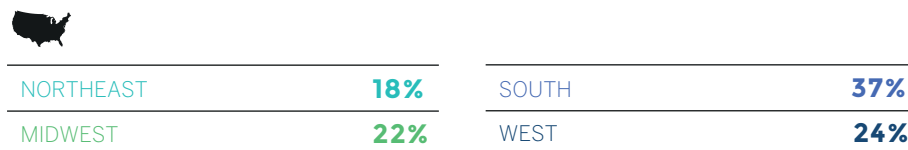
GENDER



AGE

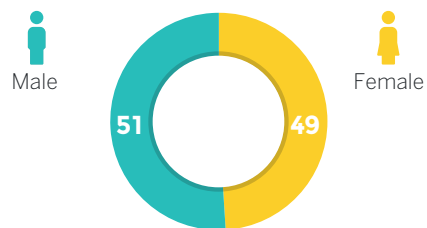


REGION

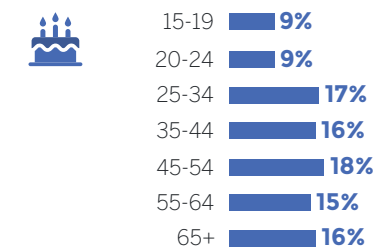


SURVEY 2: 3014 RESPONDENTS

GENDER



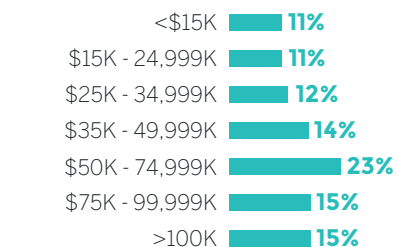
AGE



REGION



SOCIAL GRADE



OVER ¾ OF AMERICANS LISTEN TO MUSIC IN-CAR

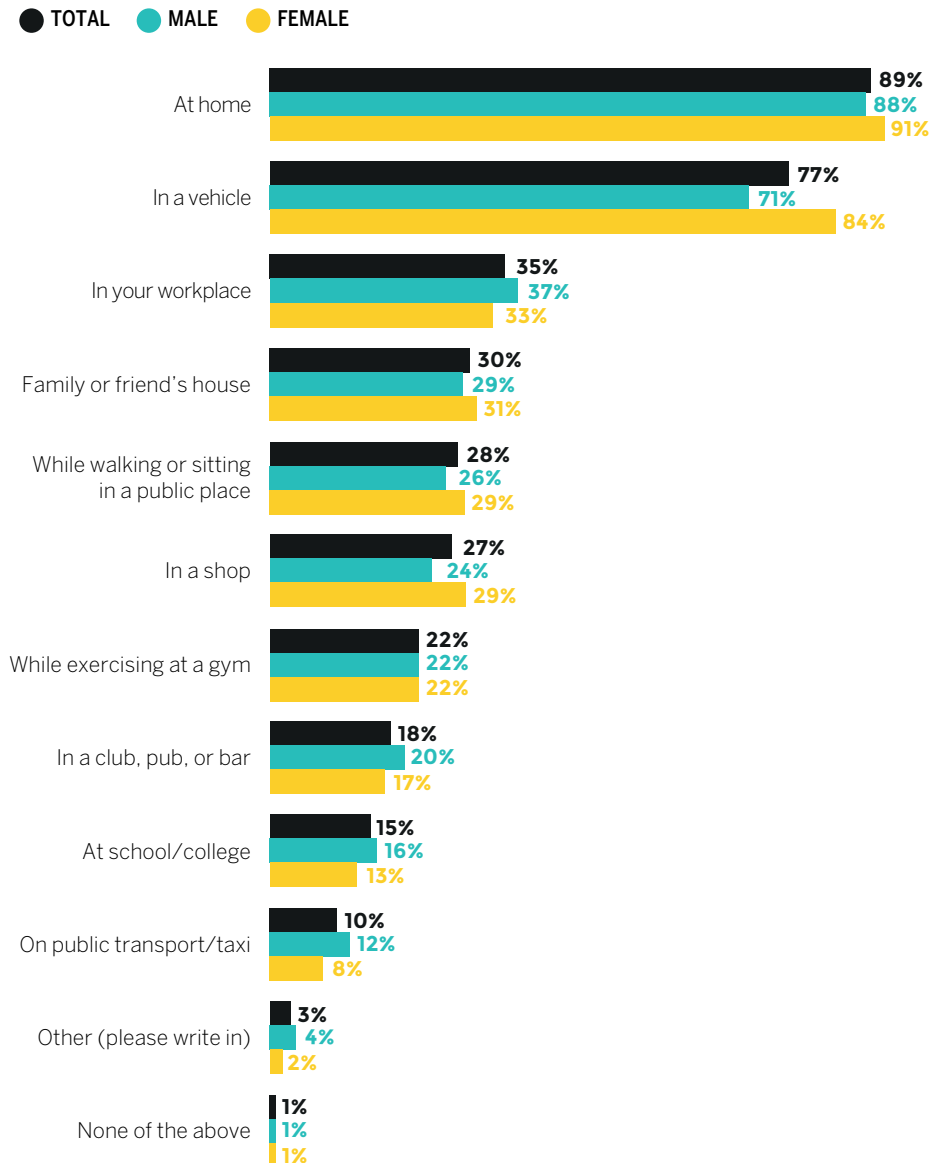
77% of respondents had listened to music in a vehicle within the last week

This is well ahead of listening in the workplace (35%) or on public transport/in a taxi (10%). At home listening is the only other place users had listened to music more (89%).

In other settings, around a third of respondents had listened to audio in a family or friends house, while walking or sitting in a public place, or in a shop. Furthermore, 1 in 5 respondents listened to audio whilst at the gym, or in a club, pub or bar.

Though gender splits hold little variance in most locations, **females are markedly more likely to listen to music in vehicles than males.**

LOCATIONS FOR AUDIO LISTENING IN THE LAST WEEK



Question: In which of the following locations have you listened to audio in the past week?

Base: Survey 1 - 1515 Respondents

RADIO RULES IN-CAR

Three quarters of all Americans listen to AM/FM radio in cars.

75% of all respondents stated that they had listened to traditional radio in a car within the previous week, far ahead of all other ways of listening.

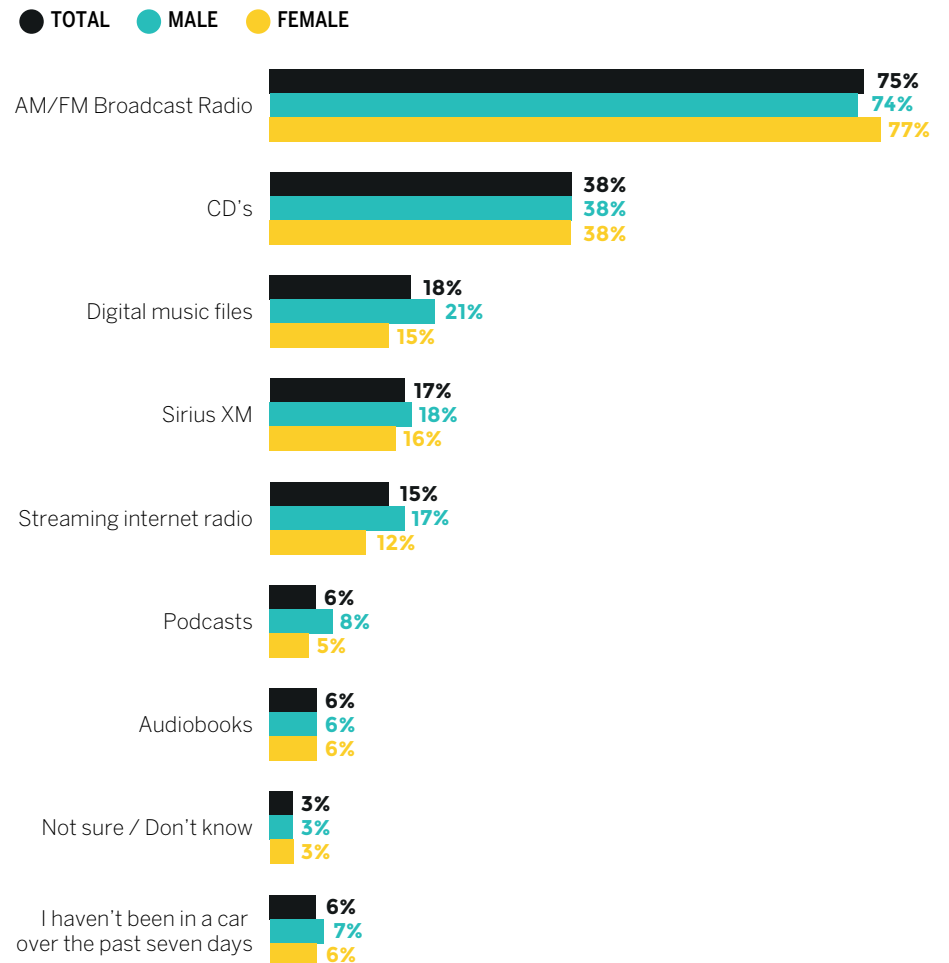
Though collecting dust at home and work, CDs keep spinning within cars.

38% of respondents had listened to in car CD players within the previous week, well ahead of digital music files (18%) and satellite radio (17%). Compared to the minimal attention that CD players receive in other settings, the car is the last point of relevance for this format.

Almost 4 in 10 listened to digital formats in-car

18% of respondents listened to digital music files, 15% listened to streaming internet radio, and 6% listened to Podcasts in-car, over a weekly period. Accumulated this amounts to 39% for total in-car digital listening.

IN-CAR MUSIC LISTENING



Question: Whilst driving, or as a passenger, in a car/van/truck etc. which, if any, of the following in-car music sources have you listened to for five minutes or more at any one time during the last seven days? **Base:** Survey 2 - 3014 Respondents

MILLENNIALS OPT FOR DIGITAL LISTENING

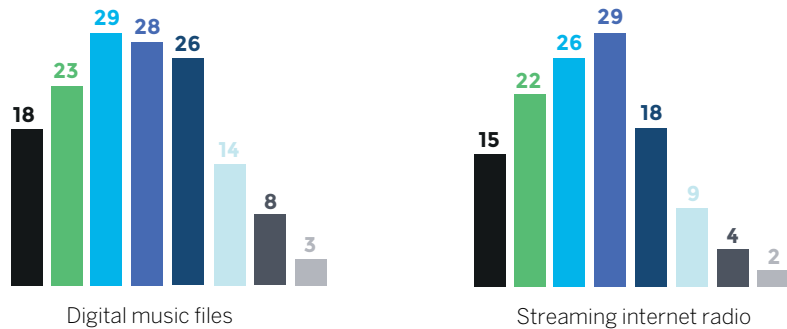
The most likely listeners to digital media are the 20-34 age group

25-34 year olds were nearly twice as likely as the general population to listen to music in-car via streaming Internet radio, such as Pandora.

20-24 year olds displayed the highest preference for digital music files, eleven percentage points ahead of the general population.

IN-CAR MUSIC SOURCES (%)

● TOTAL ● 15-19 ● 20-24 ● 25-34 ● 35-44 ● 45-54 ● 55-64 ● 65+



Question: Whilst driving, or as a passenger, in a car/van/truck etc. which, if any, of the following in-car music sources have you listened to for five minutes or more at any one time during the last seven days? **Base:** Survey 2 - 3014 Respondents



29%
OF 20-24 YEAR OLDS
LISTENED IN DIGITAL
MUSIC FILES IN-CAR

25-34
YEAR OLDS WERE
THE MOST LIKELY TO
STREAM INTERNET
RADIO IN-CAR

SIRIUS XM ADOPTION

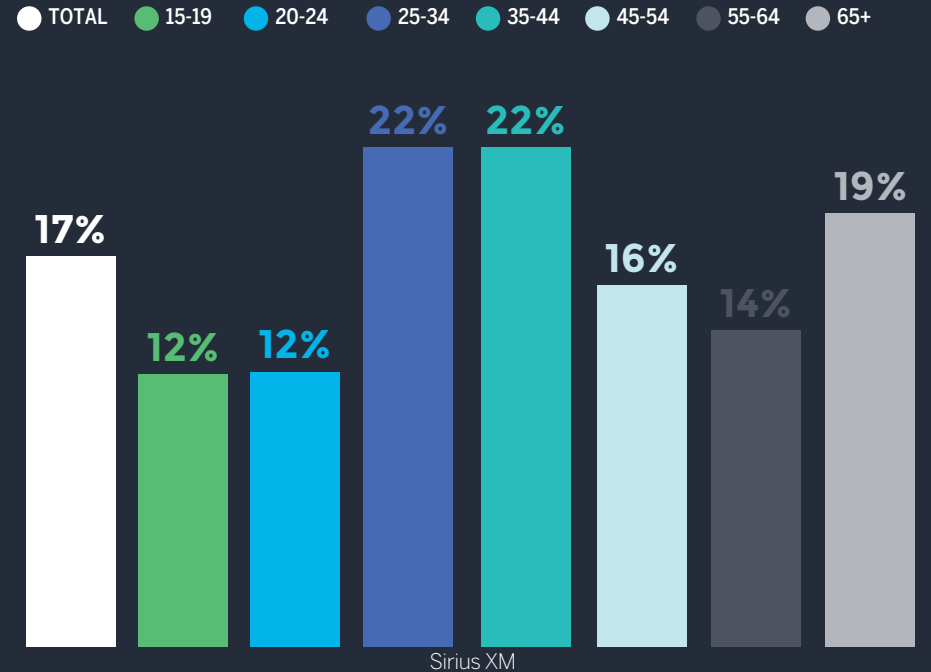
Sirius has 30 million paying subscribers.

A strong frontrunner among subscription services, with over 30 million paying subscribers, Sirius has an admirable penetration in the general population's in-car listening behavior.

17% of respondents stated that their cars had the ability to stream Sirius XM

(whether or not they were currently paying for a subscription). This percentage was higher for 25-44 year olds, of whom 22% stated that their dashboards had the capability to play Sirius XM.

FORMAT WEEKLY LISTENERSHIP IN-CAR – SIRIUS XM (%)



SIRIUS XM SUBSCRIBER ENGAGEMENT

76% of Sirius subscribers say they listen at least once a week in-car

Of this, 54% of stated they listened at least once a day.

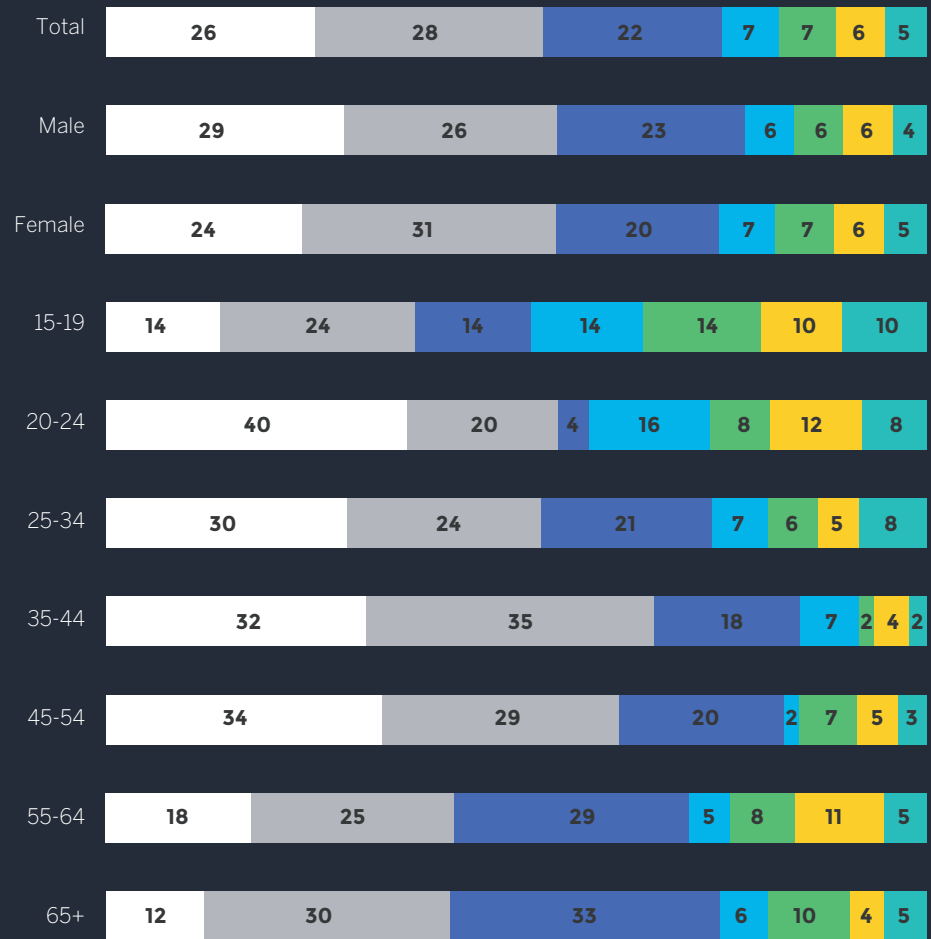
Female and male subscribers are equally as likely to listen to Sirius in a given day.

35-44 year old subscribers are the most likely age group to be daily listeners (67%).

15-19 year olds are the least likely to listen to Sirius in a given day (38%).

FORMAT USAGE – SIRIUS XM (%)

● I USE SEVERAL TIMES A DAY
● I USE EVERYDAY
● I USE 2-3 TIMES A WEEK
● I USE ONCE A WEEK
● I USE LESS OFTEN
● RARELY
● NEVER



Question: Approximately, how often do you use each of the following to listen to music?

Base: Survey 2 - Device Owners (517 Satellite Radio Receiver (Sirius XM) owners)

IN-CAR DEVICE OWNERSHIP

The general population is nearly twice as likely to own a in-car CD player (60%) than they are to own an in-car phone audio connection (31%).

Unsurprisingly, older Americans are most likely to own in-car CD players. 55-64 year olds lead in in-car CD player ownership (69%), followed closely by 45-54 year olds (65%) and 65+ (65%). Females are more likely than males to have CD players in their cars by seven percentage points.

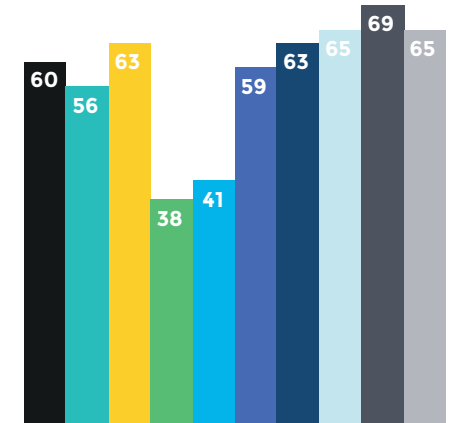
Persons aged under 35 are far less likely to own an in-car CD player than older groups. Meanwhile this same segment is the most likely age range to have a phone audio connection in their vehicle. Females and 25 – 34 year olds are most likely to have phone audio connections, with 25 – 34 year olds thirteen percentage points ahead (44%) of the general population (31%) for ownership of the device.

IN-CAR DEVICE OWNERSHIP BY AGE (%)

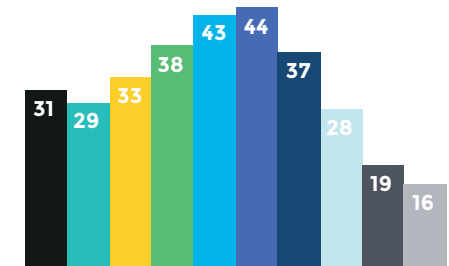
● TOTAL ● MALE ● FEMALE ● 15-19 ● 20-24 ● 25-34 ● 35-44 ● 45-54 ● 55-64 ● 65+



In-car CD player



In-car phone audio connection (wired aux cable / wireless)



Question: Which of the following devices do you own? Base: Survey 2 – 3014 Respondents

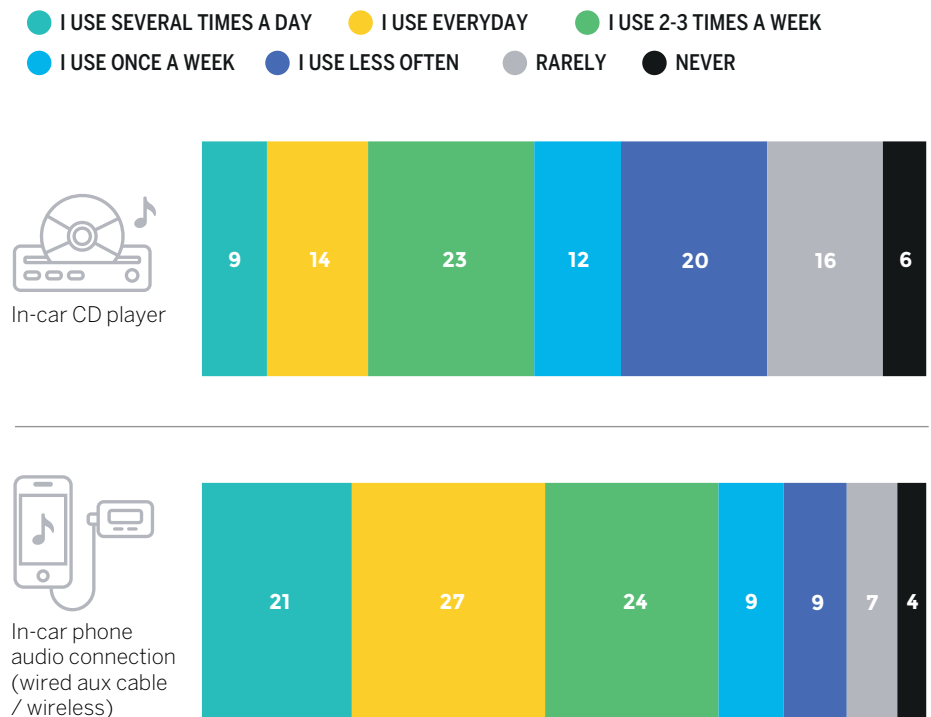
REGULARITY OF LISTENING: IN-CAR DEVICES

Owners of in-car phone audio connections are significantly more likely to use their device in a given day (48%) than owners of in car CD players (23%).

If we consider owners of phone audio connections to be early adopters, as the device has yet to reach a majority of the population, we can understand the gravity of phone-led listening to be likely based on increased access to and control of listening to catalogue music.

Though a third more of the general population owns a CD player than a phone audio connection, 42% of people who own a CD player say they use it less than once a week, rarely, or never; while only 20% of phone connection owners said the same of their usage for that device.

REGULARITY OF USAGE AMONGST OWNERS (%)



Question: Approximately, how often do you use each of the following to listen to music? **Base:** Survey 2: Owners of each device (1796 in-car CD player users, 936 in-car phone audio connection users)

IN-CAR AUDIO CONNECTION: LISTENERSHIP

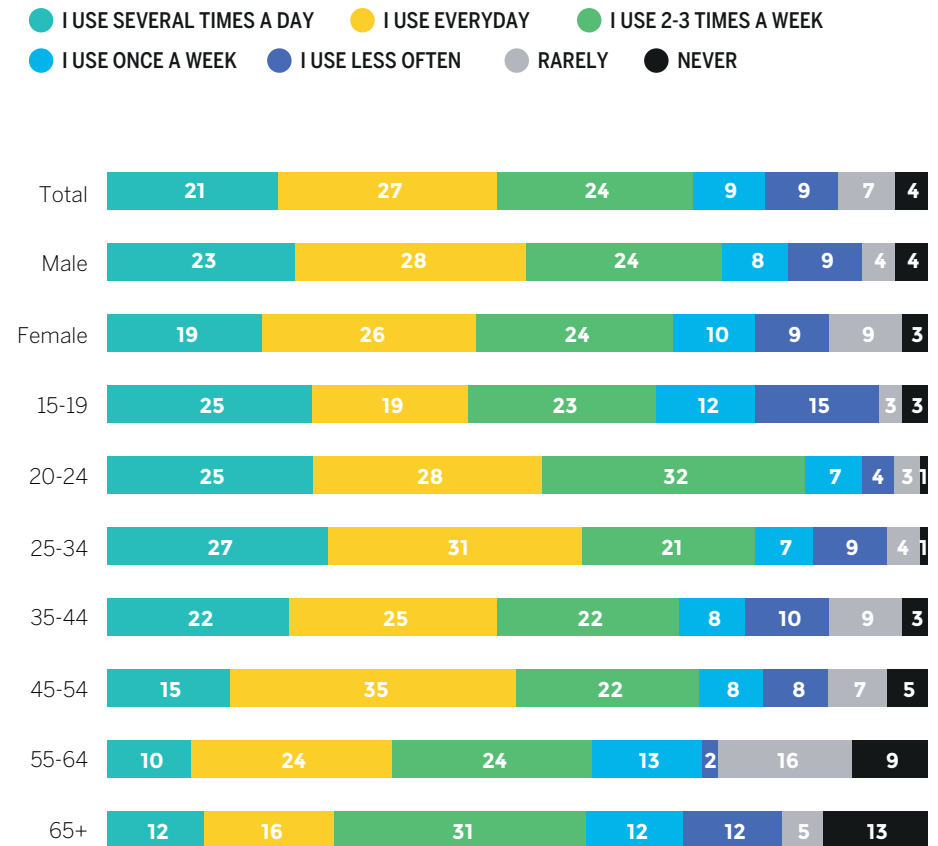
The most engaged listeners of in-car phone audio connections are males and 20-34 year olds.

Males are three percentage points ahead of the general population in daily use of their audio connections in-car.

58% of Americans aged 25-34 use their audio connection in-car at least once a day, followed by 20-24 year olds at 53%.

This underlines the mobile-heavy listening behavior of younger drivers and passengers compared to the general population, of whom only 48% use their audio connection daily.

REGULARITY OF USAGE BY DEMOGRAPHIC (%)



Question: Approximately, how often do you use each of the following to listen to music? Base: Survey 2: Owners of each device (1796 in-car CD player users, 936 in-car phone audio connection users)

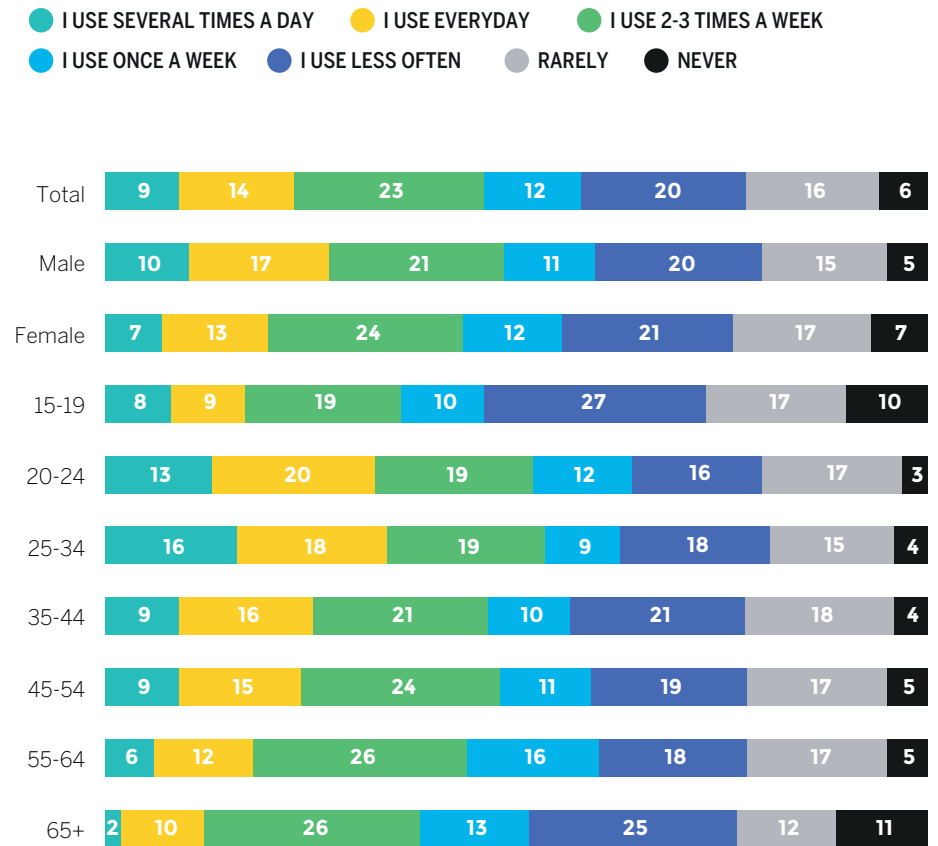
IN-CAR CD PLAYER: LISTENERSHIP

The most likely daily listeners to in-car CD players are males (27%) and 25-34 year olds (34%).

Females and 15-19 year olds are the least likely to listen to CDs in cars in a given week, with 45% and 54% respectively saying they use their CD players less than once a week, rarely or never.

Of the 60% of the general population that owns an in-car CD player, only 58% say they use their device in a given week—meaning only about 35% of the population uses an in-car CD player in a given week.

REGULARITY OF USAGE BY DEMOGRAPHIC (%)



Question: Approximately, how often do you use each of the following to listen to music? Base: Survey 2: Owners of each device (1796 in-car CD player users, 936 in-car phone audio connection users)

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