



Where's the Money in Local Media?

Before You Budget, Track the Shifting Ad Dollars

**BIA/Kelsey Webinar
August 20, 2009**

**2 pm – 3 pm EDT
11am – 12 pm Pacific**

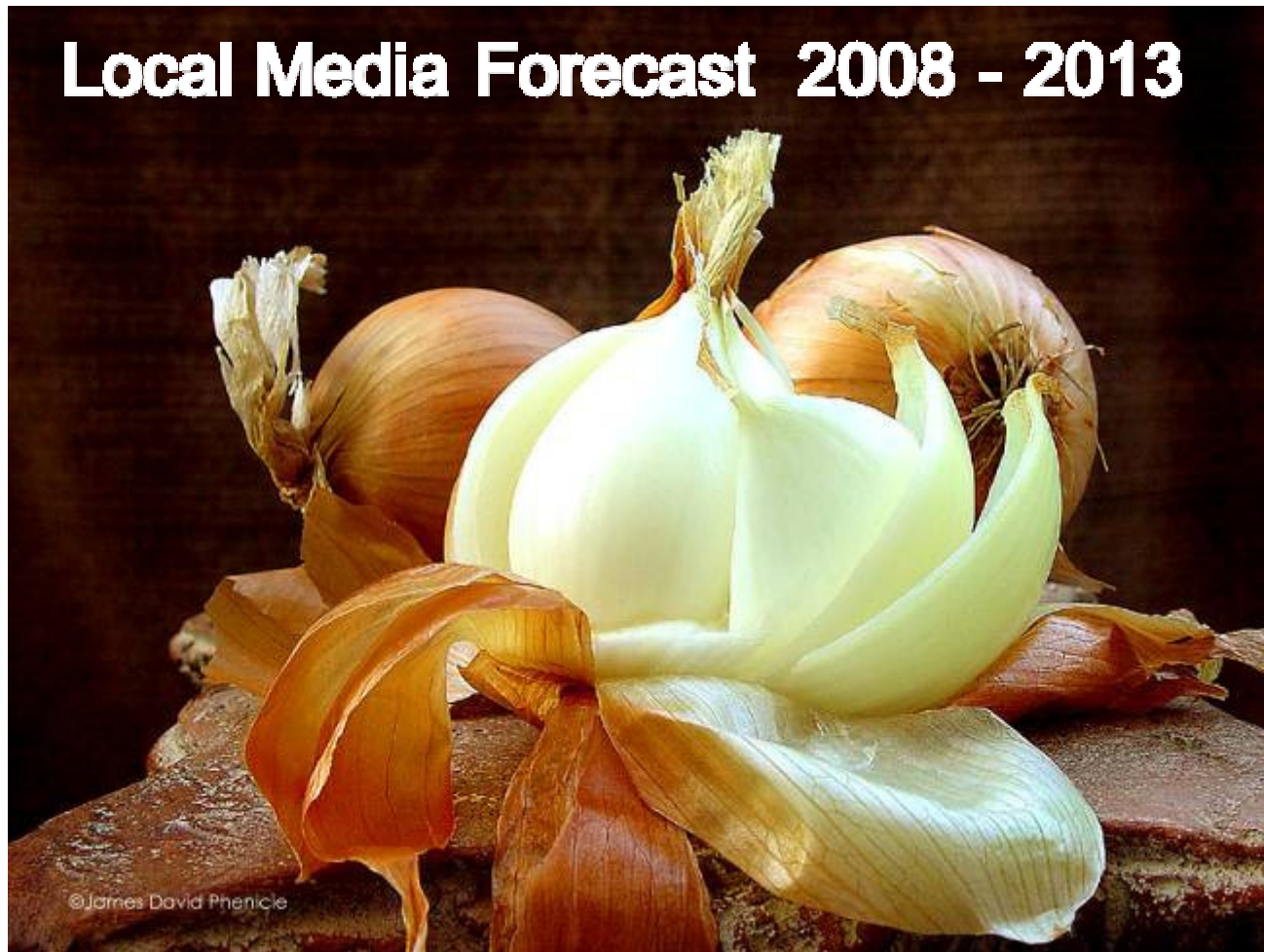


Today's Webinar Topics

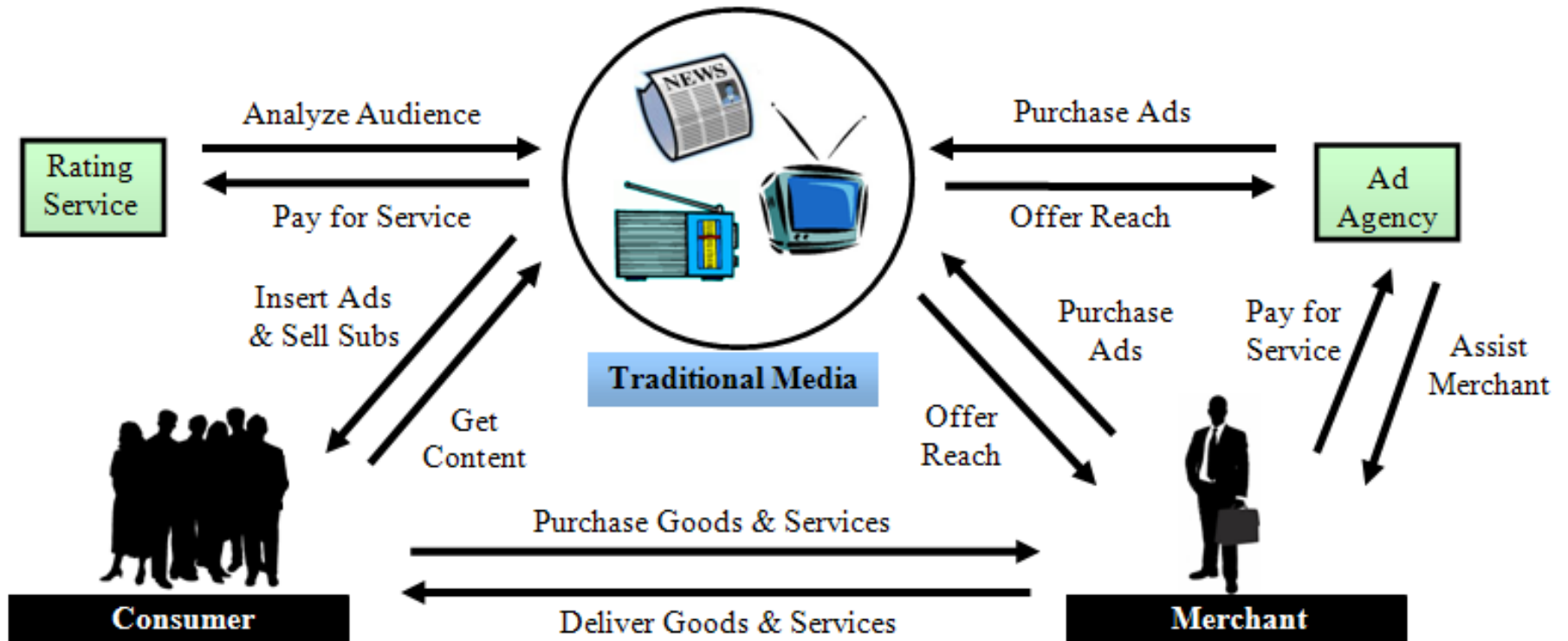
1. The Media Advertising Landscape
2. Maximizing Data for Your Business
3. Our Methodology
4. Strategic Value and Our Commitment
5. Next steps
6. Q & A

The Outlook for Local Media

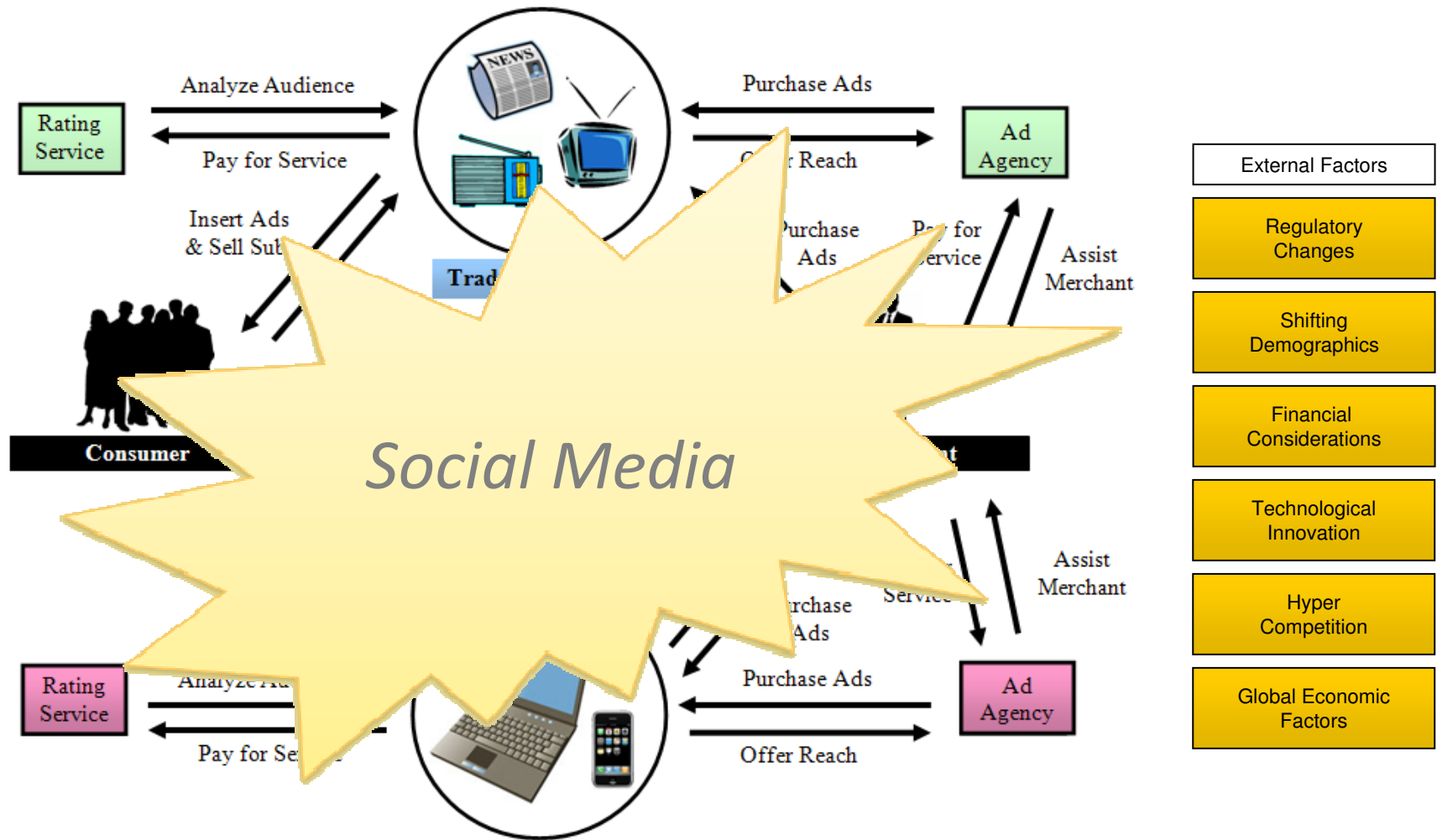
(Peeling Back the Onion)



Yesterday's Media Ecosystem



Today's Media Ecosystem



\$155 Billion U.S. Local Media and Ad Market

Newspapers

Direct Mail

TV

Radio

Print Yellow Pages

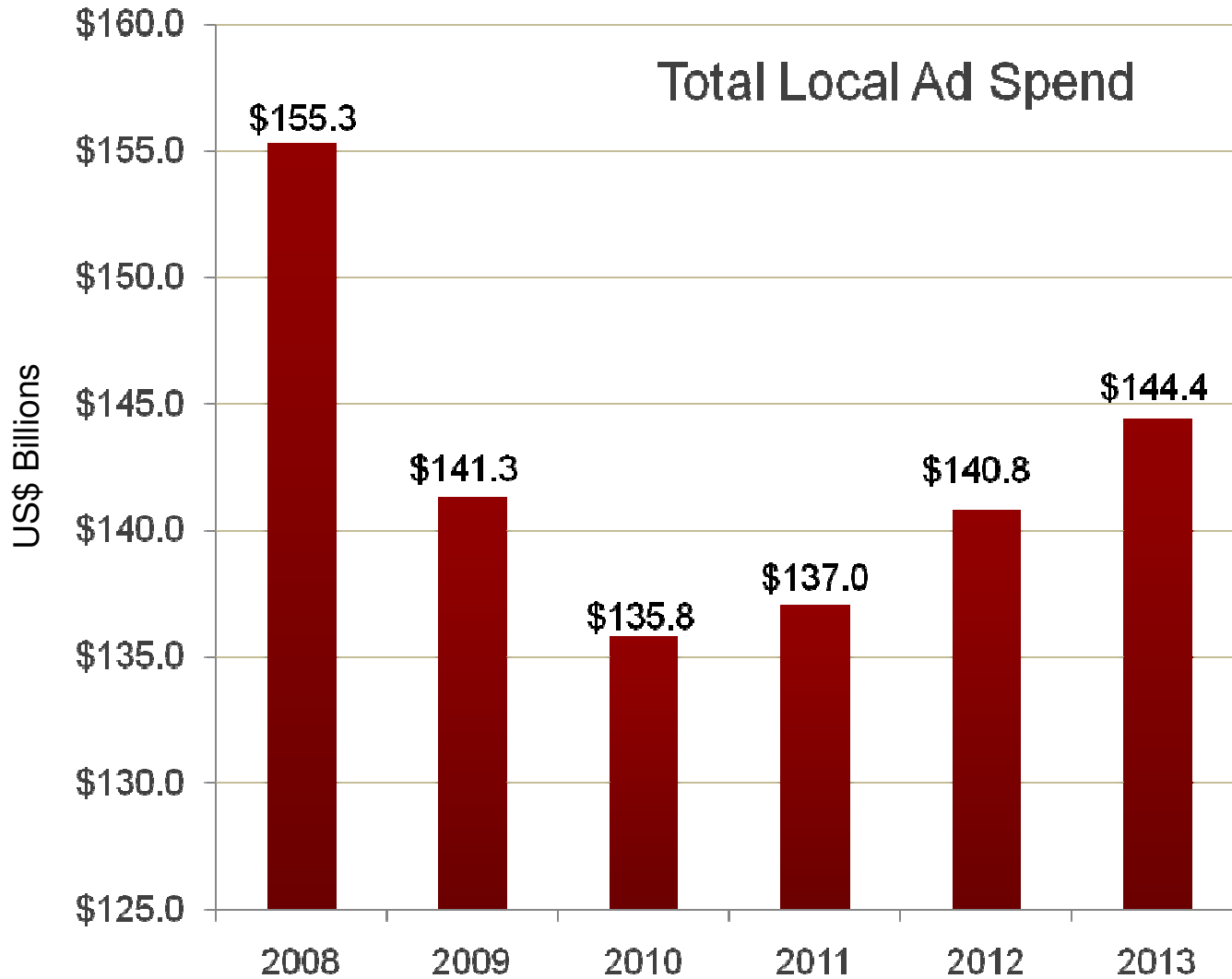
Out of Home (Non-digital)

Cable TV

Magazines

Digital/Online Interactive

U.S. Local Media and Ad Spend: 5-Year Forecast



Overall CAGR:
-1.4%
(2008-2013)

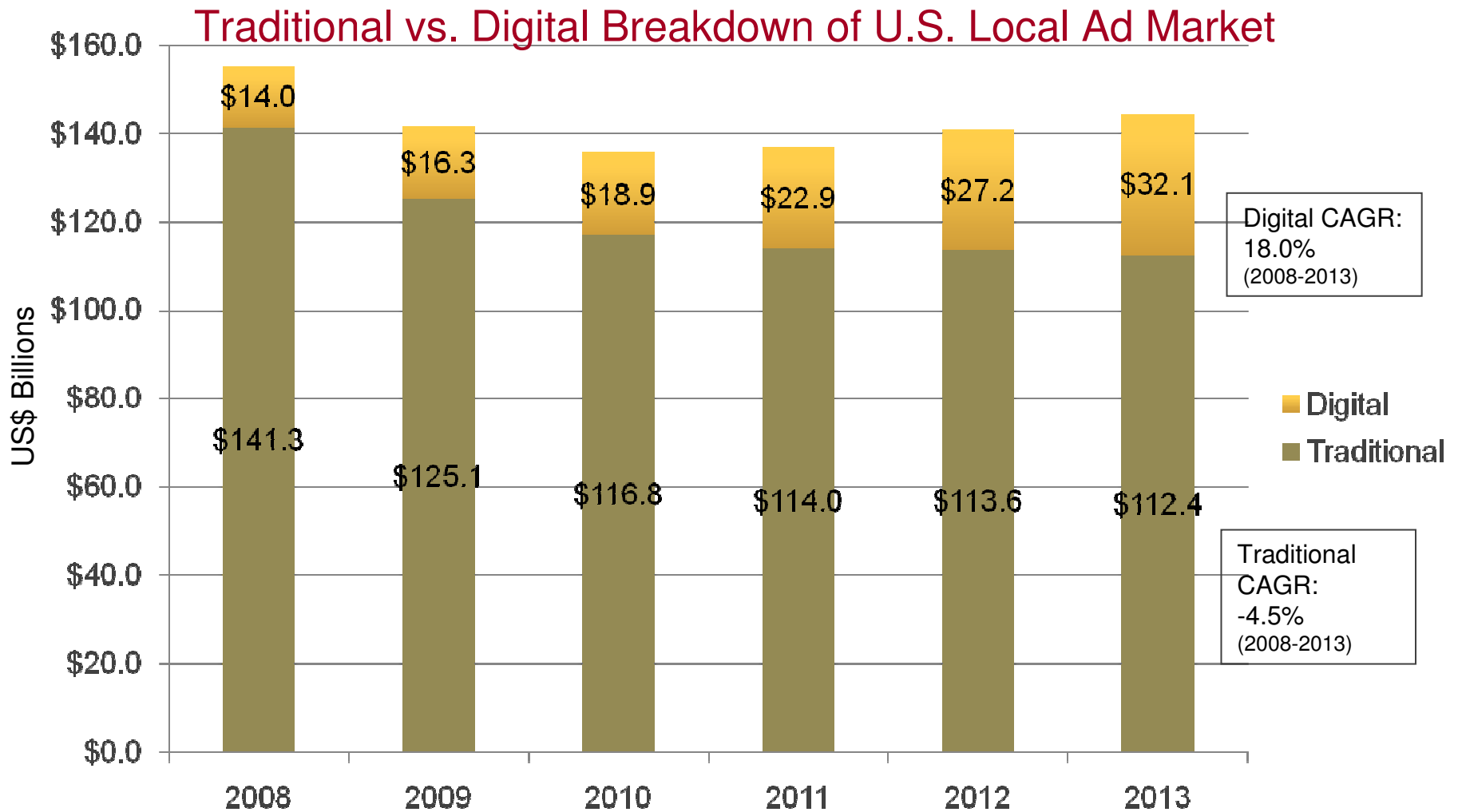
Source:
BIA/Kelsey (2009)

Local Media Overview

Category	Primary Driver	Rationale
Newspapers	Secular	Classified business is nearly gone; most content is a commodity
Direct Mail	Cyclical	DM by nature is ROI oriented with targeting and performance KSF
Local TV	Secular	Emerging audience holds no loyalty to any local TV brand; time shifting eliminates “lead-in” role
Radio	Secular	Audience share remains stable, but personal music, mobile talk time and satellite radio do erode listeners
Print Yellow Pages	Secular	Competition and emergence of “local search” platforms limit rebound potential
Out of Home (non-digital)	Cyclical	Scare locations and shift to IP-based models indicate up turn post recession
Cable TV	Cyclical	Targeting capacity is increasing during recession
Local/Regional Magazines	Secular	Much of information can be found online
Digital/Online Interactive	Cyclical	Any slowdown during recession will accelerate growth out of recession



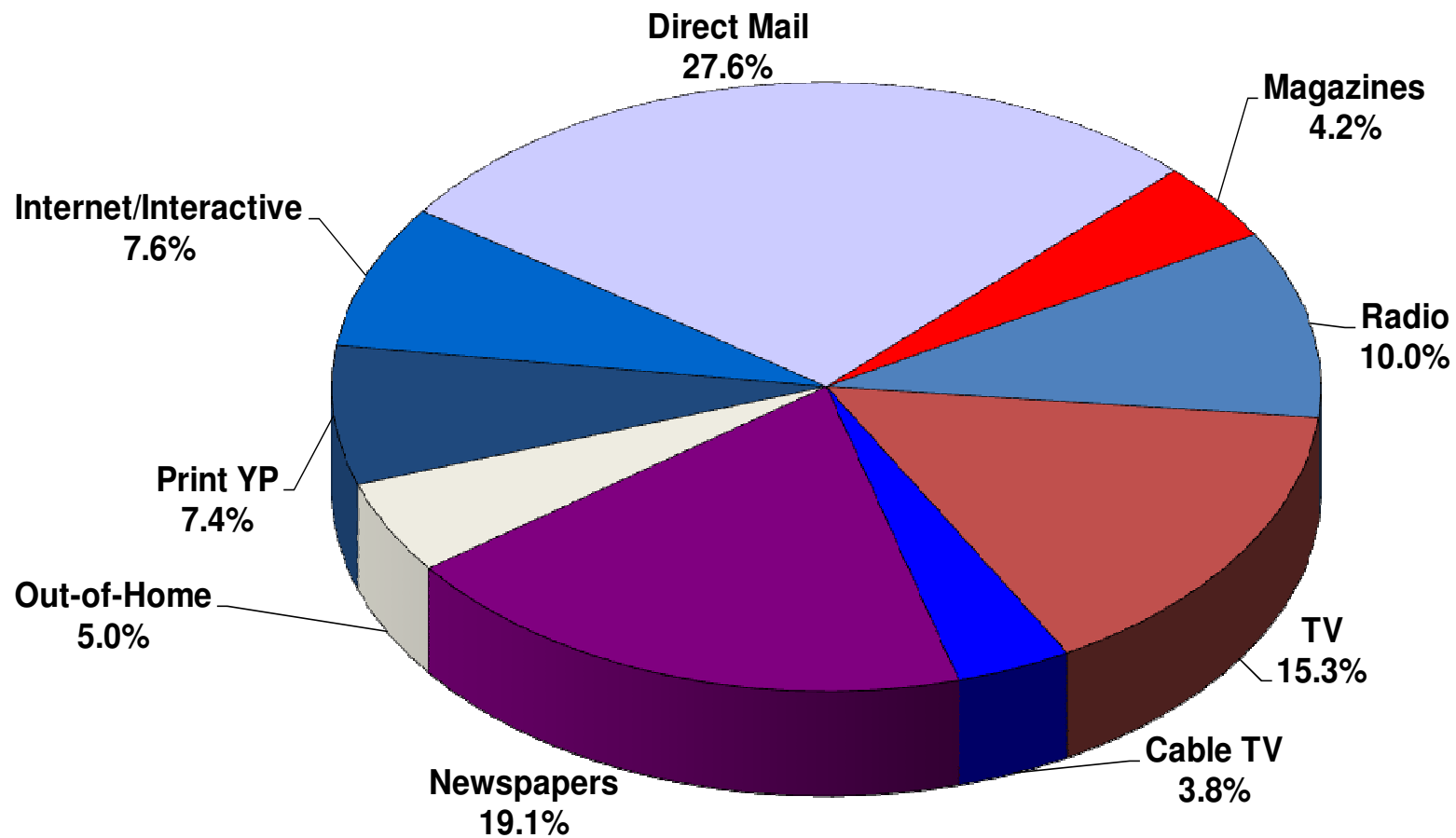
Steady Shift Toward Digital Media



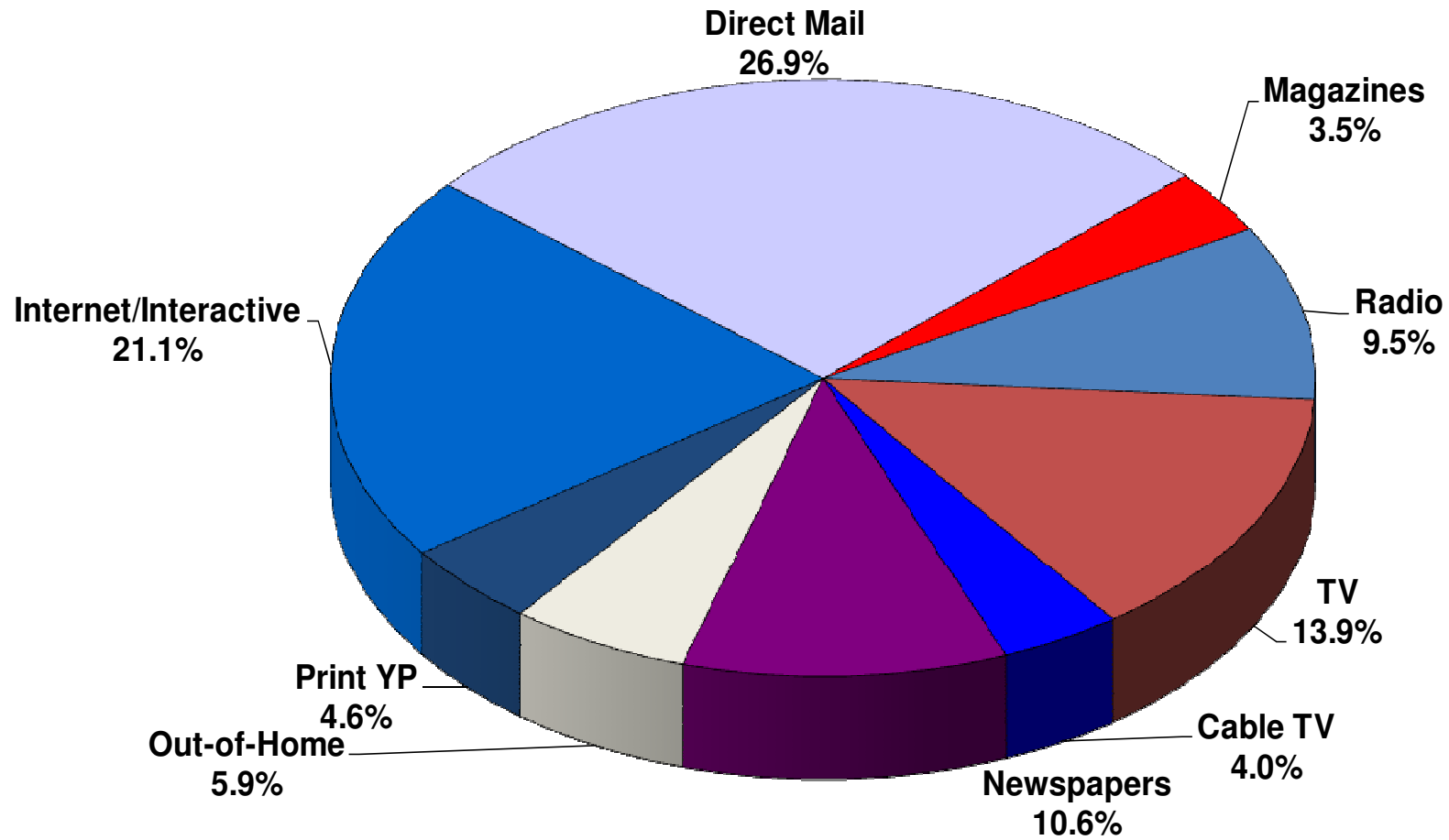
Source: BIA/Kelsey (2009)



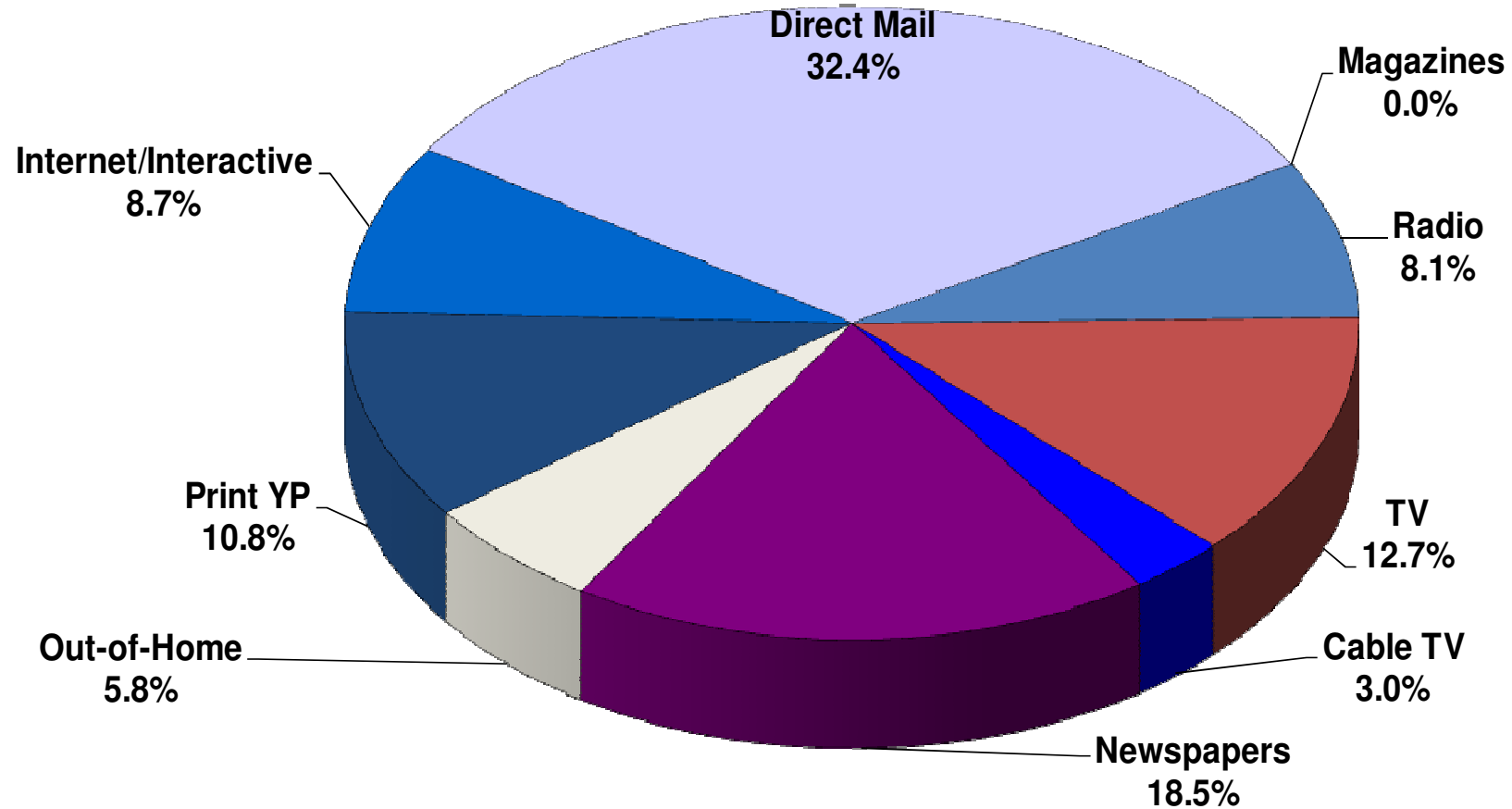
2008 Local Markets 1-10: Totals Ad Spending by Media



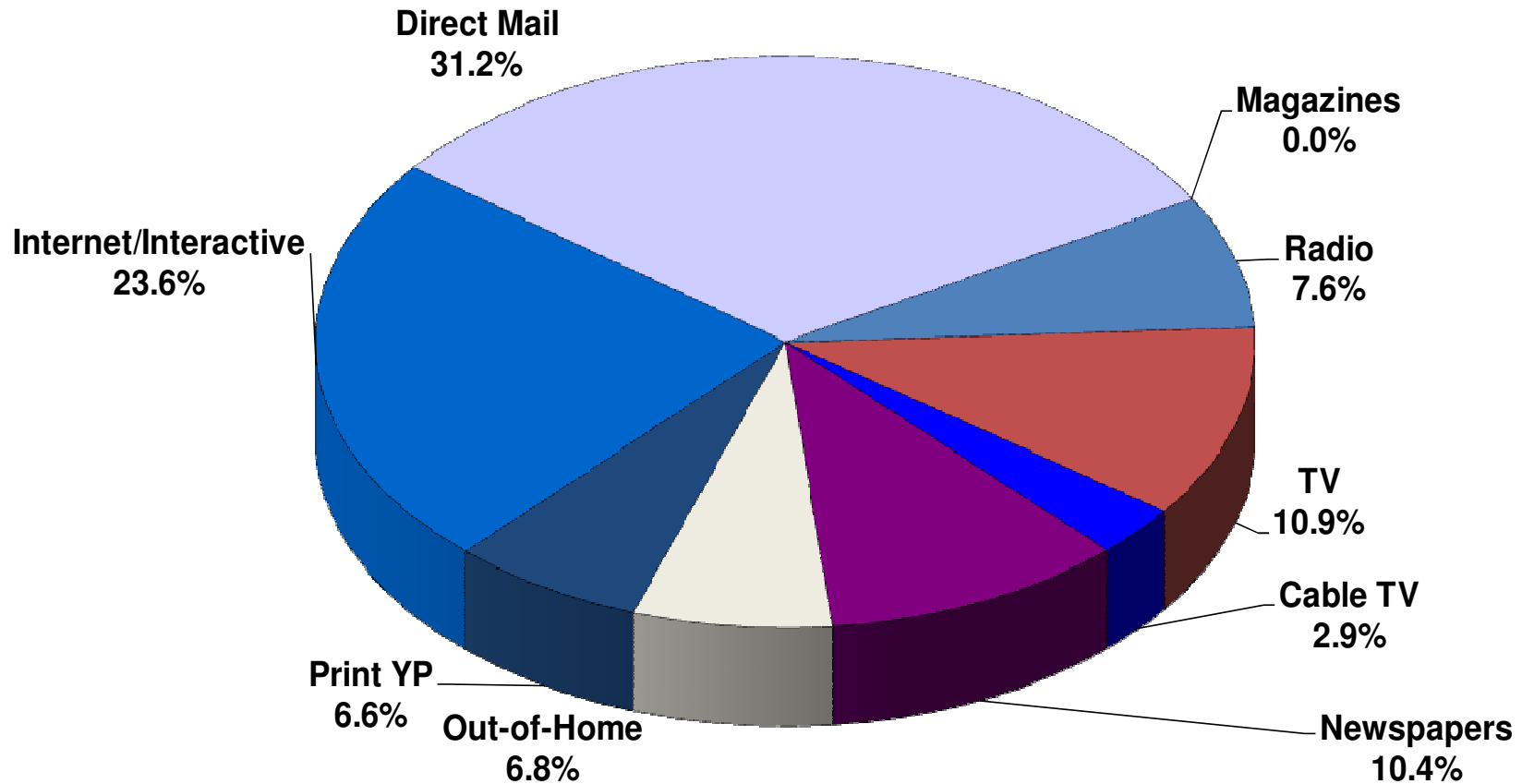
2013 Local Markets 1-10: Totals Ad Spending by Media



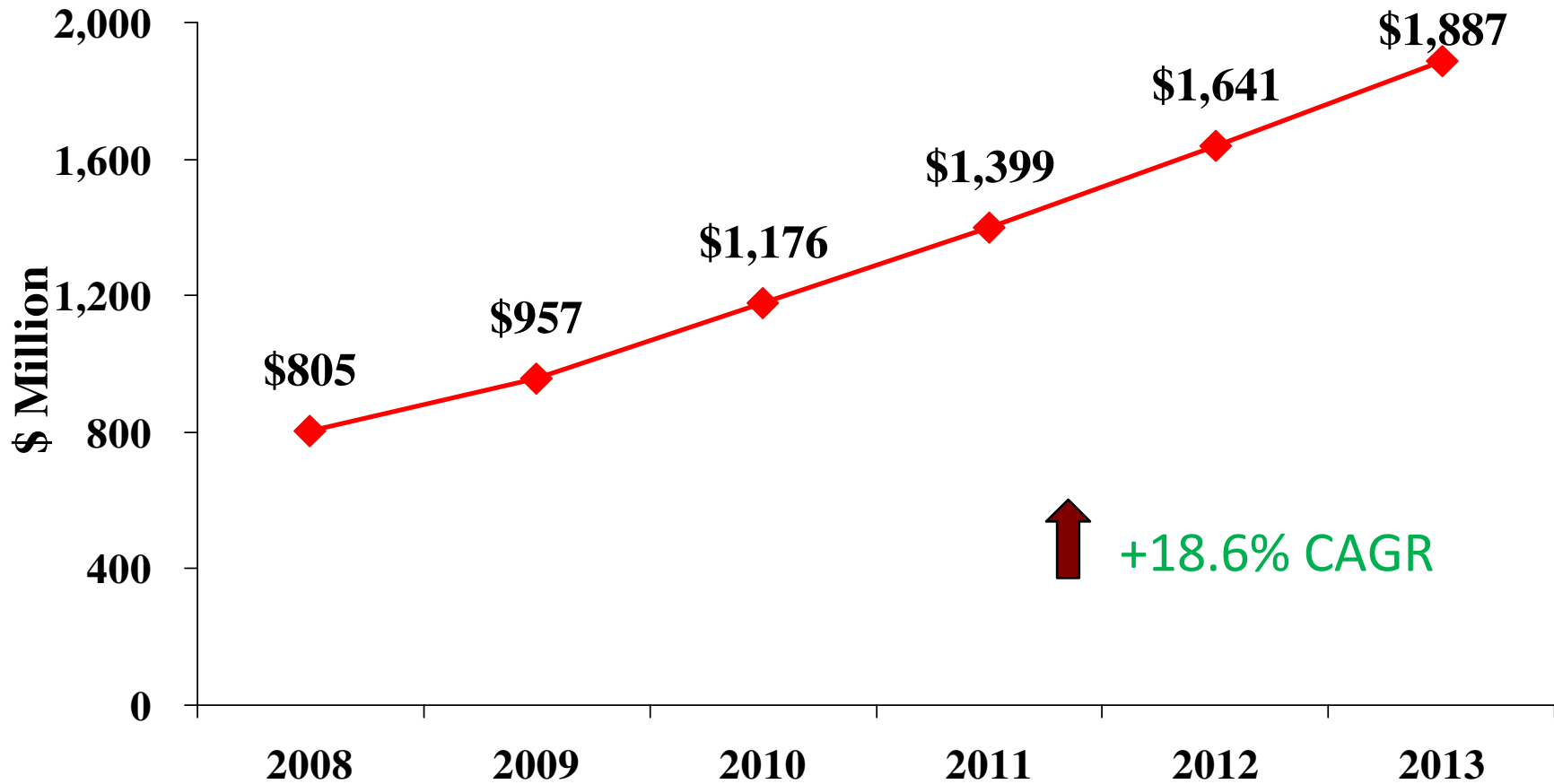
2008 Local Markets 101+:Totals Ad Spending by Media



2013 Local Markets 101+: Totals Ad Spending by Media



Radio and Television Internet Revenues



Methodology

1. We forecast 12 separate media used for local advertising and promotion
 - Many are further divided into components that are forecast separately, then aggregated to get the total for that medium
2. We use top-down and bottom-up approaches in parallel to make our projections
 - Designed to ensure that the “big picture” and the “view from the trenches” are in sync
3. We have many years experience tracking and estimating multiple media
 - Wave 13 of Local Commerce Monitor survey just completed; originated in 1999 and 20 + Years of estimating radio and television revenues
4. Our forecasts are a meld of quantitative and qualitative analysis
 - Quantitative includes: Proprietary models using multiple inputs and drivers from a variety of public and private sources
 - Qualitative includes: Numerous interviews with industry and media leaders

Methodology (continued)

5. We use a rigorous internal peer review process to reality test our forecasts
6. We benchmark our forecasts against key sources, including other forecasters and media analysts
7. We regularly review our forecasts, and monitor key developments in the 12 media we track. We update our forecasts at least twice annually
8. Going forward, we intend to continually improve the analytic techniques and granularity of our forecasts

BIA/Kelsey - Media Ad View - Scan

What: Concise comparative data for a specific market

This two-page summary (PDF) and corresponding data set (spreadsheet) provide a snapshot of a local market, including:

- Ad spending and revenue changes for 12 media categories (2008-2013)
- Key demographic trends during the forecast period for the CBSA
- Map depicting the local market CBSA

Who: Local Sales management

Used by sales and sales management for identifying and sizing local market sales opportunities.

Why: Simple to use

This easy to use, two page summary can be customized with your company logo and handed directly to sales representatives who can offer it as a leave behind. Focus on digital/interactive v. traditional showcases future opportunity.



BIA/Kelsey - Media Ad View - Scan



BIA Kelsey

Media Ad View - Market Scan



Albany-Schenectady-Troy, NY Overview

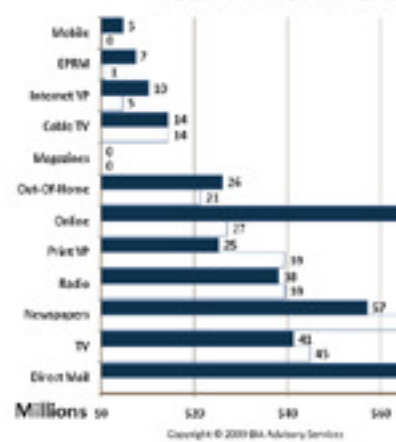
CBSA Rank: 57

MSA Demographics

	2003	2008	2013	03 to 08	08 to 13
MSA Population (000s)	839.9	860.7	881.7	0.6%	0.6%
Households (000s)	340.7	389.5	345.0	-9.2%	0.4%
Retail Expenditures (Mills)	6,898.4	7,805.3	8,522.9	3.1%	2.2%
Aggregate Disp Income (Mills)	17,479.5	20,852.2	22,735.1	3.2%	3.5%
Total Adv. Revs. Per Pop					

Media	2008 Revs. Per Pop.	2013 Revs. Per Pop.
Mobile	\$0.15	\$5.26
EPRM	\$1.09	\$8.21
Online	\$5.28	\$78.34
Internet YP	\$5.28	\$12.45
Cable TV	\$16.72	\$16.39
Out-Of-Home	\$24.81	\$29.49
Print YP	\$45.64	\$28.57
Radio	\$45.78	\$43.05
Newspapers	\$126.96	\$64.20
Magazines	\$0.00	\$0.00
TV	\$52.03	\$46.84
Direct Mail	\$138.54	\$134.29

Total Market Advertis



BIA Kelsey

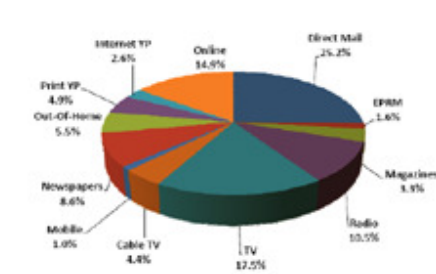
Media Ad View - Market Scan



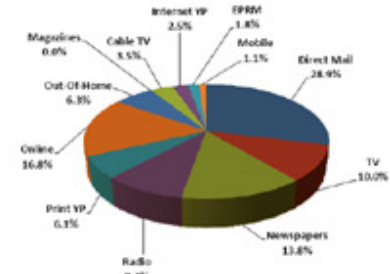
CBSA Rank: 57

Albany-Schenectady-Troy, NY Overview

2008 Ad Spending by Media for CBSA



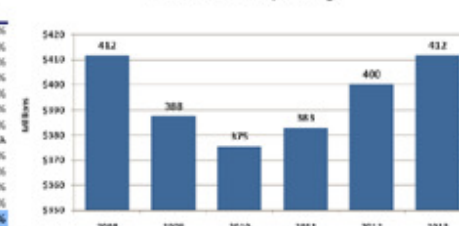
2013 Ad Spending by Media for CBSA



Annual Revenue Changes by Media- 2008-2013 Albany-Schenectady-Troy, NY

	2009	2010	2011	2012	2013
Direct Mail	1.4%	-1.5%	-0.4%	2.9%	-2.7%
TV	-12.1%	0.5%	-0.5%	6.0%	-1.0%
Newspapers	-17.9%	-16.6%	-7.7%	-6.1%	-4.5%
Radio	-9.1%	-2.6%	2.2%	2.9%	3.0%
Print YP	-15.8%	-14.5%	-4.7%	-3.5%	-3.2%
Online	29.5%	18.0%	22.0%	18.4%	15.9%
Out-Of-Home	-3.7%	1.8%	7.1%	7.2%	8.1%
Magazines	N/A	N/A	N/A	N/A	N/A
Cable TV	-10.1%	1.9%	1.7%	5.0%	2.7%
Internet YP	20.8%	15.3%	16.6%	16.5%	17.8%
EPRM	50.1%	43.1%	48.1%	52.1%	59.0%
Mobile	185.4%	156.7%	125.4%	58.7%	43.1%
Total	-5.9%	-3.1%	2.0%	4.6%	2.9%

2008-2013 Albany-Schenectady-Troy, NY CBSA Total Ad Spending



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BIA/Kelsey - Media Ad View - Client

What: In-depth advertising spend analyses

This 30-plus-page nationwide and market level advertising share report provides:

- Snapshot of advertising spend levels for year-end 2008
- Yearly forecast for each advertising segment for 2013
- Comparison of market level advertising trends with national trends
- Certain demographic and local economic trends for the specific market

Who: Strategic Market Management

Used by marketing and strategy departments to assess current market position relative to addressable local advertising market

Why: Reliable, Affordable and Easy to Use

Media Ad View – Client offers marketing and strategy functional groups easy and immediate access to reliable view of current market size and future opportunities coupled with comprehensive local market demographic and economic data



BIA/Kelsey - Media Ad View - Advertiser

What: Advertiser Advertising revenue information

This 20-page report is a multiplatform sales toolkit, designed as an advertiser leave-behind sales tool consisting of:

- Detailed information on local radio, television and newspaper competition within the market
- Demographic information showing important trends within the local market

Who: Any Local Advertising Organization

Used by local broadcast sales organizations which offers detailed competitive analysis of the competition among local radio and television entities

Why: Easy to use and highly specialized

This easy to use and highly specialized report enables local advertising sales organizations to identify near term sales opportunities while helping prepare for longer term, multi-platform, multi-product selling approaches



Why Be a BIA/Kelsey Client?

- **Extension of client's strategy staff**
- **Benchmarking of existing businesses**
- **Market and Competitive intelligence**
- **Business and monetization models**
- **Access to key analysts**
- **Access to *Forecasts and Proprietary Research***
 - *Coming in 2010: Transformative Media Strategies*
 - The Kelsey Group's Annual Forecast: U.S. Local Media
 - The Kelsey Group's Annual Forecast: Mobile Local Media



Transformative Media Strategies

- BIA/Kelsey advisory service *for local broadcasters* launching in 2010.
- Revenue forecasts.
- New business models.
- Competitive analysis and insights.
- Case studies – wins and misses.
- Broadcaster and multiplatform ecosystem partnerships, alliances.
- “Winning Media Strategies” Annual conference
- Briefs, advisories, blog
- Professional Networking
- Access to BIA/Kelsey analysts.



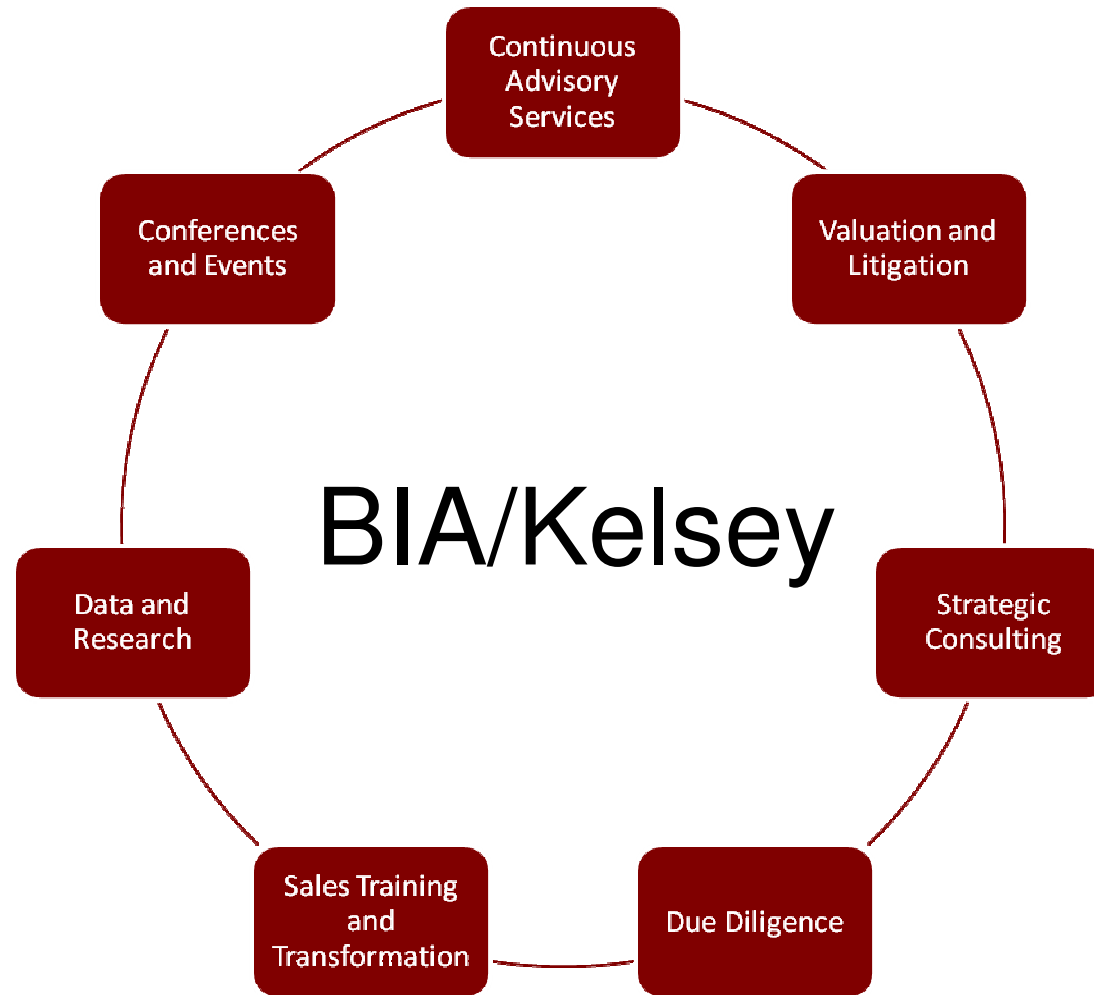
2009 Participants

McVay New Media
AOL
Arbitron
Bakersfield Californian
Ball State University
Bid4Spots
BMO Capital Markets Corp.
Brewer Broadcasting
Centennial Broadcasting
Cherry Creek Radio
CobbCorp LLC
Emmis Communications
Emmis Interactive
Galaxy Communications
GE Commercial Finance
Genius Rocket
GOCOM
Gray Television, Inc
Greenspun Interactive
Hipcricket
iBiquity Digital Corporation
ION Media
Kiplinger Business Forecasting Group
Leighton Broadcasting
Main Line Broadcasting
Manifest Digital
MCC Radio LLC

MCG Capital
MetroHealth
Mixpo
National Association of Broadcasters
NBC Universal TV Stations
News Over Wireless
Northwestern University
Open Mobile Video Coalition
Peak Broadcasting
Platform-A/Advertising.com
Press Communications
Quantum Communications
Rust Communications
Sandusky Radio
Sezmi
Sinclair Broadcast Group
sun over jupiter
T R X Corporation
The Berry Company
University of Southern California
VCI Solutions
Wachovia Capital Markets
WebVisible
WhitePages.com
Wiley Rein
Yellowbook



How BIA/Kelsey Helps Media Companies Navigate the Future



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- The first 20 customers from this Webinar receive one free report update with every Media Ad View report purchase.
- Offer is available for a limited time.
- Contact Karen Brandt for more information:
Phone: 703.802.2970
E-mail: kbrandt@bia.com



Questions and Answers

**Thank you for attending today's event.
Now it's time for your questions**

For more information about Media Ad View,
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