1,505 telephone interviews were conducted in July 2011

Nationally projectable sample of Scarborough respondents age 18+

Data tracked with Arbitron/Edison 2003 National In-Car study

96.5% of the sample had driven or ridden as a passenger in non-public transportation vehicles (car/truck/van, etc.) in the last month
The In-Car Media and Entertainment Landscape
More Time Reported Spent In-Car Than in 2003

Average Reported Time Spent In-Car (as Driver or Passenger) (Hours:Minutes)

<table>
<thead>
<tr>
<th>Year</th>
<th>Weekends</th>
<th>Weekdays</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>11:00</td>
<td>15:08</td>
</tr>
<tr>
<td>2011</td>
<td>12:15</td>
<td>16:23</td>
</tr>
</tbody>
</table>
Radio Dominated a Simpler In-Car Landscape in 2003

% Using Device In Primary Car (2003)

- AM/FM Radio: 96%
- CD Player: 56%
- Cell Phone: 44%
- GPS System: 3%
- iPod/MP3 Player: 3%
- Cassette Player: 47%
- DVD Player: 6%
- Satellite Radio: 1%

Practically new in 2003

Base: Driven/Ridden In a Car in Last Month
Radio Remains the King of In-Car Media in 2011

% Using Device In Primary Car (2011)

- AM/FM Radio: 84%
- CD Player: 68%
- Cell Phone: 50%
- GPS System: 36%
- iPod/MP3 Player: 24%
- Cassette Player: 11%
- DVD Player: 11%
- Audio Books: 9%
- Satellite Radio: 8%

Practically new in 2003

Base: Driven/Ridden In a Car in Last Month
Radio Remains the King of In-Car Media in 2011

% Using Device In Primary Car (2011)

- AM/FM Radio: 84%
- CD Player: 68%
- Cell Phone: 50%
- GPS System: 36%
- iPod/MP3 Player: 24%
- Cassette Player: 11%
- DVD Player: 11%
- Audio Books: 9%
- Satellite Radio: 8%
- Pandora Stream via Cell/Mobile Device: 6%
- Built-In Hard Drive: 5%
- AM/FM Stream via Cell/Mobile Device: 4%
- GM OnStar: 4%
- HD Radio: 2%
- Non-Pandora Stream via Cell/Mobile Device: 2%
- Ford Sync: 1%

Practically new in 2003

Did not exist in 2003

Base: Driven/Ridden In a Car in Last Month
In-Car AM/FM Radio Usage is Strongest in Key Buying Demos it Has Long Targeted

% by Age Group Using AM/FM Radio In Primary Car

- 18-24: 78%
- 25-34: 85%
- 35-44: 89%
- 45-54: 91%
- 55-64: 86%
- 65+: 73%

Base: Driven/Ridden In a Car in Last Month
More than Half of 18-24s Use iPod/MP3 Players In-Car

% by Age Group Using iPod/MP3 Player In Primary Car

- 18-24: 55%
- 25-34: 36%
- 35-44: 28%
- 45-54: 17%
- 55-64: 10%
- 65+: 3%

Base: Driven/Ridden In a Car in Last Month
Usage of Pandora In-Car Approaches One in Five Among 18-24s

% by Age Group Using Pandora Stream via Cell/Mobile In Primary Car

19% 6% 7% 3% 2% 1%
18-24 25-34 35-44 45-54 55-64 65+

Base: Driven/Ridden In a Car in Last Month
AM/FM Radio Continues to Command the Most Time Spent In-Car

% Spending Most Time with Device/Platform In-Car

Base: Driven/Ridden In a Car in Last Month
In-Car Listeners Spend Nearly Twice the Time With Radio vs. Other Audio Devices Combined

“Think about the time you spend in your primary car. What percent of the time would you say you listen to…”

Base: Use at Least One Audio Device In-Car
Average Self Reported Share of Time In-Car
AM/FM Radio Commands Most Time Spent With In-Car Media Among All Age Groups

Average Self Reported Share of Time Spent In-Car with AM/FM Radio By Age Group

- 50% for 18-24
- 61% for 25-34
- 63% for 35-44
- 72% for 45-54
- 67% for 55-64
- 69% for 65+

Base: Use at Least One Audio Device In-Car
Average Self Reported Share of Time In-Car
AM/FM Radio Is Still the Most Essential In-Car Device

“If you could ONLY EVER use ONE device in your primary car, which one device would you choose?”

2003

- AM/FM Radio: 71%
- CD Player: 14%
- Talk on Cell Phone: 8%
- Other: 7%

2011

- AM/FM Radio: 51%
- CD Player: 9%
- Talk on Cell Phone: 10%
- iPod/MP3: 8%
- SiriusXM: 6%
- GPS: 4%
- Other: 12%

Base: Driven/Ridden In a Car in Last Month
Passion for In-Car Media and Entertainment
Satellite Radio and iPod/MP3 Player Have the Highest “Love” Scores

% of Users of Each Device Who “Love” Using Device/Platform In-Car

- Satellite Radio: 54%
- iPod/MP3 Player: 45%
- Audio Books: 38%
- GPS System: 37%
- HD Radio: 37%
- Pandora Stream via Cell/Mobile Device: 34%
- DVD Player: 32%
- AM/FM Stream via Cell/Mobile Device: 30%
- Built-In Hard Drive: 30%
- OnStar: 29%
- AM/FM Radio: 28%
- CD Player: 23%
- Non-Pandora Stream via Cell/Mobile Device: 22%
- Cassette Player: 16%

“How much do you enjoy (using device/listening to platform) in your primary car?”
(“5” = “Love It”; “1” = “Hate It”)

Base: Use Device/Platform In Primary Car
Higher "Love" Scores for AM/FM Content Distributed on New In-Car Technologies

% of Users of Each Device Who “Love” Using Device/Platform In-Car

- Satellite Radio: 54%
- iPod/MP3 Player: 45%
- Audio Books: 38%
- GPS System: 37%
- HD Radio: 37%
- Pandora Stream via Cell/Mobile Device: 34%
- DVD Player: 32%
- AM/FM Stream via Cell/Mobile Device: 30%
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- OnStar: 29%
- AM/FM Radio: 28%
- CD Player: 23%
- Non-Pandora Stream via Cell/Mobile Device: 22%
- Cassette Player: 16%

“How much do you enjoy (using device/listening to platform) in your primary car?”

(“5” = “Love It”; “1” = “Hate It”)

Base: Use Device/Platform In Primary Car
Number of Passionate Users: In-Car Devices/Digital Platforms

(Percent of Users) \times (Percent Who “Love it”)

= Number of Passionate Users
AM/FM Radio Has the Highest Number of Passionate Users Among In-Car Media

Passionate Users = (% Who Use In-Car) x (% “Love”)

- AM/FM Radio: 23%
- CD Player: 15%
- GPS System: 13%
- iPod/MP3 Player: 11%
- Satellite Radio: 4%
- Audio Books: 4%
- DVD Player: 3%
- Pandora Stream via Cell/Mobile Device: 2%
- Cassette Player: 2%
- Built-In Hard Drive: 1%
- AM/FM Stream via Cell/Mobile Device: 1%
- OnStar: 1%
- HD Radio: 1%

Base: Driven/Ridden In a Car in Last Month
In-Car AM/FM Radio Lovers More Likely to be Women and in Prime 25-54 Buying Demo

Composition of People who “Love” In-Car AM/FM Radio

- **Men**: 41%
- **Women**: 59%

Age Composition:
- **25-34**: 15%
- **35-44**: 19%
- **45-54**: 25%
- **55-64**: 16%
- **65+**: 11%
- **55-64**: 16%

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Six in 10 In-Car AM/FM Radio Lovers are Employed

Employment Status of Those Who “Love” Listening to AM/FM Radio In-Car

- Not Employed: 39%
- Employed Full or Part-time: 61%

Base: People who “Love” In-Car AM/FM Radio cross tabbed with Scarborough USA+ 2010 Release 1
About One in Three In-Car AM/FM Radio Lovers Have Household Incomes of $75k+

Annual Household Income of Those Who “Love” Listening to AM/FM Radio In-Car

- $35-$74K: 38%
- $75K+: 30%
- Under $35K: 32%

Base: People who “Love” In-Car AM/FM Radio cross tabbed with Scarborough USA+ 2010 Release 1
More than One in Five In-Car AM/FM Radio Lovers Are College Graduates

Education Level of Those Who “Love” Listening to AM/FM Radio In-Car

- College Grad+ 22%
- Some College 35%
- High School or Less 43%

Base: People who “Love” In-Car AM/FM Radio cross tabbed with Scarborough USA+ 2010 Release 1
AM/FM Radio In-Car
Few Radio Listeners Frequently Change Stations While in Their Car

“Think about the radio listening you do while you are in your primary car, how often would you say you change the station?”

<table>
<thead>
<tr>
<th>Year</th>
<th>Frequently</th>
<th>Occasionally</th>
<th>Mostly Leave Tuned to One Station</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>20%</td>
<td>36%</td>
<td>42%</td>
</tr>
<tr>
<td>2011</td>
<td>24%</td>
<td>32%</td>
<td>42%</td>
</tr>
</tbody>
</table>

Base: Use AM/FM Radio in Primary Car
18-34s More Likely to Change Stations Frequently While In-Car

% Who Frequently Change Stations While in Their Primary Car

Base: Use AM/FM Radio in Primary Car
Radio Reaches the Most Consumers Right Before They Buy

% Who Used Medium Within 30 Minutes of Last Purchase

- Listen to Radio: 53%
- See advertising on a billboard: 35%
- Watch TV: 28%
- Use the Internet: 19%
- Read or look in a newspaper: 15%
- Read or look in a magazine: 12%

Base: Bought something at supermarket, department store, or any other type of store in past 24 hours
Only a Small Fraction Use their Cell Phone to Frequently Make Calls While In-Car

% of Total Times In a Car Using Cell Phone to Make Phone Calls

- Some of the Times: 43%
- Almost All of the Times: 6%
- Do Not Own/Use Cell Phone: 14%
- Almost Never: 37%

Base: Driven/Ridden In a Car in Last Month
Most Still Hold the Cell Phone To Their Ear When Making Calls In-Car

"Which of the following ways do you most often make calls on your cell phone in your primary car?"

- 10% Via wired handset or earbuds
- 25% Via a Bluetooth connection
- 59% Holding the cell phone to your ear

Base: Use Cell Phone In-Car
Interest in New In-Car Technologies
<table>
<thead>
<tr>
<th>Feature</th>
<th>Somewhat Interested</th>
<th>Very Interested</th>
<th>Total Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident response feature</td>
<td>32%</td>
<td>37%</td>
<td>69%</td>
</tr>
<tr>
<td>Stolen vehicle recovery system</td>
<td>28%</td>
<td>39%</td>
<td>67%</td>
</tr>
<tr>
<td>Parked vehicle tampering notification</td>
<td>29%</td>
<td>36%</td>
<td>64%</td>
</tr>
<tr>
<td>Remote door unlocking in case of lost keys or locked in car</td>
<td>29%</td>
<td>34%</td>
<td>63%</td>
</tr>
<tr>
<td>Built-In vehicle diagnostic/maintenance reporting system</td>
<td>28%</td>
<td>23%</td>
<td>51%</td>
</tr>
<tr>
<td>Live operator assistance</td>
<td>28%</td>
<td>23%</td>
<td>51%</td>
</tr>
<tr>
<td>Upload driving data for insurance discount</td>
<td>22%</td>
<td>28%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Base: Driven/Ridden In a Car in Last Month

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### Majority Interested In Several In-Car “Telematics” Features

<table>
<thead>
<tr>
<th>Feature</th>
<th>Somewhat Interested</th>
<th>Very Interested</th>
<th>Total Interested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hands-free cell phone calling in mirror</td>
<td>25%</td>
<td>24%</td>
<td>49%</td>
</tr>
<tr>
<td>Cell phone application to control car doors/lights/engine</td>
<td>26%</td>
<td>23%</td>
<td>49%</td>
</tr>
<tr>
<td>Voice-control of car stereo</td>
<td>25%</td>
<td>20%</td>
<td>45%</td>
</tr>
<tr>
<td>Remote service to activate horn/lights to find parked car</td>
<td>24%</td>
<td>20%</td>
<td>44%</td>
</tr>
<tr>
<td>Automated real-time traffic alerts sent to phone/email</td>
<td>26%</td>
<td>16%</td>
<td>42%</td>
</tr>
<tr>
<td>Button for automatic local weather reports</td>
<td>25%</td>
<td>16%</td>
<td>41%</td>
</tr>
<tr>
<td>Connecting cell phone to dashboard to interact w/ apps</td>
<td>22%</td>
<td>16%</td>
<td>38%</td>
</tr>
<tr>
<td>Live personal advisor service for restaurant reservations, travel, etc.</td>
<td>16%</td>
<td>6%</td>
<td>22%</td>
</tr>
</tbody>
</table>

**Base:** Driven/Ridden In a Car in Last Month

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## Significant Interest in Many New In-Car Media and Entertainment Choices

<table>
<thead>
<tr>
<th>Feature</th>
<th>Somewhat Interested</th>
<th>Very Interested</th>
<th>Total Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pause, rewind, and replay radio</td>
<td>23%</td>
<td>18%</td>
<td>41%</td>
</tr>
<tr>
<td>Built-in wireless Internet access</td>
<td>22%</td>
<td>18%</td>
<td>40%</td>
</tr>
<tr>
<td>Separate front and backseat tuning and volume</td>
<td>21%</td>
<td>18%</td>
<td>39%</td>
</tr>
<tr>
<td>Text message and email reader</td>
<td>19%</td>
<td>18%</td>
<td>36%</td>
</tr>
<tr>
<td>Built-in Internet radio device</td>
<td>24%</td>
<td>13%</td>
<td>36%</td>
</tr>
<tr>
<td>Button to get more information re: radio advertiser</td>
<td>19%</td>
<td>8%</td>
<td>27%</td>
</tr>
</tbody>
</table>

*Base: Driven/Ridden In a Car in Last Month*
Takeaways
As was the case in 2003, the in-car landscape is once again becoming far more complex with a myriad of new technologies and devices being launched.
Current users of in-car digital technologies exhibit significant passion for these products.
Takeaways

Radio remains the king of all in-car media despite proliferation of new technology

- AM/FM Radio’s ongoing strength in-car is not a “license” to be complacent
- Digital platforms are crucial to protecting radio’s in-car franchise
- HD Radio retains the potential to provide the “wow” factor for AM/FM in-car Radio
Free Copies of The Road Ahead

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Media and Entertainment in the Car