

JACKMYERS Media Business Report

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2007 Media Industry Perspectives: RADIO

New RAB CEO Jeff Haley Seeks to Build Relationships Advertiser by Advertiser

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The Radio Advertising Bureau reached outside industry ranks for a new president and CEO last month, selecting Jeff Haley, former SVP Sales at Time Warner Global Marketing. "They were looking for a fresh perspective," Haley told *Jack Myers Media Business Report*. "I don't know where the radio industry has been historically with change, but everyone is excited and welcoming and looking to see what kind of changes are possible."

The first radio broadcast, a point-to-point broadcast, occurred Christmas Eve one hundred years ago. "Years later," Haley comments, "it was recognized as a point to multi point technology and today technological developments are bringing radio full circle back to one-to-one content with dial-up personal playlists and content-on-demand. That's an exciting circle," Haley enthuses.

He believes the radio industry "is not broken and the goals are to facilitate shared knowledge, enhanced training, improved reporting of data, and most importantly to drive increased revenues." Haley's mission, he says, is to focus on reintroducing radio to major advertisers who may not recognize the major changes in the industry.

In 2003, *Jack Myers Media Business Report* published an open letter to the radio industry that Clear Channel president John Hogan credits as being a catalyst for change at his company. The seven issues identified by Myers included clutter at the top of the list, an issue Clear Channel addressed with its "Less is More" strategy. Haley is hoping "more fresh ideas and innovative thinking will convince marketers to commit a bigger part of the pie to radio."

Haley argues there has been an overreaction to shifting consumer habits. "Yes the consumer is less engaged in media and is looking more to on-demand sources for entertainment and information. But at the end of the day marketers still need to reach consumers. All measured media have to work harder to increase growth. Across the board, media have to defend our role in moving goods and services."

While radio continues to battle against the belief new media technologies have significant competitive advantages, he argues "the reality is 92 percent of the radio audience does not leave during commercial breaks. While we have a sense consumers will shift to ad free models, there's no actual proof that's the case. Ad free media remain a niche and radio is retaining its audience."

At Time Warner, Haley was part of a team that focused on custom creative solutions for major national advertisers, and Haley believes "that model spells success for any measured media seller today. You can't go into clients today without having the desire, smarts and willingness to roll up your sleeves and build solutions. You need to bring to the table creative ideas that move products and services."

On the national level, Haley reports business has been "solidly up for the past few months and there are a number of positive developments." His approach, he says, will be to "build relationships advertiser by advertiser over a long term. We're looking at the biggest advertisers as well as those who invest an inordinately low share of their total budget in radio and we're developing new ideas for them. We'll make a concerted effort to change perceptions and create better experiences."

Because local spending represents 80 percent of the radio market, Haley believes it's critical to educate local advertisers on the value of radio. "Radio has its greatest impact as a local medium, as an efficient way to reach the largest amount of people with flexibility and immediacy. The biggest issue, he suggests, is getting further up the decision chain at local advertisers as well as major national advertisers. "Buys that come down through the agencies don't allow for true education and give and take on advertiser needs. Every transaction could be the foundation for a strong relationship."

Haley acknowledges radio operators are very interested in exploring online radio buying exchanges such as Google-owned D-mark and SWMX, although he admits there is a lot of ignorance and fear about these companies. "There will be a solution from the operator side or from the agencies themselves," he believes. "There is business that is media tonnage but there is a growing amount that is customized and built advertiser-by-advertiser. There are a number of groups in the radio industry who are focused on ideas and as multiple channels are developed there will be more and more idea-based efforts."

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