

Listener attitudes to advertising, sponsorship and influence on commercial radio

Research report prepared for the
Australian Communications
and Media Authority

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FEBRUARY 2010



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Contents

| | |
|---|-----------|
| 1. Executive summary | 1 |
| 1.1 Research context | 1 |
| 1.2 Key findings | 2 |
| 2. Research context | 6 |
| 2.1 Background | 6 |
| 2.2 Research objectives | 6 |
| 3. Research design and sample | 8 |
| 3.1 Sample design | 8 |
| 3.2 Information collection and fieldwork | 8 |
| 3.3 Survey content | 9 |
| 3.4 Sample characteristics | 9 |
| 4. Research findings | 10 |
| 4.1 Overview of radio listening behaviours and preferences | 10 |
| Summary | 13 |
| 4.2 Reactions to audio clips—ability to distinguish advertising | 14 |
| 4.3 Perceptions of commercial influence in news and current affairs programs | 32 |
| Summary | 35 |
| 4.4 Attitudes to the presentation of advertising on commercial radio | 35 |
| Summary | 38 |
| 4.5 Levels of listener concern about different advertising and sponsorship practices | 39 |
| Summary | 48 |
| Appendix: Listener attitudes to advertising, sponsorship and influence on commercial radio questionnaire | 49 |

1. Executive summary

1.1 Research context

Background

Ipsos MediaCT was commissioned by the Australian Communications and Media Authority (the ACMA) to undertake research examining the views of commercial radio listeners on matters relating to the ACMA program standards that apply to advertising, sponsorship and commercial influence on commercial radio broadcasting services.

The research was conducted with Australian commercial radio listeners aged 17 years and over, specifically covering:

- > the ability of listeners to recognise and distinguish advertising from other commercial radio program content
- > listener perceptions of commercial influence in news and current affairs programming on commercial radio, and their attitudes to various advertising and sponsorship practices
- > listener concern about advertising and sponsorship practices
- > the impact on concern of informing listeners of commercial arrangements with advertisers and sponsors at certain times during a radio program.

Research design

A national online survey of N=1,214 commercial radio listeners aged 17 years and over was undertaken in August 2009, with sampling structure (region, gender and age) matched to the commercial radio listener profile that emerged in ACMA's recent *Community Attitudes to Radio Content* study. The sample from that study was structured against key demographic characteristics of Australians that were identified from the Australian Bureau of Statistics 2006 Census.

Audio examples were used to gauge how clearly listeners identify certain radio material as advertising.

Description of audio clips

Commercial radio listeners were asked to listen to six audio clips. These clips were chosen by the ACMA to represent examples of a range of advertising and possible advertising material on commercial radio. These were:

- > A: 'Live read'¹ about a particular brand of chocolates presented between two advertisements on a commercial FM breakfast program, where two presenters talk about chocolate Easter eggs. Near the end of the clip, there is an advertising message read out by the presenter, providing details on this brand of chocolate eggs.
- > B: Talkback call about a particular food market, where a listener calls in and discusses the contents of a promotional booklet about that food markets. The caller provides favourable information about the food market with encouragement from the presenter.
- > C: 'Live read' by a traffic news presenter who promotes a three-day sale for a particular car brand at the end of the traffic news report.

¹ A 'live read' is where a presenter or presenters promote commercial products and/or services themselves, usually reading from a pre-prepared script.

- > D: 'Live read' by a talkback presenter about car insurance premiums and no-claim bonus discounts directly after editorial commentary on national economic issues, where the presenter continues by pointing out the benefits of a particular brand of car insurance and gives contact details.
- > E: Commentary and interview/discussion between a presenter and a representative of a housing development project, where the representative responds favourably to questions about the development and gives details of a promotional open day.
- > F: Commentary and interview/discussion between a presenter and a senior representative of a telecommunications company, where they discuss the features of a new mobile phone network and describe how coverage is superior to the older network.

1.2 Key findings

Reactions to audio clips—ability to distinguish advertising

Almost all of the surveyed commercial radio listeners are able to identify the live read about chocolates (clip A) as advertising, being the most recognisable as advertising compared with other clips. The clip that includes a talkback caller who gives favourable information about a food market (clip B) is considered to be least distinguishable as advertising.

When guided in the survey to focus on particular promotional segments within each of the three live read clips—those for chocolates (clip A), car insurance (clip D), and a car (clip C)—most listeners are able to identify the segments as advertising. The results range from a high 94 per cent of listeners who identify the chocolate example as *clearly or more like* advertising than other program content, to a more moderate 70 per cent for the car insurance example, and 69 per cent for the live read about a particular brand of car. Almost a quarter (24 per cent) to 29 per cent of listeners were either *uncertain* about these two clips or regarded them as *clearly or more like* other (non-advertising) program material.

The ability to distinguish advertising becomes increasingly difficult for the remaining clips on telecommunications (clip F), the housing development (clip E) and the food market (clip B). Listeners were asked to consider the material in each of these clips as a whole because particular promotional segments were not easily separated. The results show that substantial proportions of listeners are not able to identify advertising in these clips. For the telecommunications example, 36 per cent are either *uncertain* or thought it is *clearly or more like* other program material (62 per cent said *clearly or more like* advertising). Views are almost equally polarised toward the housing development example, with 46 per cent being *uncertain* or identifying it as other program material (52 per cent said advertising). Greatest uncertainty is evident for the food market example, with 79 per cent being *uncertain* or seeing it as other programming (17 per cent said advertising).

The advertising material in these less structured, more interactive and multi-faceted clips—with their use of presenter commentary, discussion, interviews and a talkback caller—are more difficult for listeners to discern and distinguish advertising.

There is some uniformity in the particular cues and signals that listeners report using to determine whether material is advertising. These are: mentions of a brand or product name and/or repetition of a brand or product name; the provision of company contact details; highly or overly detailed discussions of products and services; overly positive and unbalanced descriptions and discussions; and having a scripted or artificial feel associated with the discussions (including interviews with external 'experts').

Perceptions of commercial influence in news and current affairs programs

Most of the surveyed commercial radio listeners perceive that *talkback radio presenters on commercial radio are paid by advertisers or sponsors for favourable comments*—60 per cent of all commercial listeners believe this practice happens. Fewer commercial AM talkback listeners said they believe this (48 per cent).

- > The main reasons given for believing this practice is either unlikely or does not happen include presenters *shouldn't or wouldn't do this* (n=22) followed by the view that it is *not legal or is prevented by law* (n=20).

Less than half of commercial radio listeners believe that *advertisers or sponsors influence the content of current affairs commentary, discussion or talkback on commercial radio* (43 per cent).

Lower levels of probability are attributed to the practices that *talkback callers on commercial radio are screened to favour advertisers or sponsors* (27 per cent), and *news stories are omitted from news bulletins on commercial radio to 'please' sponsors or advertisers* (22 per cent).

Fewer male commercial radio listeners believe that such practices occur on commercial radio than females, and talkback listeners (particularly commercial AM talkback listeners) also show a greater degree of scepticism that these practices occur.

Attitudes to the presentation of advertising on commercial radio

Sensitivity to the presentation of advertising on commercial radio exists in a number of areas.

- > The majority of commercial radio listeners agree that *advertising content on radio should be clearly distinguishable from other radio content*—75 per cent agree with this statement² (including 32 per cent who strongly agree).
- > More than half of commercial radio listeners also agree that *integrating advertising with other program content on commercial radio is acceptable so long as advertisers are identified at least once during the program* (55 per cent overall agreement). Such agreement is particularly high among commercial AM talkback listeners (67 per cent).
- > Despite this preference to identify advertisers, there is also some irritation toward the broadcast of on-air disclosure announcements, with a similar level of overall agreement arising for: *it is annoying when presenters interrupt their programs with disclosure announcements to make listeners aware of their sponsorship arrangements* (57 per cent).

Many listeners accept the realities involved in operating commercial radio services. They agree that *advertising on commercial radio doesn't bother me because it's a business that relies on advertising to operate* (60 per cent overall agreement). Such agreement is higher among commercial AM talkback listeners (68 per cent). There is also acceptance that the *blurring of advertising and other program material is inevitable on commercial radio* by just over half of commercial radio listeners (53 per cent).

² A similar finding was obtained from the earlier 2009 ACMA study *Community attitudes to radio content* where 79 per cent of commercial radio listeners agreed or strongly agreed with this statement.

Levels of listener concern about different advertising and sponsorship practices

Around three quarters of commercial radio listeners indicate concern about three practices in particular that may inhibit the ability of radio listeners to distinguish advertising from other program material:

- 1/ *advertising that is integrated with the content of a program in a way that is not distinguishable from the other content* (38 per cent indicate a high level of concern, and 38 per cent indicate moderate concern)
- 2/ *a presenter gives favourable commentary about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement* (37 per cent indicate a high level of concern, and 36 per cent indicate moderate concern)
- 3/ *a presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues* (34 per cent indicate a high level of concern, and 40 per cent indicate moderate concern).

Concern about these, and other practices presented, tends to be highest among male commercial radio listeners and those listeners with higher levels of education, as well as non-breakfast FM and non-talkback listeners.

Impact on concern of making listeners aware of commercial arrangements

Making listeners aware of commercial arrangements with sponsors and advertisers through the use of on-air announcements, and the proximity of these announcements to the advertising practice in question, can play a role in reducing concern among affected commercial radio listeners.

- > The prospect of broadcasting such on-air announcements ‘at the time’ the advertising occurs changes the views of 36 per cent to 48 per cent of those who initially expressed moderate concern, to having no concern. This represents a significantly greater degree of change than if the announcement were to be broadcast ‘at some other point in the program’ (reduction range: 24 per cent to 31 per cent).
- > For listeners who were very concerned, the prospect of including ‘at the time’ on-air announcements reduces their concern to moderate levels by 49 per cent to 60 per cent of those who were initially very concerned. This also represents a significantly greater degree of change than is evident via an announcement ‘at some other point in the program’ (reduction range: 23 per cent to 40 per cent).

It is important to note though, that the views of most of the concerned commercial radio listeners remain unchanged, regardless of where an announcement might be placed in the broadcast.

The impact of including ‘at the time’ announcements reduces the total reported level of concern about the two most concerning advertising practices³ from 73 per cent to 52 per cent of all commercial radio listeners for statement 1, and from 74 per cent to 54 per cent for statement 2. With this intervention, a higher 44 to 45 per cent of commercial radio listeners report having no concerns compared with the initial 23 to 25 per cent who expressed no concerns about these practices if there were no announcements.

³ The two most concerning advertising practices identified by the surveyed commercial radio listeners—and that were also tested for change—were:

(1) *a presenter gives favourable comment about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement, and*
(2) *a presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues.*

Conclusion

Commercial radio listeners in this study demonstrate a strong ability to distinguish advertising from other program material in the less complex radio segments that were presented to them. However, a greater degree of uncertainty and diversity of views is evident for the less scripted and more interactive examples (particularly, those with expert interviews and a talkback caller). For those who are more confident of their exposure to advertising, consistent cues and signals are used to identify advertising content.

While many listeners accept various forms of advertising on commercial radio, and recognise that commercial radio relies on advertisers and sponsors, the majority of commercial radio listeners also expect that advertising content be distinguishable from other program material.

The use of on-air announcements to inform listeners of commercial agreements when advertising occurs reduces listener concern to a degree. However, this intervention does not satisfy just over half of all the commercial radio listeners in the study who said they would still have concerns about the two most concerning advertising practices they identified.

2. Research context

2.1 Background

Introduction

Ipsos MediaCT was commissioned by the Australian Communications and Media Authority (the ACMA) to undertake research examining the views of commercial radio listeners on matters relating to the ACMA program standards that apply to advertising, sponsorship and commercial influence on commercial AM and FM radio broadcasting services. The two standards that relate to this research apply to commercial radio advertising, and the disclosure of commercial agreements associated with commercial radio current affairs programs (see below for key requirements of these standards).

The commercial radio standards were an outcome of the Commercial Radio Inquiry ('cash for comment') conducted by the (former) Australian Broadcasting Authority (ABA) in 1999–2000. The inquiry examined certain commercial agreements between a number of current affairs program presenters and sponsors that were able to influence the editorial content of programs. The inquiry found a number of breaches by licensees of the *Broadcasting Services Act 1992* and the Commercial Radio Codes of Practice. It also found that the codes of practice were not operating to provide appropriate community safeguards, and that remedial action was necessary.

Compliance with the standards is a condition of a commercial radio broadcaster's licence. The two standards and their key requirements are:

- 1/ the Broadcasting Services (Commercial Radio Advertising) Standard 2000 (the Advertising Standard)⁴ which requires commercial radio licensees to ensure that advertisements are distinguishable from other program material
- 2/ the Broadcasting Services (Commercial Radio Current Affairs Disclosure) Standard 2000 (the Disclosure Standard) which requires on-air disclosure during current affairs programs of commercial agreements between sponsors and presenters that may potentially affect content, and the payment of production costs by advertisers or sponsors.

This research complements the national telephone survey of 1,537 respondents into *Community attitudes to radio content* (stage 1) conducted by Ipsos MediaCT on behalf of the ACMA in early 2009.

2.2 Research objectives

The *Listener attitudes to advertising, sponsorship and influence on commercial radio* online stage (stage 2) of the research was commissioned to examine the following areas (with reference to a selection of six audio clips):

- 1/ the extent that commercial radio listeners distinguish advertising—including 'live reads' and advertising that is embedded in program material—from other program material, in current affairs programs and other program types
- 2/ the extent that listeners perceive that comments (and/or omissions) made by presenters, and editorial content, in current affairs and talkback programs are influenced by sponsors or advertisers
- 3/ the reasons why listeners classify the selected clips as advertising or other program material, and their reasons for believing that current affairs content may be influenced by commercial advertisers or sponsors

⁴ The Broadcasting Services (Commercial Radio Advertising), and Broadcasting Services (Commercial Radio Current Affairs Disclosure) Standards are available at www.acma.gov.au/WEB/STANDARD/pc=PC_91766#standards

- 4/ how acceptable advertising practices are on commercial radio
- 5/ the level of listener concern about advertising and sponsorship practices
- 6/ potential changes to the level of listener concern about advertising practices if they are made aware of commercial arrangements with advertisers and sponsors.

3. Research design and sample

In order to address the research objectives detailed in Section 2.2, and obtain an accurate picture of radio listener's attitudes toward advertising and disclosure compliance standards, the research was underpinned by a large and representative online quantitative survey methodology.

3.1 Sample design

At the core of the sample design of this research project were two considerations. Firstly, there was a need to access a large representative national sample of Australian commercial radio listeners aged 17 years and over, that allowed for the examination of a range of important sub-groups, such as different listener types and key demographic differences, with a high degree of statistical precision.

- > N=1,214 yields a 95 per cent confidence interval of up to ± 2.8 per cent. This level of precision is reduced as sample size falls. For example, the Breakfast FM sub-sample referred to in later sections of this report of n= 520 widens this confidence interval to up to ± 4.3 per cent. For even smaller sub-groups in this study, such as the AM Talkback (n=258) sub-sample, this confidence interval is widened to ± 6.1 per cent. Please refer to footnotes in tables and charts for sub-sample size information (caution must be exercised when interpreting results from small samples).
- > While these confidence intervals, as necessary guidelines, have been used to identify valid differences and the reliability of information, caution needs to be used in interpreting online research and other research methodologies which do not provide random probability samples. The reference to Stage 1 commercial listener demographic outcomes in the stratification schemes for this research (generated via random probability sample) has provided a robust reference benchmark for sample generation in Stage 2.

Secondly, there was a need for the methodology to be sufficiently flexible as to allow for respondents to listen to the selected audio clips in a straightforward manner. A carefully structured online information collection approach was used to allow this, using the sampling frame described in the next section.

3.2 Information collection and fieldwork

The Online Research Unit's Australian Consumer Panel served as the sampling frame for this exercise. The Australian Consumer Panel is a large, reputable and high-quality research-only consumer panel (with over 200,000 active members) and represents an appropriately robust sampling frame for the topic at hand. Invitations were sent to panel members by email, with a link to the survey contained within. The online survey then screened all respondents (for regular commercial radio listening and adherence to demographic stratification considerations— see Section 3.4), prior to commencement of the full survey.⁵

Fieldwork was conducted between 30 July and 12 August 2009. A final sample of N=1,214 was attained, from a total of 3,246 survey attempts.⁶

⁵ There was a test to confirm that Flash software was installed to enable listening of the clips (with an opportunity to load Flash software provided to all computers that were not appropriately enabled).

⁶ The balance was comprised of n=1,396 'screen outs' (non commercial radio listener), n=37 unwilling to install the necessary Flash software required to listen to clips, and n=599 non-completers (i.e. survey started, but not finished).

3.3 Survey content

The questionnaire used for this study is included in the Appendix. Questionnaire development (including layout and sequencing) and online survey testing was conducted in close partnership with the ACMA. Six audio examples were chosen by the ACMA to represent a range of advertising and possible advertising material on commercial radio. These were used to gauge how clearly listeners identify certain radio material as advertising. The audio clips and attitudinal statements were rotated to avoid order bias in responses.

3.4 Sample characteristics

As stated previously, the stratified sample structure was developed through close adherence to the commercial radio listener age, gender and regional profiles established by the stage 1 national telephone survey. Table 1 compares the demographic characteristics of the stage 1 and stage 2 samples showing the similarities between the two samples, except for the apparent under-representation of households with children aged under 15 years, and respondents with 'some secondary' schooling.

Table 1 Sample characteristics, radio content online research, August 2009

| Sample characteristics | Stage 2 N=1,214 | Stage 2 (commercial radio listeners) | Stage 1 (commercial radio listeners) |
|--|----------------------------|---|---|
| Location | | | |
| Metropolitan | 831 | 68.5% | 67% |
| Regional | 383 | 31.5% | 33% |
| Gender | | | |
| Male | 585 | 48.2% | 48% |
| Female | 629 | 51.8% | 52% |
| Age group | | | |
| 17–24 years | 158 | 13.0% | 13% |
| 25–34 years | 226 | 18.6% | 19% |
| 35–44 years | 225 | 18.5% | 19% |
| 45–54 years | 222 | 18.3% | 19% |
| 55–64 years | 202 | 16.6% | 16% |
| 65 and over years | 181 | 14.9% | 15% |
| Children | | | |
| Children under 15 years in household | 304 | 25.0% | 35% |
| Education | | | |
| Some secondary school | 133 | 11.0% | 22% |
| Completed secondary school | 283 | 23.3% | 25% |
| TAFE, trade certificate | 297 | 24.5% | 15% |
| Undergraduate university degree, CAE diploma | 324 | 26.7% | 26% |
| Postgraduate qualification | 163 | 13.4% | 11% |
| Language | | | |
| Language Other Than English (LOTE) spoken in household | 191 | 15.7% | 17% |

4. Research findings

In this section, the findings of the *Listener attitudes to advertising, sponsorship and influence on commercial radio* online stage of research are presented in detail, covering the following areas:

- > an overview of radio listening behaviours and preferences revealed by the sample of commercial radio listeners
- > the ability of listeners to recognise and distinguish advertising from other commercial radio program material in the audio clips
- > perceptions of commercial influence in news and current affairs programming on commercial radio
- > attitudes to the presentation of various advertising and sponsorship practices
- > the level of listener concern about different advertising and sponsorship practices
- > the impact on concern of informing listeners of commercial arrangements with advertisers and sponsors at certain times during a radio program.

Statistically significant differences

The 'significant' demographic and radio listener type differences that are highlighted throughout this section are underpinned by statistically significant differences based on an alpha value of 0.05. Chi-Square tests (followed by examination of adjusted standardised residuals in the contingency tables) and ANOVA F-tests were used, as applicable.

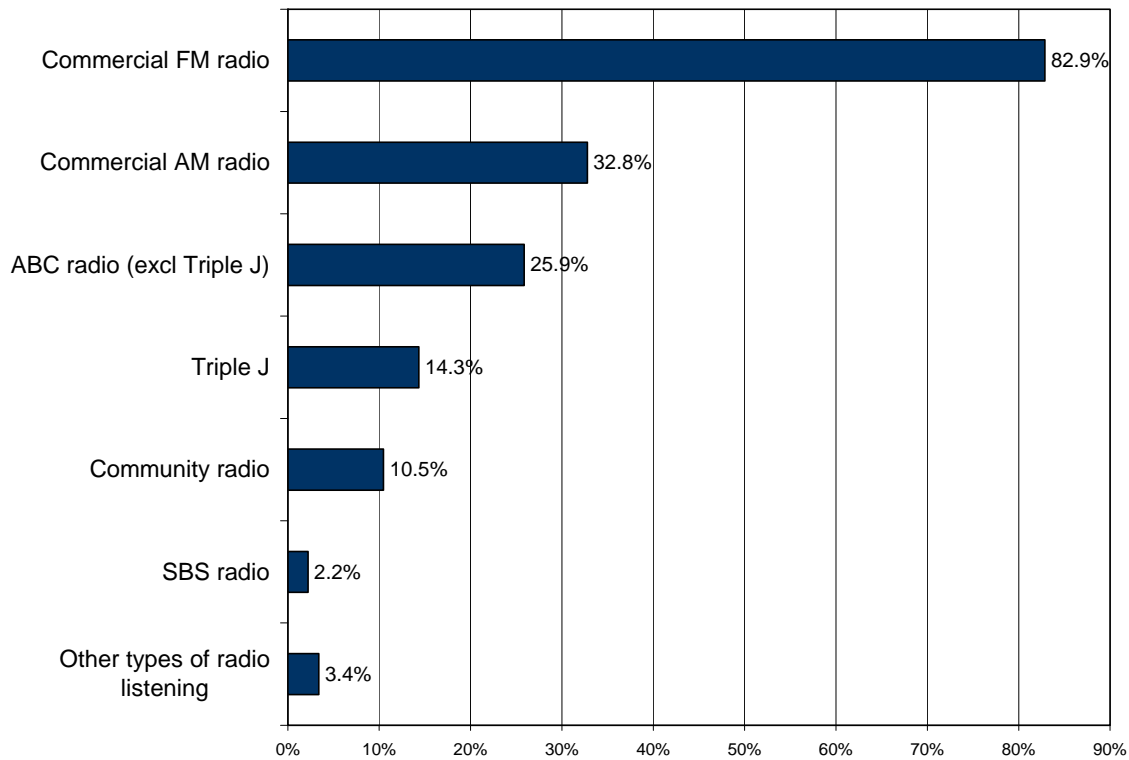
4.1 Overview of radio listening behaviours and preferences

Regular radio listening

Respondents were presented with a range of radio station alternatives and asked to identify those they regularly listen to (where 'regularly' was defined as at least once a week, on average).

The listening behaviours indicated by respondents are presented in Figure 1.

Figure 1 Radio stations regularly listened to by commercial radio listeners, 2009



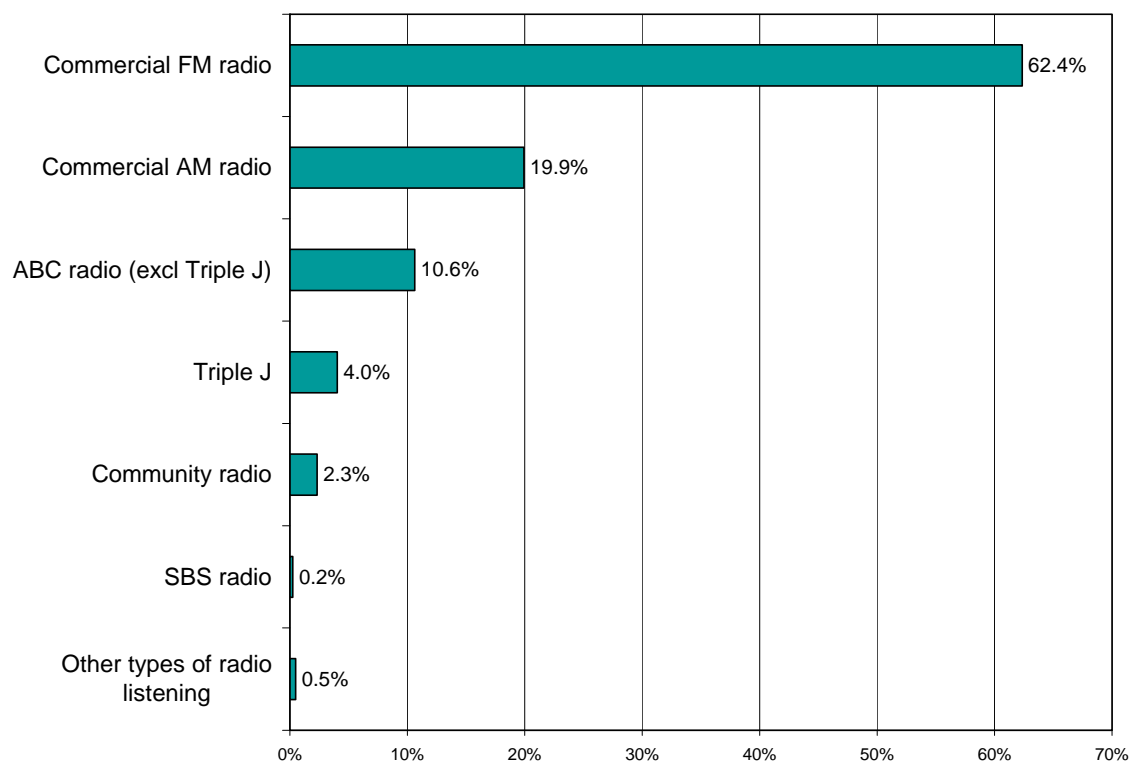
*Base: Commercial radio listeners, N=1,214.
Percentages add to more than 100% due to multiple responses.*

The chart reveals that commercial FM radio has the highest overall level of regular listening by commercial radio listeners: 82.9 per cent of commercial radio listeners respondents indicate they listen to it at least once per week, followed by commercial AM radio (32.8 per cent). These stations are followed by ABC radio stations (excluding Triple J: 25.9 per cent), Triple J (14.3 per cent), community radio (10.5 per cent), other types of radio listening (3.4 per cent) and SBS radio (2.2 per cent).

Main radio station

Commercial radio listeners who regularly listen to more than one radio station were asked to identify the station they listen to most. By combining these results with respondents who indicate regular listening of only one station type, it is possible to determine **the main radio station** listened to by commercial radio listeners in the study (Figure 2).

Figure 2 Main radio stations listened to by commercial radio listeners, 2009



Base: Commercial radio listeners, n=1,214.

The chart reveals that 62.4 per cent of commercial radio listeners indicate commercial FM as their main radio station, followed by commercial AM (19.9 per cent) and ABC stations (excluding Triple J: 10.6 per cent). Less than one in 10 listeners indicate the remaining options as their main radio station.

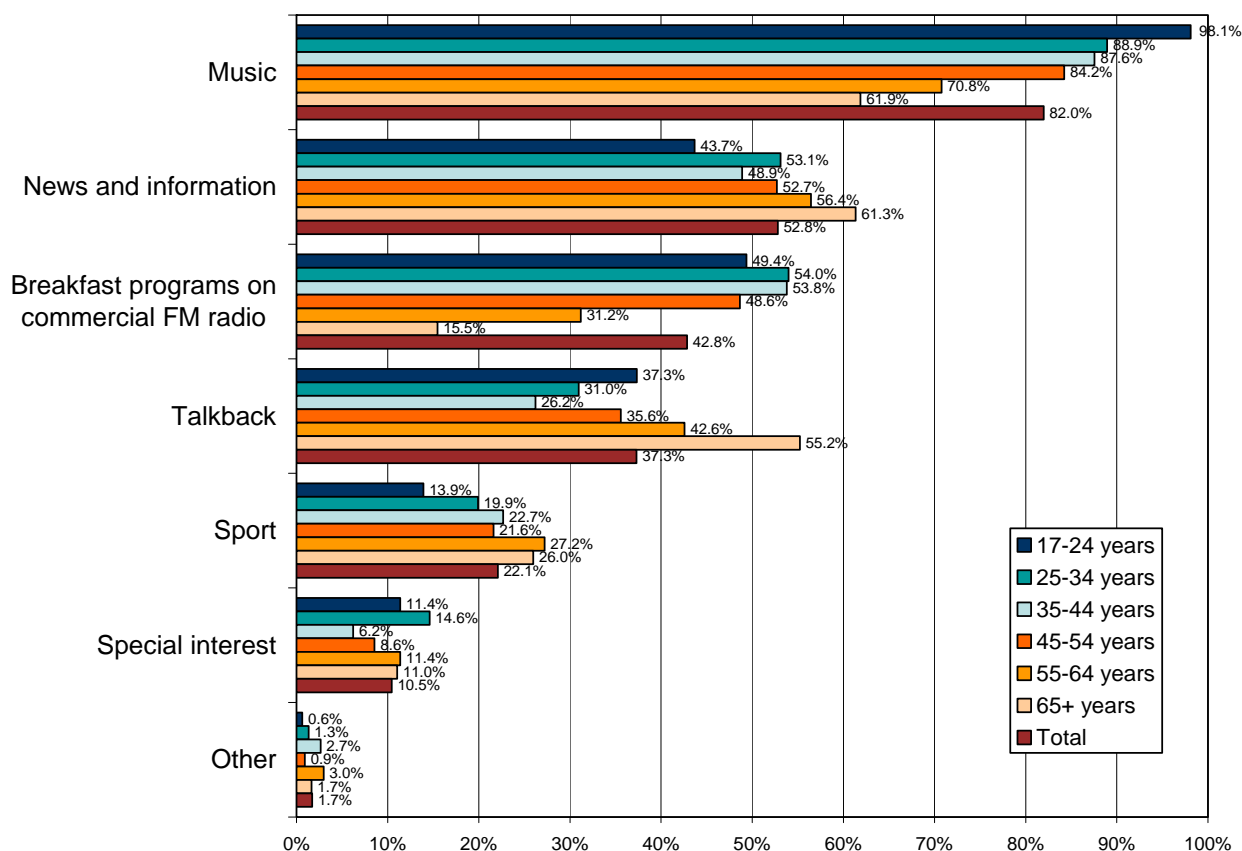
Beneath these overall figures, a number of statistically significant findings emerged for commercial AM and FM preferences.

- > Commercial AM radio has particular appeal for males (25.3 per cent), older age groups (ages 55–64: 32.7 per cent and 65 plus: 48.6 per cent), metropolitan listeners (23 per cent), and listeners with lower educational qualifications (27.8 per cent for those with some secondary school and 24.6 per cent for those with a TAFE or trade certificate as their highest educational qualification).
- > Commercial FM radio, on the other hand, has particular appeal for females (70.6 per cent), younger age groups (76 per cent and above for ages 17 to 44), regional listeners (67.6 per cent), households with children (73 per cent), and listeners who have completed secondary school as their highest educational qualification (67.8 per cent).

Radio content preferences

In addition to broad station listening behaviours, commercial radio listeners also had the opportunity to indicate the program types they regularly listened to **on commercial radio**. Results are summarised across age groups in Figure 3.

Figure 3 Commercial radio content preferences, by age group, 2009



Base: Commercial radio listeners, n=1,214.

The chart reveals that *music* (82 per cent) and *news and information* (52.8 per cent) formats attract the highest overall proportion of regular commercial listeners, followed by *breakfast programs on commercial FM* (42.8 per cent) and *talkback* (37.3 per cent). A number of significant age differences emerged.

- > *Music* mainly attracts ages 17–24 (98.1 per cent) and then tends to lose its appeal with increasing age (61.9 per cent for ages 65 plus).
- > Fewer older age groups (55+) prefer *breakfast programs on commercial FM*, though this type of content does have broader appeal (approximately 50 per cent) for the younger age groups.
- > *Talkback* is most popular for ages 65 plus (55.3 per cent), though it is also prominent (37.3 per cent) for ages 17–24, suggesting that the more ‘interactive’ FM style of programming that is targeted to younger listeners is considered as ‘talkback’ by these listeners.

Summary

Commercial radio listeners indicate a strong preference for commercial FM radio—62.4 per cent identify it as their most preferred radio station, followed by commercial AM (19.9 per cent) and ABC stations (excluding Triple J: 10.6 per cent).

Music (82 per cent) and *news and information* (52.8 per cent) programs enjoy the highest overall proportion of regular listening, followed by *breakfast programs on commercial FM* (42.8 per cent) and *talkback* (37.3 per cent). *Breakfast programs on commercial FM* have particular appeal for the under 55 age groups, while *talkback* programs have greatest appeal for ages 65 plus.

4.2 Reactions to audio clips – ability to distinguish advertising

The listening exercise

Respondents were asked to listen to six audio clips chosen by the ACMA to represent examples of a range of advertising material that is broadcast or could be broadcast on commercial radio. They were also asked to listen to each clip *as if they had just heard it* on commercial radio, as part of their usual listening experience (if needed, respondents were able to replay the clip, but were encouraged at the beginning of the exercise to try to listen to each clip just once). The audio clips were presented in a different order (rotated) for different respondents to avoid order bias in the results.

Two main exercises were presented to them. They were first asked to indicate which, if any, of the following categories, best applied to the clip they had just heard (multiple responses allowed):

- > news, information or current affairs
- > presenter's opinion, commentary or discussion
- > interview with expert or spokesperson
- > talkback caller discussion
- > advertising or sponsor promotion.

For three of the clips, respondents also gave their reasons for describing the clips in the way that they did to identify the particular cues they associate with advertising and other programming material.

Respondents were then also asked to rate *the extent to which each clip was seen to be paid advertising* (as opposed to other non-advertising program material) on the following scale:

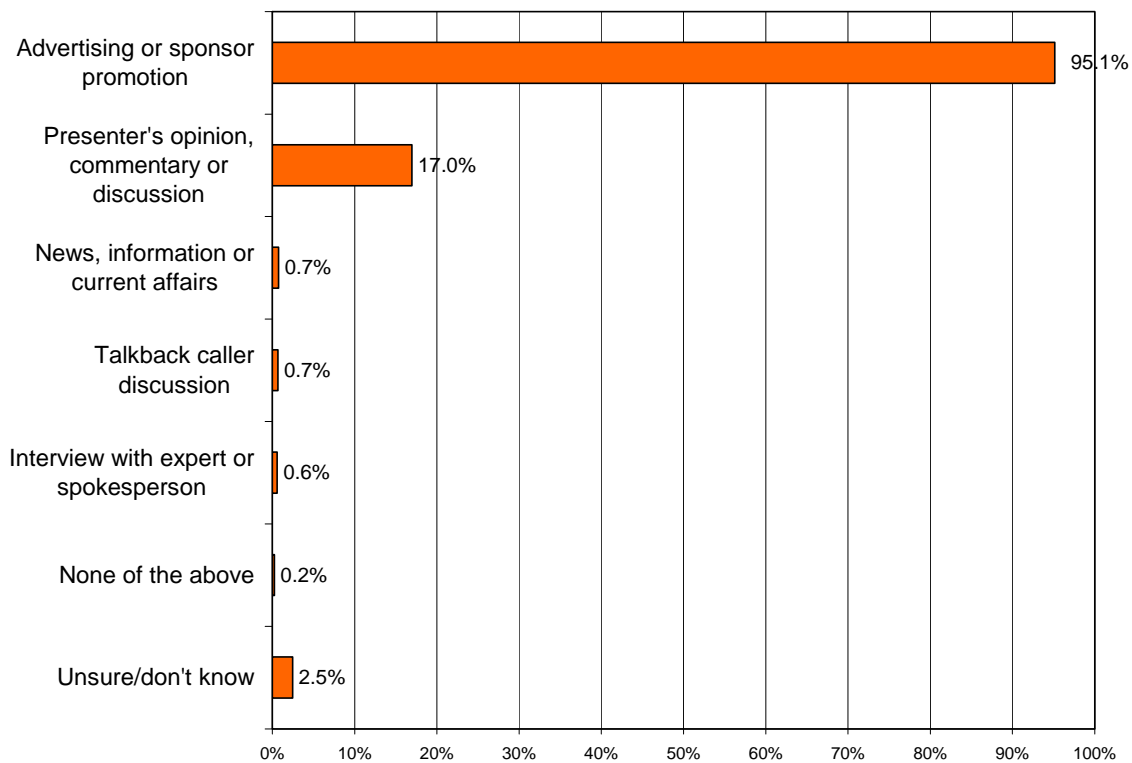
- > clearly advertising
- > more like advertising than other program material
- > could be advertising or other program material/couldn't really tell
- > more like other program material than advertising
- > clearly other (non-advertising) program material.

Clip A: 'Live read' for a particular brand of chocolates

In this clip, two commercial FM breakfast presenters discuss a particular brand of chocolate Easter eggs with each other and mention some of the specific products on offer, including which ones they had tried based on recommendations from co-hosts. Near the end of the clip, there is an advertising message read out by the presenter, promoting the brand of chocolate eggs. This clip was presented between two advertisements and ran for 57 seconds.

Respondents applied the following descriptions to this clip (Figure 4).

Figure 4 Descriptions attributed to clip A, 2009



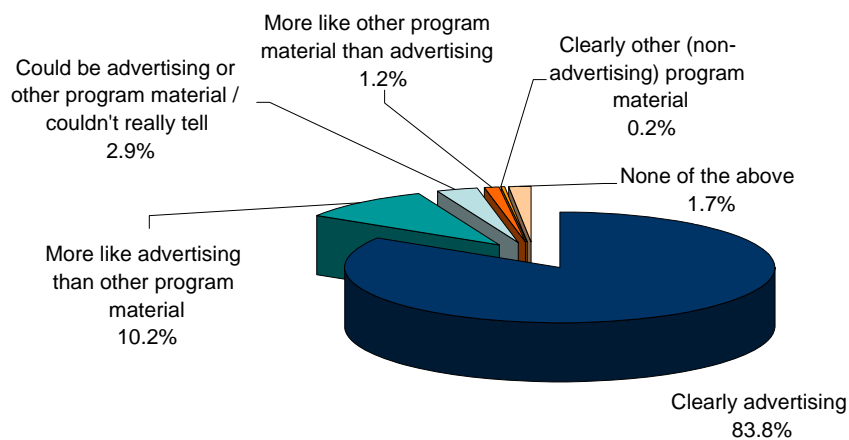
Base: All commercial radio listeners, N=1,214.

The chart reveals that *advertising or sponsor promotion* is the main category used to describe this clip, with 95.1 per cent of commercial radio listeners indicating this. Beyond this, there is a sizeable but significantly smaller proportion (17 per cent) who also indicate the clip is like *presenter's opinion, commentary or discussion*.

A large majority (94 per cent) identify this clip as advertising.

As would be expected from the descriptions given above, there is a very strong belief that the discussion about chocolates by the two presenters **is** advertising, with 83.8 per cent indicating it is *clearly advertising* and a further 10.2 per cent indicating it is *more like advertising* (Figure 5).

Figure 5 Extent to which advertising is identified in clip A, 2009



Base: All commercial radio listeners, N=1,214.

- > Examining demographic and radio listener type differences, only one statistically significant difference emerged—commercial radio listeners with undergraduate degrees are most inclined to indicate 'clearly advertising' (87.0 per cent).

The verbatim reasons given by respondents for describing the clip as *clearly* or *more like* advertising, or alternatively as other (non-advertising) programming material are shown in Table 2. Six categories of reasons emerged from those who identify the clip as advertising, and two emerged for other program material.

Table 2 Reasons for classification - clip A, 2009

| Clearly/more like advertising (n=1,141) | % | Examples of responses in this category |
|---|------|---|
| Discussion/overly detailed description of the products | 34.4 | <i>Describing the chocolate to make it seem really appealing. Description of tastes and visual appearances which would tempt me to buy it. It described the product in detail. [Brand name]-soft fluff—lots of describing words.</i> |
| Brand mentions/brand or product repetition throughout the segment | 28.7 | <i>Repetition of [brand name] reinforced by announcers. The number of times [brand name] was mentioned. Mentioned [brand name] many, many times. Went to great lengths to describe how good particular products were. Brand name dropping, themed commercial/brand advertising. Repetitive mention of the [brand name] brand.</i> |
| Promote the brand/too positive towards the brand/over acting | 16.0 | <i>Too excited about the product to be real. Everything is 'superlative plus' no balance or opinion. They were spruiking the product far too much e.g. 'I just tried it this weekend etc'. Over the top about how yummy it is!</i> |
| All are adverts/clearly adverts(no further specific details) | 13.2 | <i>Anyone would recognise that it was an advertisement for a product. Any common person with half a brain would clearly see that this was a paid advertisement. What is the difference between this and cash for comments? Blatantly plugging products.</i> |

| | | |
|--|------|--|
| | | <i>Obviously paid ad. Sounded like an ad, no news or entertainment in that one.</i> |
| The segment sounded scripted or read/not a genuine discussion | 11.3 | <i>[Brand name] just isn't interesting enough to hold a conversation on radio for so long about it. And apart from that, it SOUNDED like advertising. How many people do YOU know who know so much about [brand name] chocolate and whatever it covered or rolled in? The fake conversation, the clearly thought-out word choices, and the [brand name] Easter part at the end.</i> |
| Use of specific words or brand catch phrases/slogan | 6.5 | <i>The name [brand name] mentioned so many times, e.g. Enjoy a [brand name] Easter. 'Happy [brand name] Easter'. The information was very specific to the product, and included a little 'catchphrase' from [brand name]. Several mentions of the brand, very positive comments, and product catchphrases included.</i> |
| Other | 15.2 | <i>Note: most responses in the 'other' category referred to the advertisements presented before and after the live read part of the clip in question.</i> |
| Clearly non-advertising/more like other program material (n=17) | % | Examples of responses in this category |
| Normal discussion between presenters | 41.2 | <i>DJ's chatting between themselves. The style of language used... it's familiar, like chatting with friends. The spokes people were talking about it like they genuine tried the dessert and liked it...made me want to try it too!</i> |
| Not typical advertising as it includes personal opinion | 23.5 | <i>Personal opinion of radio people. Radio announcers were giving their own opinions. Plugged the exact product and brand, yet related personal experience. [The presenters] were discussing the chocolate casually, as if they were not following a script and were also describing casually their own experiences of tasting the chocolate, trying their best to make it sound like their own opinions. Also the advertising sounded the same as their radio show.</i> |
| Other | 35.3 | <i>Note: most responses in the 'other' category were 'none' or 'not sure' (total n=6).</i> |

It can be seen that discussion involving overly detailed description of the products (34.4 per cent) and brand mentioning/repetition (28.7 per cent) are the main cues or signals used by respondents to identify the segment as advertising. Other prominent categories accounting for more than 10 per cent of this group of commercial radio listeners include artificial positivity toward the brand (16 per cent), a clear-cut belief that it could only be advertising (13.2 per cent) and the scripted feel to the discussion (11.3 per cent).

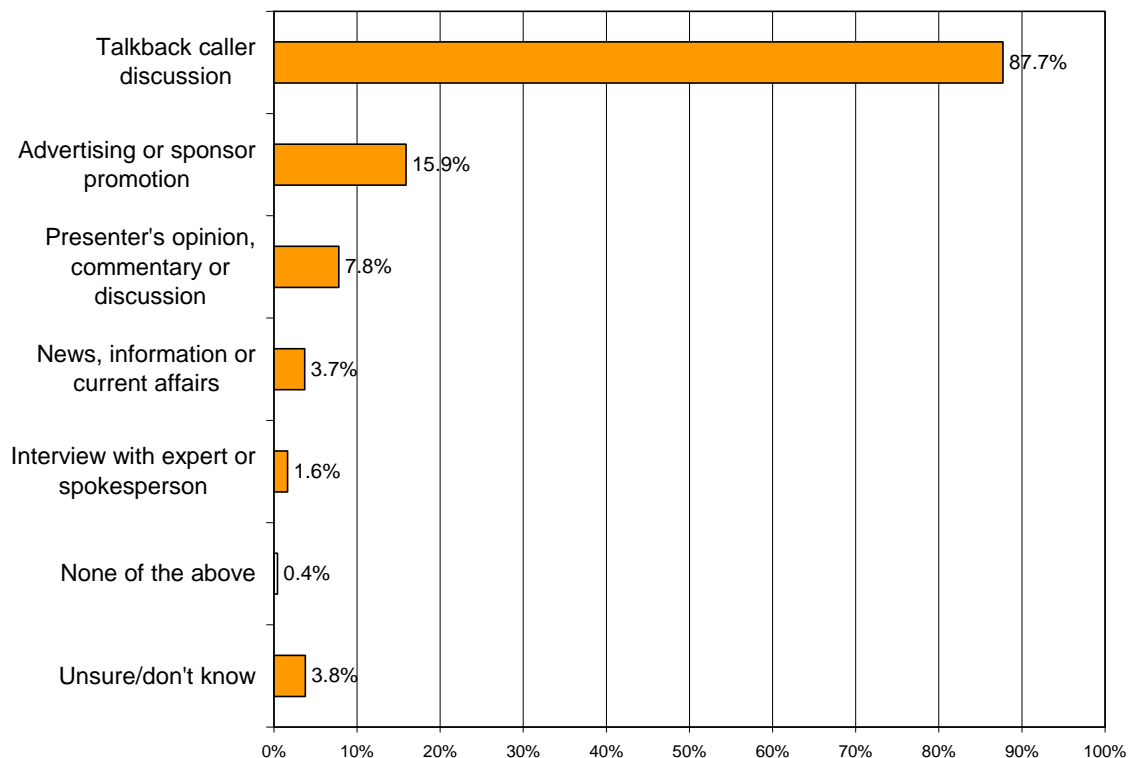
For the small group of respondents who feel the discussion is not advertising (n=17), the largest group believe it represents normal discussion between presenters (41.2 per cent).

Clip B: Talkback call about a particular food market

This clip involves a presenter and a talkback caller. During the talkback program, a listener calls in and discusses a promotional booklet about a particular food market that has details of Australian-owned products. The presenter asks the caller for more details about the product throughout the clip. This clip ran for 44 seconds.

The descriptions that respondents applied to this clip are presented below (Figure 6).

Figure 6 Descriptions attributed to clip B, 2009



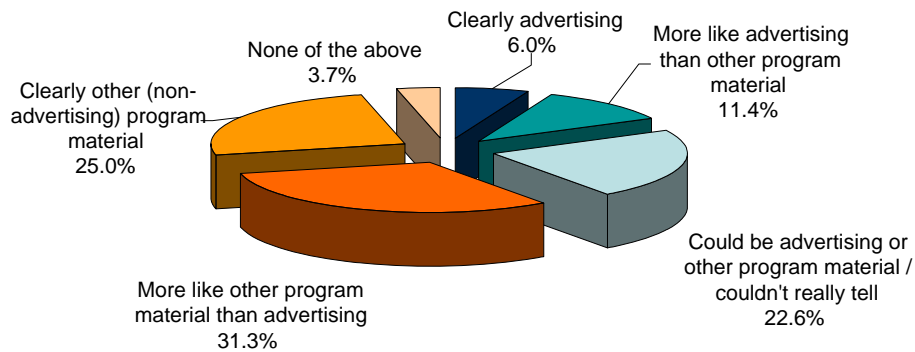
Base: All commercial radio listeners, N=1,214.

The chart reveals that the content in question represents genuine *talkback caller discussion* (87.7 per cent) for the majority of commercial radio listeners, with only 15.9 per cent indicating *advertising or sponsor promotion* and a further 7.8 per cent identifying presenter's *opinion, commentary or discussion*.

This clip is the least distinguishable as advertising (17 per cent).

In keeping with the majority of respondents who describe this clip as a discussion with a talkback caller, 25 per cent regard it as *clearly other program material* and 31.3 per cent believe it is *more like other program material*. Interestingly, an additional 22.6 per cent of listeners could not tell if it were advertising or other program material, showing considerable uncertainty about this clip (Figure 7). A total of 79 per cent of commercial radio listeners either *couldn't* classify this clip, or thought it was *other (non-advertising) program material*.

Figure 7 Extent to which advertising is identified in clip B, 2009



Base: All commercial radio listeners, N=1,214.

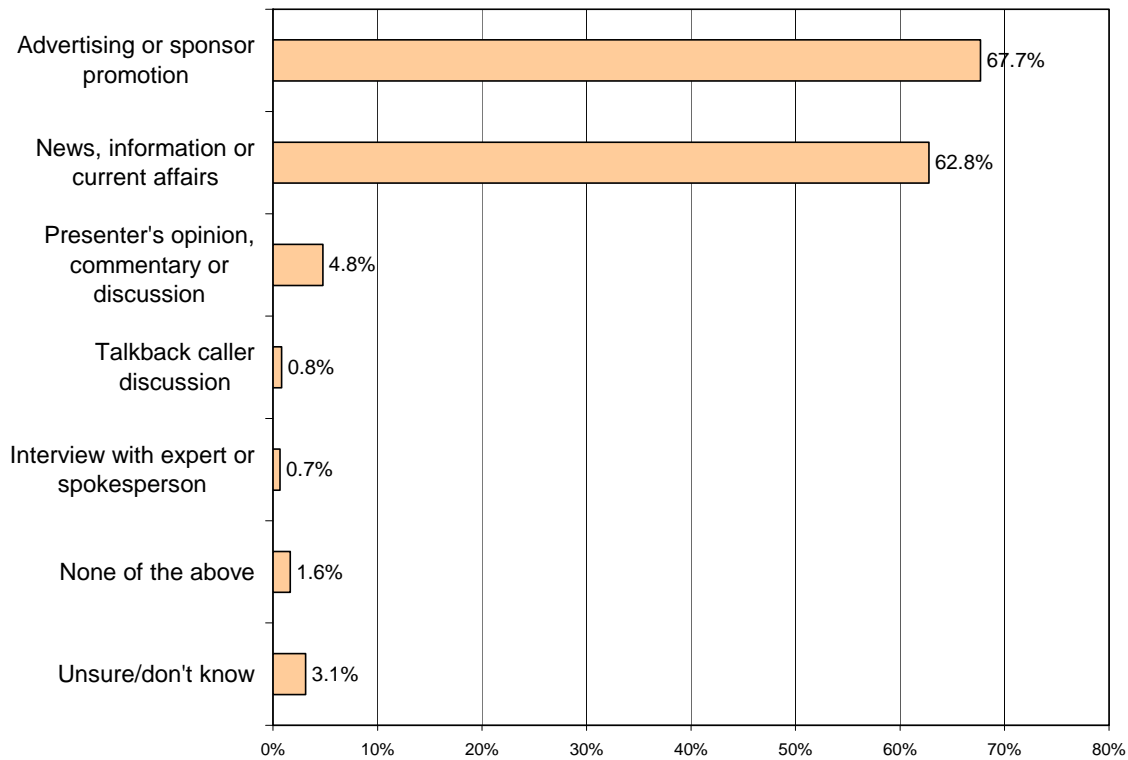
- > Examining the small group of listeners (six per cent overall) who feel this talkback discussion is *clearly advertising*, this belief is significantly high among those aged 65 plus (11 per cent) and no-children households (seven per cent).
- > In terms of radio listener type differences, only one statistically significant difference emerged—AM commercial talkback listeners are most likely to identify the discussion as *clearly other (non-advertising) program material* (33.7 per cent).

Clip C: 'Live read' for a particular brand of car

In this clip, the presenter updates listeners with a local traffic report before mentioning a three-day sale for a particular brand of car. The sale is mentioned at the end of the traffic report, along with the brand name of the car and gift vouchers to be given away as part of the sale. This clip ran for 32 seconds.

The descriptions that respondents applied to this clip are presented below (Figure 8).

Figure 8 Descriptions attributed to clip C, 2009



Base: All commercial radio listeners, N=1,214.

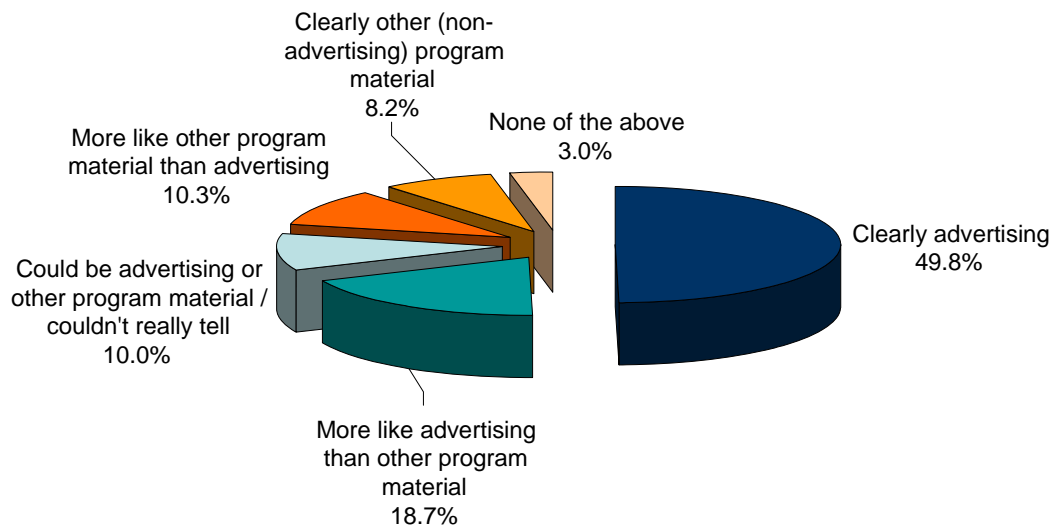
This chart reveals both *advertising or sponsor promotion* (67.7 per cent) and *news, information or current affairs* (62.8 per cent) as the main categories used to describe the content presented in this clip. Most listeners identify these two distinct components of the clip when considered in its entirety.

69 per cent identify this clip as advertising.

The advertising nature of the promotional part of the clip for a particular brand of car comes to the fore when listeners are asked for their assessment. Almost half (49.8 per cent) identify it as *clearly advertising* and a further 18.7 per cent indicate *more like advertising* (Figure 9). The promotional segment of the clip is seen by most as separate from the traffic news report.

However, almost three-in-ten commercial radio listeners (29 per cent) said they either *couldn't tell*, or thought it was *other program material*.

Figure 9 Extent to which advertising is identified in clip C, 2009



Base: All commercial radio listeners, N=1,214.

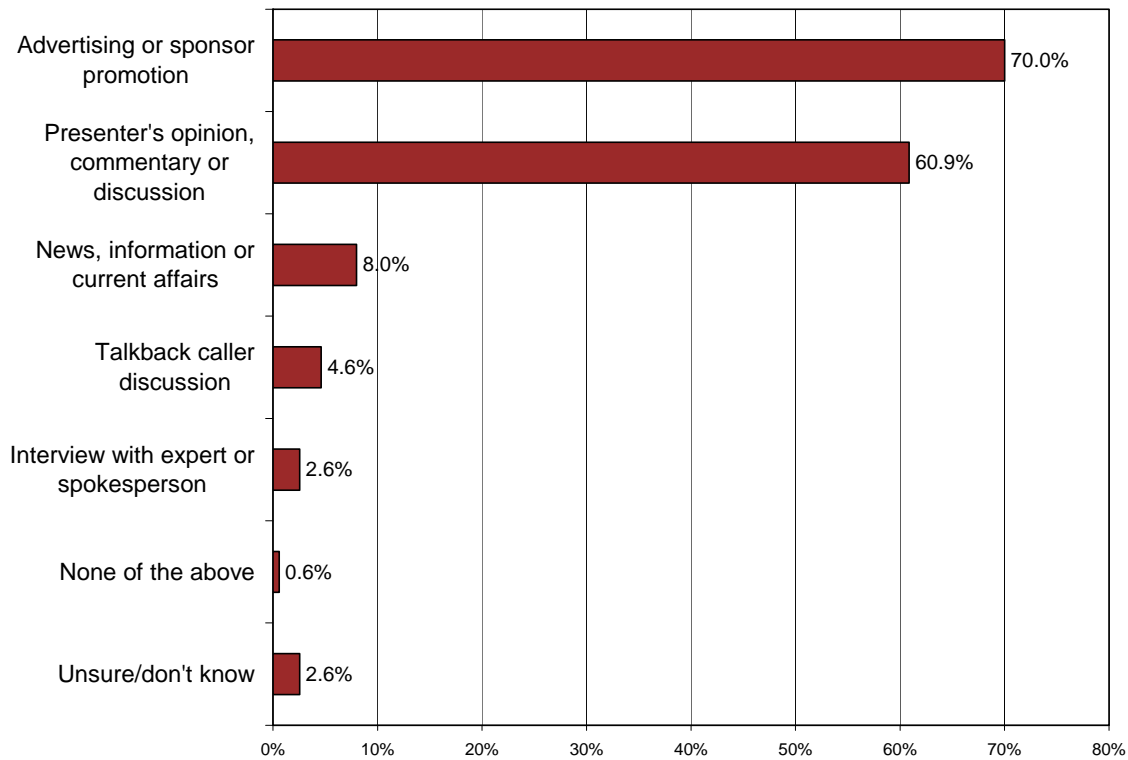
- > No statistically significant demographic or radio listener type differences emerged from an examination of the *clearly advertising* and *clearly other (non-advertising) program material* categories.

Clip D: 'Live read' by a talkback presenter for car insurance

At the start of this clip, the talkback presenter makes an editorial comment on national taxation and economic issues. The presenter then makes reference to car insurance premiums and no-claim bonus discounts, and then continues to point out the benefits of a particular brand of car insurance and offers a number to call and the company contact details. This clip ran for 48 seconds.

Respondents applied the following descriptions to this clip (Figure 10).

Figure 10 Descriptions attributed to clip D, 2009



Base: All commercial radio listeners, N=1,214.

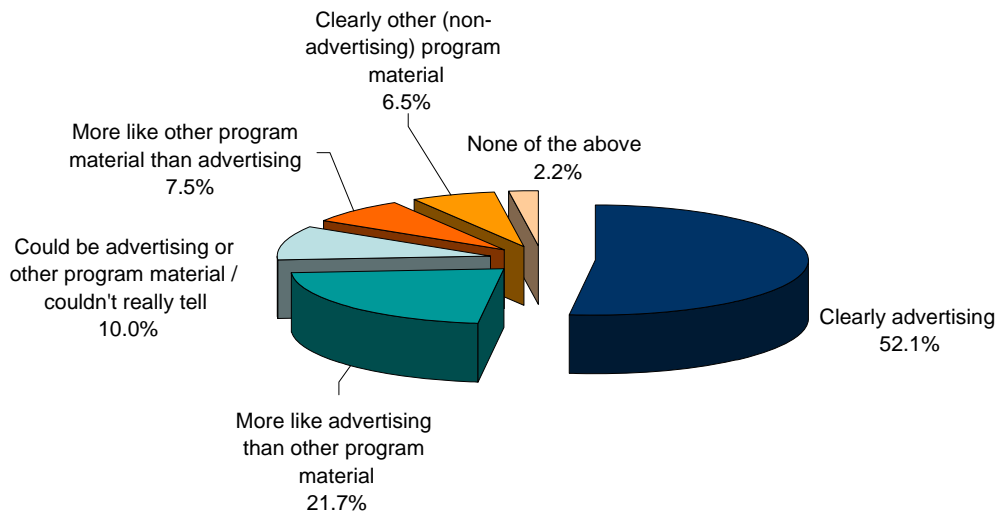
The chart reveals that both *advertising or sponsor promotion* (70 per cent) and *presenter's opinion, commentary or discussion* (60.9 per cent) are attributed to this clip. As for the previous example, it would seem that most listeners clearly recognise two components within the clip.

Almost three-quarters (74 per cent) identify this clip as advertising.

Again, the advertising nature of the promotional part of the clip for car insurance comes to the fore when listeners make an assessment. Almost half (52.1 per cent) identify it as *clearly advertising* and a further 21.7 per cent believe it is *more like advertising* (Figure 11). It is apparent that the promotional part of the clip is distinguishable from the economics commentary to a large extent.

However, almost a quarter of the surveyed commercial radio listeners (24 per cent) said they either *couldn't tell*, or thought it was *other program material*.

Figure 11 Extent to which advertising is identified in clip D, 2009



Base: All commercial radio listeners, N=1,214.

- > A belief that this is clearly advertising is significantly high among ages 65 plus (59.1 per cent), though low among overall talkback listeners (48.3 per cent), ages 45–54 (45.5 per cent) and LOTE households (42.9 per cent).

The verbatim reasons that were given by respondents to describe the clip as clearly or more like advertising, or alternatively as other (non-advertising) program material are shown in Table 3. Six categories of reasons emerged from those who identified the clip as advertising, and four relate to other program material.

Table 3 Reasons for classification—clip D, 2009

| Clearly/more like advertising (n=895) | % | Examples of responses in this category |
|--|------|--|
| The mention/repetition of the brand name | 27.2 | <i>Mentions a feature of their product, their name and the phone number.</i> <i>Mention of [brand name] several times, maximum no claim bonus mentioned a number of times and give them a call.</i> <i>[Brand name] was mentioned a number of times quite clearly.</i> <i>Because he kept mentioning [brand name].</i> <i>There didn't seem to be any real point in the first part of the material but all made sense once the mention of [the brand name] was made.</i> |
| The details of the products discussed by the presenter | 20.9 | <i>Mentioning the no claim and the price will never go up.</i> <i>Very detailed description of what the company offers and he gives the phone number of what he has just talked about.</i> <i>More air time to product than information given.</i> <i>Emphasis on product details.</i> |
| Discussion only looks at benefits/positives of the policy/promotes product | 16.6 | <i>Strong bias to sponsors product.</i> <i>By the end of the clip he was promoting how great [brand name] is, so it is more like advertising, he didn't talk 'bout other insurance companies he could have compared it to another company.</i> <i>The way all the benefits were so blatantly put across.</i> <i>It pointed out the benefits of using [brand name] compared to</i> |

| | | |
|---|------|---|
| | | <i>other insurers without naming benefits offered by other insurers.</i> |
| The presenter providing contact details for the insurance company | 16.2 | <i>Call [brand name] on [phone number]. The giving out of a phone number at the end. The speaker telling the audience to call [brand name]. He urges you to call a specific company to take up some insurance etc. The last part telling us to call [brand name] was clearly advertising. Inviting people to phone [brand name].</i> |
| Clearly/obviously an ad (no further details) | 14.6 | <i>Plugging [brand name]—clearly an ad. When you start going on about [brand name] insurance then it's quite clearly advertising. It couldn't be anything else. There was no doubt he had gone on to do a promo.</i> |
| The scripted nature of the segment/not genuine discussion/advertising tone of voice | 14.4 | <i>It didn't sound natural. The presenter changed his tone of voice and style, as well as the subject matter, which demarcated it from the earlier part of the clip, showing that this was read-through advertising material, as opposed to the presenter's own personal viewpoint. There was a clearly scripted advertisement after the first part. It took a second to realise that he was talking about a major commercial product. He is clearly talking from a script, not using his own words. The voice of the presenter. Very formally spoken in comparison to the dialogue that preceded it. Longer and more passionate.</i> |
| Other | 7.4 | <i>Includes confused responses, personal views about the presenters, and the following examples: [This presenter] does not talk about [brand name] unless he is getting paid by them. [This presenter] wouldn't mention any product for fee. Promo for [brand name].</i> |
| Clearly non-advertising/more like other program material (n=169) | % | Examples of responses in this category |
| This was the presenter's opinion | 45.0 | <i>It was one person giving his opinion on a subject, no callers or ads. It was presenter doing his commentary. Did not hear anything but opinions. Obviously the commentators own views and opinions. It sounded opinionated (presenter).</i> |
| Content was unlike advertising | 27.8 | <i>Sounds like opinion rather than scripted adverts. It was more like 'talkback' than advertising. General current affairs commentary. Talkback.</i> |
| Program material that is followed by advertising | 11.2 | <i>Information given followed by advertising. It was clearly talkback and then just goes into advertising before you realise it. The announcer was putting his opinion on a particular topic which was followed by the ad promoting [brand name].</i> |

| | | |
|--|------|--|
| | | <i>Initially a financial political discussion but followed by an ad.</i> |
| Didn't seem like product was being promoted | 7.1 | <i>Not too much pumping up of a product, was more like information. It was news info. No products were mentioned. He was talking about his opinion, a brand wasn't mentioned. He was not advertising any stuff. [Brand name] wasn't really pushed.</i> |
| Other | 18.9 | Note: most responses in the 'other' category referred to program content before the live read part of the clip in question, or said 'no' or 'no comment'. |

It can be seen that *brand mentioning/repetition* (27.2 per cent) and *detailed description of the products* (20.9 per cent) are the main signals used by respondents to identify the car insurance component of the clip as advertising. Other prominent categories accounting for more than 10 per cent of this group of commercial radio listeners include *overly positive/benefits-only discussion* (16.6 per cent), *the provision of contact details/'call-to-action'* (16.2 per cent) and a *clear-cut belief that it could only be advertising* (14.5 per cent).

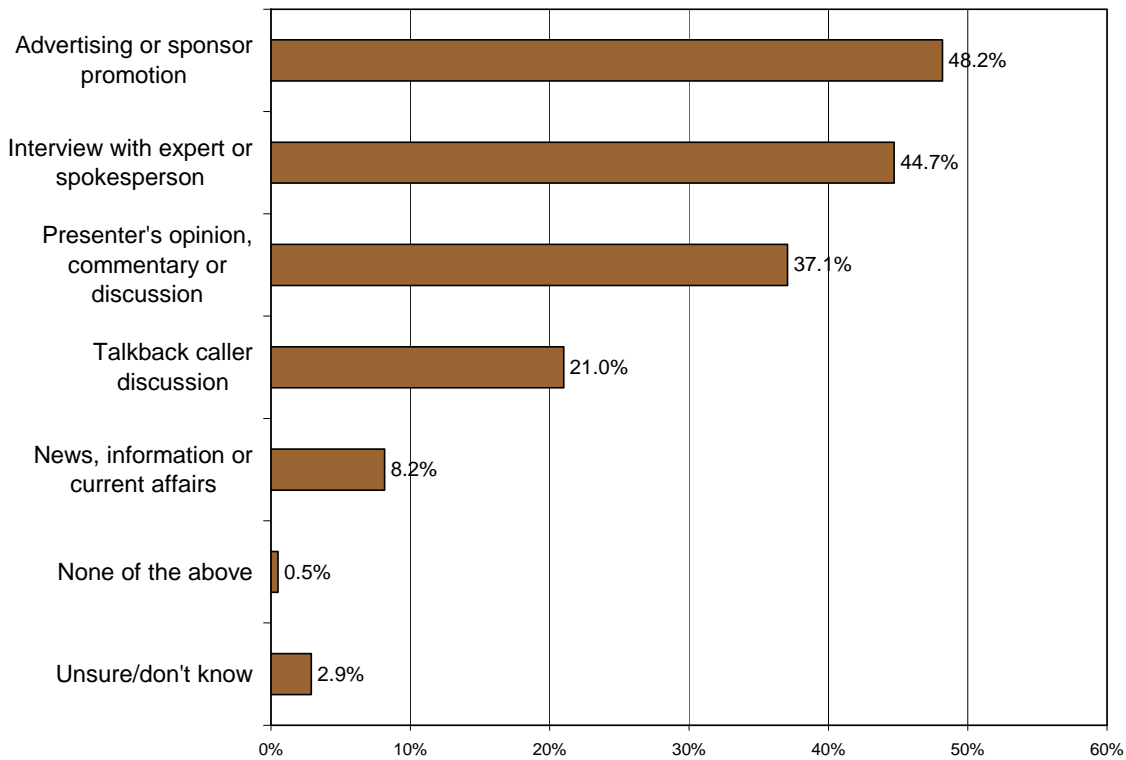
For the smaller group of respondents who felt the segment was not advertising (n=169), the largest sub-group believes it represents *presenter opinion* (45 per cent), followed by *content not sounding like advertising* (27.8 per cent). Eleven per cent of this group (n=19) did not initially identify the segment as advertising, but identified program material that was followed by advertising.

Clip E: Commentary and interview about a housing development project

This clip involves a discussion between a presenter and a representative from a particular housing development project. The presenter introduces a representative from the development company and mentions the open home day before inviting the representative to run through the order of events for the open day, and what the company wants to achieve by hosting this event. Details for the event, such as opening times and how to get there, are mentioned by either the presenter or the representative. This clip ran for two minutes and 35 seconds.

Respondents attributed the following descriptions to this clip (Figure 12).

Figure 12 Descriptions attributed to clip E, 2009



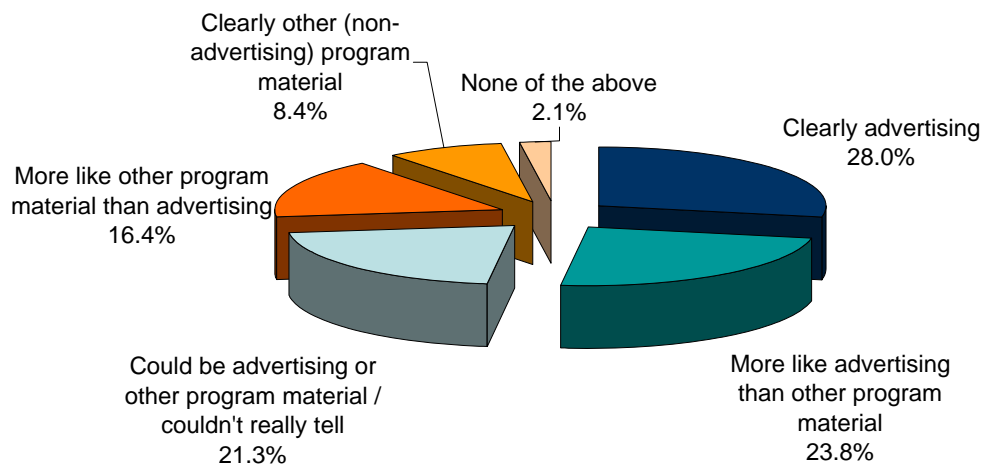
Base: All commercial radio listeners, N=1,214.

The chart reveals that the clip is seen to include multiple components. The highest proportions of commercial radio listeners identify it as *advertising or sponsor promotion* (48.2 per cent), *an interview with an expert or spokesperson* (44.7 per cent), *presenter's opinion, commentary or discussion* (37.1 per cent) **and** *talkback caller discussion* (21 per cent).

Just over half (52 per cent) identify this clip as advertising.

Slightly more than half assess this clip as advertising, with 28 per cent indicating *clearly advertising* and 23.8 per cent saying *more like advertising*. A quarter have the alternate view, with 8.4 per cent seeing it as *clearly other program material* and 16.4 per cent identifying it as *more like other program material*. An additional 21.3 per cent were uncertain as to whether the clip is advertising or something else, making a substantial total of 46 per cent who either couldn't tell or who identified it as non-advertising material (Figure 13).

Figure 13 Extent to which advertising is identified in clip E, 2009



Base: All commercial radio listeners, N=1,214.

- > A belief that this is clearly advertising is significantly high among males (31.6 per cent versus 24.6 per cent of females), ages 55 plus (43 per cent and above) and commercial AM talkback listeners (37.6 per cent).

Verbatim reasons provided by respondents for describing the clip as clearly or more like advertising, or as other (non-advertising) program material are shown in Table 4 below. Five categories of reasons emerged from those who identified the clip as advertising, and seven emerged for other program material.

Table 4 Reasons for classification – clip E, 2009

| Clearly/more like advertising (n=629) | % | Examples of responses in this category |
|--|------|---|
| The mentions of the housing development project by name/specific mentions and repetition of the development name | 40.5 | <i>[Development name] homes was mentioned at least six times if not more, to me that is advertising. The repeated saying of the name of the company. [Development name] homes—a business for profit mentioned. Mention of a company, service or project is advertising.</i> |
| The details provided regarding the open day/event and what will take place | 31.2 | <i>Full details of addresses, timings of programming & full company details discussed. Emphasis placed on the developer's name, contact details, time to be there to see the developer's intention. Information was given that was informative of developments in the area to get the general public in on the information, even if they don't want to 'Develop' - hence the information was a little like general program material.</i> |
| Nature of interview/staged nature/scripted/not genuine if with company spokesman | 16.9 | <i>Again, to me it was advertising 'cloaked' in an information session and disguised as having some rather weak link to an upcoming political event. It was clearly 'cash for comment' designed to counteract previously negative comments, the name and address of the development was mentioned several times, and by amazing chance the developer was magically on the phone to spruik the invitation to come with 'an open mind'. Anybody with half a brain could tell this is clearly PR or paid advertising by the developer.</i> |

| | | |
|--|------|--|
| The lack of a balanced comment/no negative mentions of [development name] or hard questioning | 16.2 | <i>The presenter giving his endorsement. i.e. 'good luck...' the presenter giving clear directions where to find the place and repeating time, place, directions etc. The 'professional' on the line seemed to be pushing the product more than any negative situation/s.</i> <i>Clearly on the developer's side in the discussion. One-sided and opinionated, not my cup of tea at all.</i> |
| The whole thing was an advert/obvious (no further detail mentioned) | 11.8 | <i>What else could it be?</i> <i>The whole thing—how silly do they think the listeners are?</i> <i>Clearly an ad....</i> <i>Advertorial. No doubt!</i> |
| Other | 8.3 | Note: the 'other' category includes a diverse mix of responses, including: <i>This segment could be described as a public information service with quite a bit of advertising.</i> <i>Why else would the announcer mention the company if there wasn't something in it for either himself or the radio station?</i> <i>Not sure.</i> |
| Clearly non-advertising/more like other program material (n=301) | % | Examples of responses in this category |
| Just a normal talkback radio call/discussion of topical issues | 62.8 | <i>Obviously an 'expert' discussing something and bringing [this development] in as an example.</i> <i>Because they were just commenting on the situation, not advertising anything.</i> |
| Did not seem to promote the brand or their products | 16.3 | <i>It didn't really talk about any specific products.</i> <i>No product was endorsed.</i> <i>The radio presenter was not talking about a product.</i> |
| Information provided was left up to public to use as they want to | 15.6 | <i>The presenter appears to be offering up a date and a time for his listeners to gain more info on the development. He does not make any statements personally endorsing what the developer is doing.</i> <i>When the person ask for people to come and see what the development was about so the can form their own opinion.</i> |
| A bit advertising-like, but on balance is more like normal content | 6.6 | <i>Although I suspect there may have been some payment in order to bring the matter up, there was a large amount of information being provided to people to help them make up their own minds on an issue which is apparently of interest to the community.</i> <i>It wasn't so much advertising in that it was a discussion about aspects and giving information rather than a push for purchases.</i> |
| Clearly not advertising/not typical advertising (no further explanation) | 6.0 | <i>Does not stand out as advertising.</i> <i>Talked to promoter but not in advertising sense.</i> <i>Didn't really sound like any advertising in the content of the clip at all... because I don't come from the area involved I had no idea there was any hidden advertising in the conversation.</i> |
| The segment did not sound scripted | 4.0 | <i>Sounds like it is non-scripted.</i> <i>Sounds like a genuine discussion.</i> <i>Obviously not scripted.</i> <i>Off the cuff interview.</i> |
| There was opportunity for the presenter to ask hard questions/presenter did not seem pro/overly positive | 3.7 | <i>It's not blatantly plugging the development, and there is the opportunity to negatively comment about the development—which is rarely a part of paid advertising.</i> <i>The material is more about the opinion of the presenter who</i> |

| | | |
|--------------|----|---|
| | | <i>ultimately is trying to emulate the opinion of the listeners and then strengthen their views or change them. He is defensive with the representative on the phone so it is not advertising so much as trying to gain an answer from the company.</i> |
| Other | 10 | Note: most responses in the 'other' category were 'none', 'not sure' or 'don't know'. |

It can be seen that mentions/repetition (40.5 per cent) and detailed description of the 'event' (31.2 per cent) are the main cues or signals that respondents use to identify the clip as advertising. Other prominent categories accounting for more than 10 per cent of this group of commercial radio listeners include the scripted nature of the interview (16.9 per cent), the lack of balance/overly positive discussion (16.2 per cent) and a clear-cut belief that it could only be advertising (11.8 per cent).

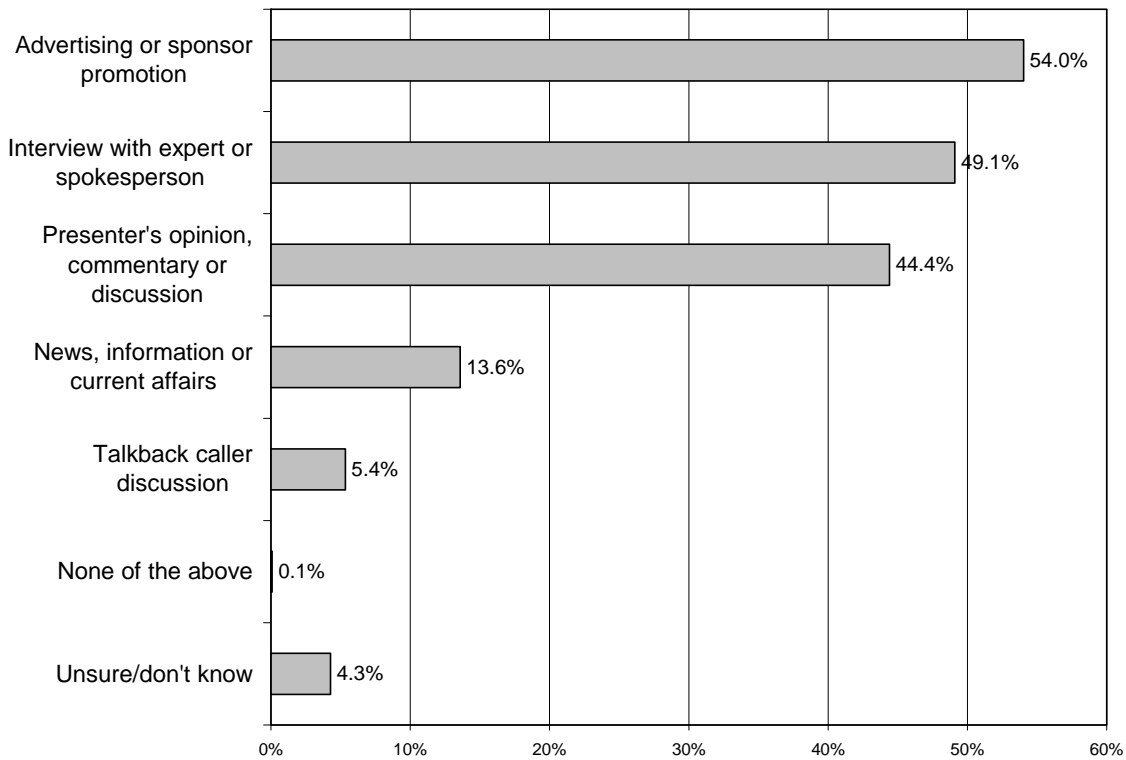
For the group of respondents who felt the material was not advertising (n=301), the largest sub-group believes it represents normal talkback radio call/discussion of topical issues (62.8 per cent), followed by the material not seeming like promotion (16.3 per cent) and a perception of objectivity in the manner information was provided (15.6 per cent).

Clip F: Commentary and interview about a telecommunications network

This clip contains a conversation between a presenter and a representative from a particular telecommunications company. The presenter begins the segment commenting on a new mobile phone network and discusses the coverage. This leads to a discussion where the presenter and the telecommunications company representative discuss the reasons why coverage of the new network is better than the old network, including some statistics on the number of base stations and how many customers are using the new network. This clip ran for one minute and 34 seconds.

Respondents applied the following descriptions to this clip (Figure 14).

Figure 14 Descriptions attributed to clip F, 2009



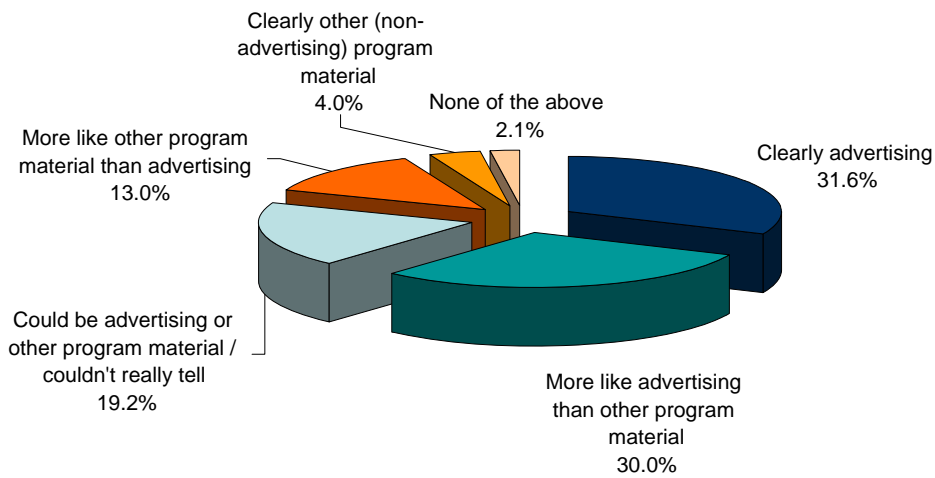
Base: All commercial radio listeners, N=1,214.

Similar to the previous housing development example, the figure reveals that many respondents attribute multiple programming components to this clip. The highest proportion of commercial radio listeners feel it is advertising or sponsor promotion (54 per cent), an interview with an expert or spokesperson (49.1 per cent), presenter's opinion, commentary or discussion (44.4 per cent), and some identify it as news, information or current affairs (13.6 per cent).

More than half (62 per cent) identify this clip as advertising.

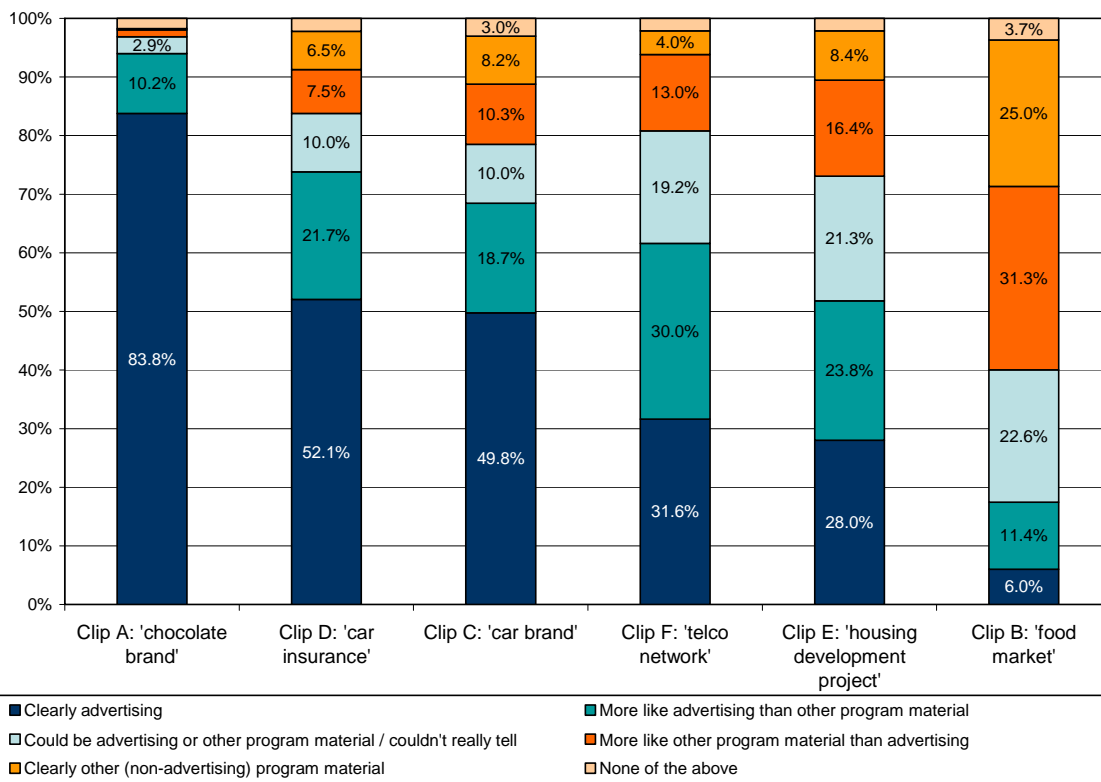
This clip is seen to be advertising by more than half of commercial radio listeners, with 31.6 per cent identifying the material as clearly advertising and 30 per cent saying more like advertising. Fewer than one in five has the view that the material is clearly other program material (four per cent) or more like other program material (13 per cent). With the addition of those who were uncertain, more than a third (36 per cent) either couldn't tell or believe the clip to be other (non-advertising) program material (Figure 15).

Figure 15 Extent to which advertising is identified in clip F, 2009



Base: All commercial radio listeners, N=1,214.

Figure 16 Comparison of ability to identify advertising from other program material in the audio clips, 2009



Base: All commercial radio listeners, N=1,214.

Commercial listeners rate the live read for chocolates as the most like advertising of all the clips, and the food market talkback call as the least like advertising. When faced with more multi-faceted and complex clips, such as the telecommunications and housing development examples, commercial radio listeners are able to attribute a number of program components or descriptions to them. The clips covered in this study include program components such as news, information and current affairs, and presenter opinion and interviews with external experts, for example.

When guided in the survey to focus on particular promotional segments within the three live read clips—those for chocolates (clip A), car insurance (clip D), and a car (clip C)—

most listeners are able to identify the segments as advertising. The results range from a high 94 per cent of listeners who identify the chocolate example as clearly or more like advertising than other program content, to a more moderate 70 per cent for the car insurance example, and 69 per cent for the live read about a particular brand of car. Twenty-four to 29 per cent of listeners were either uncertain about these two clips or regarded them as other program material.

The ability to distinguish advertising becomes increasingly difficult for the remaining clips on telecommunications (clip F), the housing development (clip E) and the food market (clip B). Listeners were asked to consider the material in each of these clips as a whole because particular promotional segments were not easily separated. The results show that substantial proportions of listeners are not able to identify advertising in these clips. For the telecommunications example, 36 per cent are either uncertain, or thought it is more like or clearly other programming (62 per cent said clearly or more like advertising). Views are almost equally polarised toward the housing development example, with 46 per cent being uncertain or identifying it as other program material (52 per cent said advertising). Greatest uncertainty is evident for the food market example, with 79 per cent being uncertain or seeing it as other programming (17 per cent said advertising).

There is some uniformity in the particular cues and signals that listeners report using to determine whether material is advertising. These are: mentions of a brand or product name and/or repetition of a brand or product name; the provision of company contact details; highly or overly detailed discussions of products and services; overly positive and unbalanced descriptions and discussions; and having a scripted or artificial feel associated with the discussions (including interviews with external 'experts').

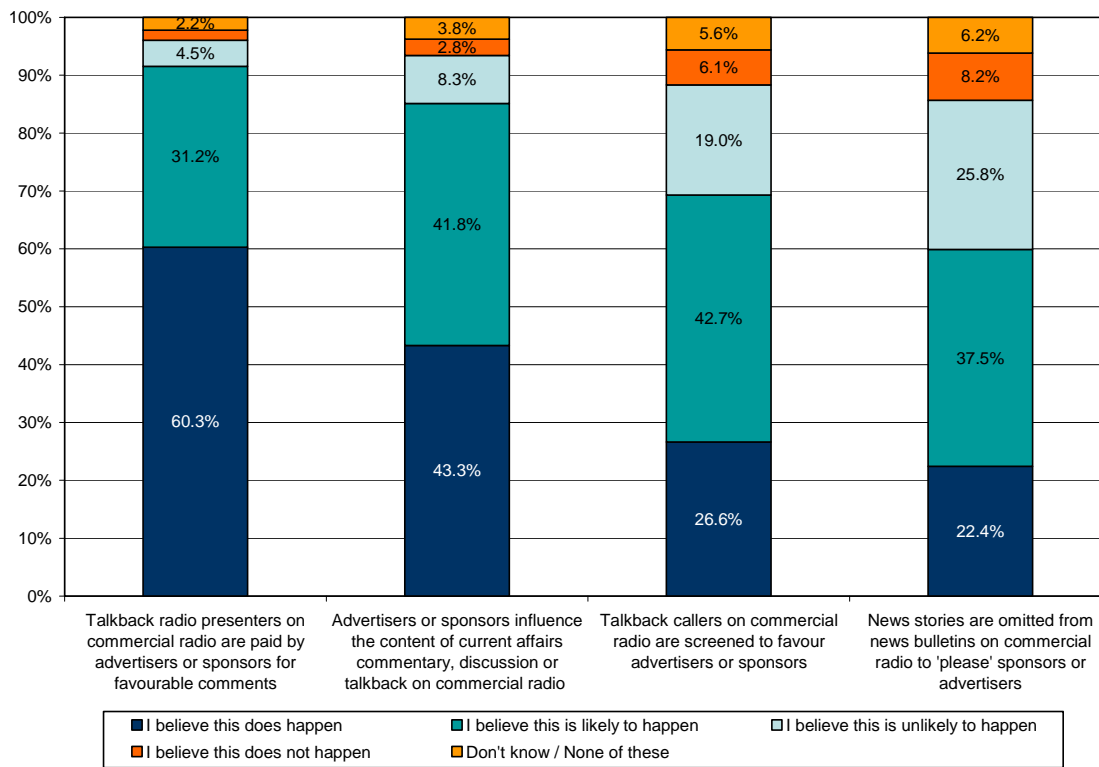
4.3 Perceptions of commercial influence in news and current affairs programs

After exposure to the audio clips, commercial radio listeners were asked their views on four practices that advertisers and sponsors could potentially use to influence the content of commercial radio news and current affairs programs. This was done in order to understand how listeners generally perceive the relationship between commercial radio services and commercial influence. The four practices explored with respondents were:

- 1/ advertisers or sponsors influence the content of current affairs commentary, discussion or talkback on commercial radio
- 2/ news stories are omitted from news bulletins on commercial radio to 'please' sponsors or advertisers
- 3/ talkback radio presenters on commercial radio are paid by advertisers or sponsors for favourable comments
- 4/ talkback callers on commercial radio are screened to favour advertisers or sponsors.

A four point probability scale (*I believe this does happen, I believe this is likely to happen, I believe this is unlikely to happen, I believe this does not happen*) was applied. Results, ranked by perceived 'degree of probability', are summarised in Figure 17.

Figure 17 Perceptions of advertiser and sponsor influence in news and current affairs programs, 2009



Base: All commercial radio listeners, N=1,214.

The chart reveals that most of the surveyed listeners perceive that talkback radio presenters on commercial radio are paid by advertisers or sponsors for favourable comments—60.3 per cent of commercial radio listeners believe this practice happens.

- > Demographically, a number of statistically significant findings emerged. Those with postgraduate qualifications (69.9 per cent) are more likely to believe this does happen (versus 41.4 per cent for those with 'some secondary school' qualifications).
- > Commercial AM talkback listeners are less likely to indicate this (48.4 per cent) and are more likely to believe this does not happen (4.7 per cent), as are talkback listeners as a whole (54.3 per cent said they believe this does happen and 3.1 per cent indicate the opposite).

Those who said this is unlikely or doesn't happen were asked about their reasons. The greatest number said that presenters shouldn't or wouldn't do this (n=22) followed by the view that it is not legal or is prevented by law (n=20).

Less than half the commercial radio listeners believe that advertisers or sponsors influence the content of current affairs commentary, discussion or talkback on commercial radio—43.3 per cent of commercial listeners believe this practice happens.

- > Demographically, a number of statistically significant findings emerge. Males (47.5 per cent) are more likely to believe this does happen than females (39.4 per cent). Those with some secondary schooling are significantly less likely to say this happens (33.8 per cent).
- > A number of statistically significant findings emerge across radio listener categories. Commercial AM talkback listeners are less likely to believe this does happen (36 per cent) and more likely to believe this does not happen (6.6 per cent). Talkback listeners as a whole are more likely to believe this does not happen (4.4 per cent).

Lower levels of probability are accorded to the practices that talkback callers on commercial radio are screened to favour advertisers or sponsors (26.6 per cent believing this does happen), and news stories are omitted from news bulletins on commercial radio to 'please' sponsors or advertisers (22.4 per cent).

- > For the former, males (30.4 per cent) are more likely to believe this does happen than females (23.1 per cent). Those with some secondary schooling were significantly less likely to say this happens (17.3 per cent). Across radio listener categories, commercial AM talkback listeners are less likely to believe this does happen (20.9 per cent) and more likely to believe this does not happen (12.4 per cent). Talkback listeners as a whole are also more likely to believe this does not happen (9.1 per cent).
- > For the latter, males are more likely to believe this happens (25.3 per cent versus 19.7 per cent for females), those with a TAFE or trade certificate (26.6 per cent) and postgraduate qualifications (29.4 per cent versus 15.2 per cent for those with secondary school-only qualifications). Commercial AM talkback listeners are more likely to believe this does not happen (12.8 per cent).

Differences across listener categories

All responses to each scale item are presented below, across key commercial listener categories (Table 5).

Table 5 Perception of advertiser and sponsor influence across key commercial radio listener types (%), 2009

| Activity | Response | Breakfast FM | Total talkback | AM talkback | Total |
|--|---|--------------|----------------|-------------|-------|
| Q10a Advertisers or sponsors influence the content of current affairs commentary, discussion or talkback on commercial radio | <i>I believe this does happen</i> | 42.5 | 40 | 36.0 | 43.3 |
| | <i>I believe this is likely to happen</i> | 44.6 | 39.1 | 37.6 | 41.8 |
| | <i>I believe this is unlikely to happen</i> | 8.3 | 12.4 | 14.7 | 8.3 |
| | <i>I believe this does not happen</i> | 1.3 | 4.4 | 6.6 | 2.8 |
| | <i>Don't know / None of these</i> | 3.3 | 4.2 | 5.0 | 3.8 |
| | <i>Total</i> | | 100 | 100 | 100 |
| Q10b News stories are omitted from news bulletins on commercial radio to 'please' sponsors or advertisers | <i>I believe this does happen</i> | 20.4 | 23.2 | 21.3 | 22.4 |
| | <i>I believe this is likely to happen</i> | 38.8 | 35.5 | 34.1 | 37.5 |
| | <i>I believe this is unlikely to happen</i> | 27.7 | 25.4 | 26.0 | 25.8 |
| | <i>I believe this does not happen</i> | 7.7 | 10.6 | 12.8 | 8.2 |
| | <i>Don't know / None of these</i> | 5.4 | 5.3 | 5.8 | 6.2 |
| | <i>Total</i> | | 100 | 100 | 100 |
| Q10c Talkback radio presenters on commercial radio are paid by advertisers or sponsors for favourable comments | <i>I believe this does happen</i> | 61.2 | 54.3 | 48.4 | 60.3 |
| | <i>I believe this is likely to happen</i> | 32.5 | 33.8 | 35.3 | 31.2 |
| | <i>I believe this is unlikely to happen</i> | 3.1 | 6.8 | 8.5 | 4.5 |
| | <i>I believe this does not happen</i> | 1.3 | 3.1 | 4.7 | 1.7 |
| | <i>Don't know / None of these</i> | 1.9 | 2.0 | 3.1 | 2.2 |
| | <i>Total</i> | | 100 | 100 | 100 |

| | | | | | |
|--|---|------|------|------|------|
| Q10d Talkback callers on commercial radio are screened to favour advertisers or sponsors | <i>I believe this does happen</i> | 26.9 | 25.4 | 20.9 | 26.6 |
| | <i>I believe this is likely to happen</i> | 44.2 | 39.3 | 40.3 | 42.7 |
| | <i>I believe this is unlikely to happen</i> | 18.8 | 23.0 | 21.7 | 19.0 |
| | <i>I believe this does not happen</i> | 5.6 | 9.1 | 12.4 | 6.1 |
| | <i>Don't know / None of these</i> | 4.4 | 3.3 | 4.7 | 5.6 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |

Base: Breakfast FM n=520, total talkback n=453, AM talkback n=258, all commercial radio listeners N=1,214.

Summary

Between 22 per cent and 60 per cent of the commercial radio listeners surveyed perceive that commercial radio news and current affairs programs are influenced in the ways that are identified in this survey.

Most perceive that talkback radio presenters on commercial radio are paid by advertisers or sponsors for favourable comments (60.3 per cent of commercial listeners), followed by advertisers or sponsors influence the content of current affairs commentary, discussion or talkback on commercial radio (43.3 per cent). Lower levels of probability are associated with talkback callers on commercial radio are screened to favour advertisers or sponsors (26.6 per cent) and news stories are omitted from news bulletins on commercial radio to 'please' sponsors or advertisers (22.4 per cent).

It was found that fewer male commercial radio listeners believe that such practices occur on commercial radio. Talkback listeners (particularly, AM talkback listeners) tend to have a greater degree of scepticism that such activities occur.

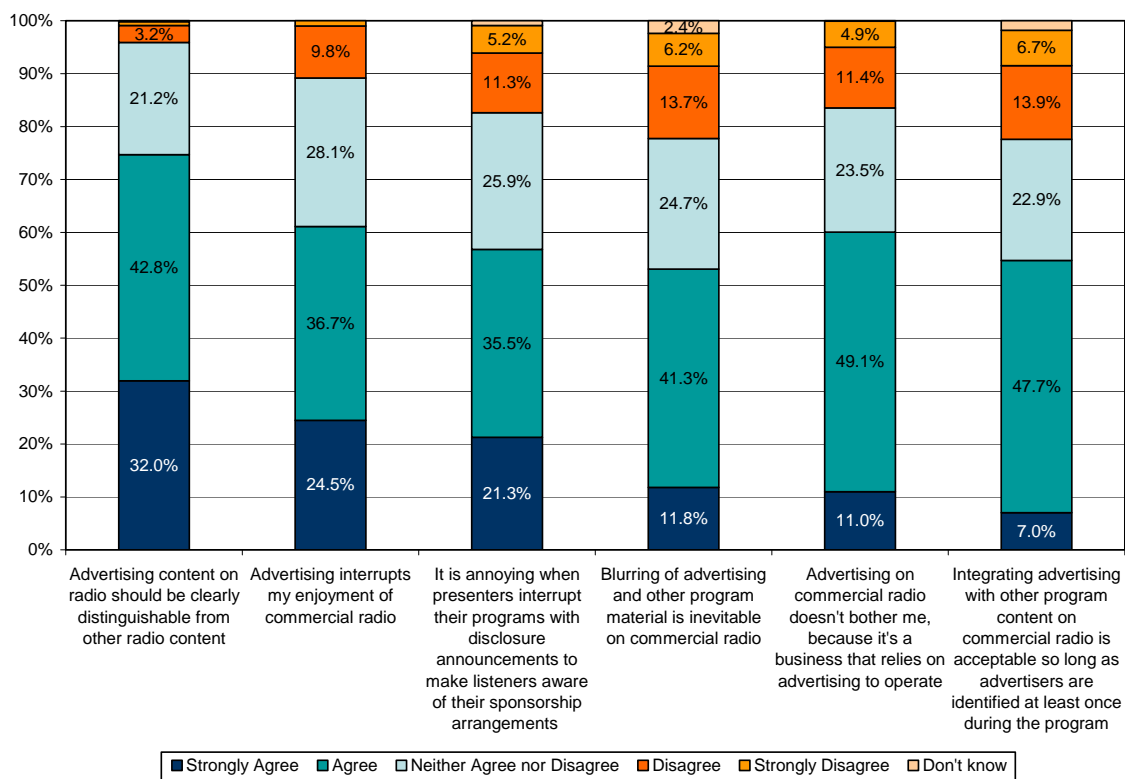
4.4 Attitudes to the presentation of advertising on commercial radio

Commercial radio listeners were asked to indicate their level of agreement with six statements relating to the presentation of advertising on commercial radio. These were:

- 1/ advertising on commercial radio doesn't bother me, because it's a business that relies on advertising to operate
- 2/ advertising content on radio should be clearly distinguishable from other radio content
- 3/ advertising interrupts my enjoyment of commercial radio
- 4/ integrating advertising with other program content on commercial radio is acceptable so long as advertisers are identified at least once during the program
- 5/ it is annoying when presenters interrupt their programs with disclosure announcements to make listeners aware of their sponsorship arrangements
- 6/ blurring of advertising and other program material is inevitable on commercial radio.

Total ratings, ranked from highest (left of the chart) to lowest strength of agreement, are presented in Figure 18.

Figure 18 Attitudes to advertising on commercial radio, 2009



Base: All commercial radio listeners, N=1,214.

Commercial radio listeners believe most strongly that *advertising content on radio should be clearly distinguishable from other radio content*—in all, 32 per cent of commercial radio listeners indicate strong agreement and a further 42.8 per cent indicate agreement (with total overall agreement being 74.8 per cent).

A statistically significant finding to emerge is that overall agreement is lower among breakfast FM listeners (70.4 per cent) versus other listeners (78 per cent).

- > Overall disagreement, on the other hand is highest for the statement *integrating advertising with other program content on commercial radio is acceptable so long as advertisers are identified at least once during the program* (20.6 per cent disagreement), and *blurring of advertising and other program material is inevitable on commercial radio* (19.9 per cent disagreement).

Agreement is also relatively high for *advertising interrupts my enjoyment of commercial radio* (24.5 per cent indicating strong agreement and 61.2 per cent indicate overall agreement), and *it is annoying when presenters interrupt their programs with disclosure announcements to make listeners aware of their sponsorship arrangements* (21.3 per cent indicating strong agreement and 56.8 per cent indicating overall agreement).

- > For the former statement, overall agreement is high for those with undergraduate qualifications (65.7 per cent) and declines with age (75.3 per cent among 17–24 years and 51.9 per cent among those aged 65 plus). Within radio listener categories, it is significantly lower among AM talkback listeners (50.4 per cent) and talkback listeners as a whole (55.4 per cent).
- > For the latter statement, overall agreement is high among females (60.3 per cent) and lower among those with postgraduate qualifications (48.5 per cent).

Statistically significant differences to emerge for remaining statements include the following:

- > *Blurring of advertising and other program material is inevitable on commercial radio* (53.1 per cent overall agreement, 19.9 per cent disagreement). Disagreement is particularly high among those with postgraduate qualifications (28.8 per cent), and lower among all talkback listeners (15.7 per cent).
- > *Advertising on commercial radio doesn't bother me, because it's a business that relies on advertising to operate* (60.1 per cent overall agreement, 16.3 per cent disagreement). Agreement is particularly high among households with children (66.8 per cent), listeners with some secondary schooling (71.4 per cent), all talkback listeners (67.1 per cent), and AM talkback listeners (67.8 per cent). Agreement is lower among those with undergraduate qualifications (53.4 per cent). Disagreement, on the other hand, is high among the university-educated commercial listener groups (22 per cent and above).
- > *Integrating advertising with other program content on commercial radio is acceptable so long as advertisers are identified at least once during the program* (54.7 per cent overall agreement, 20.6 per cent disagreement). Agreement is high among those aged 65 plus (67.4 per cent), LOTE households (62.8 per cent), all talkback listeners (64.7 per cent) and AM talkback listeners (66.7 per cent). Disagreement, on the other hand, is significantly high among males (23.6 per cent), and those with university education (24 per cent), and lower among those aged 17–24 (14.6 per cent) and with secondary school education (14 per cent).

Differences across listener categories

All responses to each scale item are presented below, across key commercial listener categories (Table 6).

Table 6 Agreement with advertising statements across key commercial radio listener types (%), 2009

| Activity | Response | Breakfast FM | Total talkback | AM talkback | Total |
|---|-----------------------------------|--------------|----------------|-------------|-------|
| Q11a Advertising on commercial radio doesn't bother me, because it's a business that relies on advertising to operate | <i>Strongly agree</i> | 9.8 | 12.6 | 15.5 | 11.0 |
| | <i>Agree</i> | 52.9 | 54.5 | 52.3 | 49.1 |
| | <i>Neither agree nor disagree</i> | 23.8 | 20.8 | 20.2 | 23.5 |
| | <i>Disagree</i> | 9.6 | 7.9 | 6.6 | 11.4 |
| | <i>Strongly disagree</i> | 3.8 | 4.2 | 5.4 | 4.9 |
| | <i>Don't know</i> | 0 | 0 | 0 | 0.1 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q11b Advertising content on radio should be clearly distinguishable from other radio content | <i>Strongly agree</i> | 26.2 | 29.8 | 31.4 | 32.0 |
| | <i>Agree</i> | 44.2 | 43.0 | 42.2 | 42.8 |
| | <i>Neither agree nor disagree</i> | 24.6 | 23.8 | 23.3 | 21.2 |
| | <i>Disagree</i> | 3.8 | 2.2 | 2.3 | 3.2 |
| | <i>Strongly disagree</i> | 1.2 | 0.9 | 0.4 | 0.7 |
| | <i>Don't know</i> | 0 | 0.2 | 0.4 | 0.2 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q11c Advertising interrupts my enjoyment of commercial radio | <i>Strongly agree</i> | 22.7 | 20.3 | 18.2 | 24.5 |
| | <i>Agree</i> | 37.7 | 35.1 | 32.2 | 36.7 |
| | <i>Neither agree nor disagree</i> | 28.7 | 33.1 | 34.9 | 28.1 |
| | <i>Disagree</i> | 9.8 | 10.8 | 13.6 | 9.8 |
| | <i>Strongly disagree</i> | 1.2 | 0.7 | 1.2 | 1.0 |
| | <i>Don't know</i> | 0 | 0 | 0 | 0 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q11d Integrating | <i>Strongly agree</i> | 6.5 | 10.2 | 11.2 | 7.0 |

| | | | | | |
|---|-----------------------------------|------|------|------|------|
| advertising with other program content on commercial radio is acceptable... | <i>Agree</i> | 50.6 | 54.5 | 55.4 | 47.7 |
| | <i>Neither agree nor disagree</i> | 22.7 | 19.2 | 16.7 | 22.9 |
| | <i>Disagree</i> | 14.2 | 10.2 | 11.6 | 13.9 |
| | <i>Strongly disagree</i> | 4.4 | 4.6 | 4.7 | 6.7 |
| | <i>Don't know</i> | 1.5 | 1.3 | 0.4 | 1.8 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q11e It is annoying when presenters interrupt their programs with disclosure announcements... | <i>Strongly agree</i> | 21.7 | 20.1 | 18.2 | 21.3 |
| | <i>Agree</i> | 36.0 | 36.2 | 34.1 | 35.5 |
| | <i>Neither agree nor disagree</i> | 26.9 | 28.7 | 29.8 | 25.9 |
| | <i>Disagree</i> | 11.9 | 10.2 | 11.2 | 11.3 |
| | <i>Strongly disagree</i> | 3.1 | 4.4 | 6.2 | 5.2 |
| | <i>Don't know</i> | 0.4 | 0.4 | 0.4 | 0.9 |
| <i>Total</i> | 100 | 100 | 100 | 100 | |
| Q11f Blurring of advertising and other program material is inevitable on commercial radio | <i>Strongly agree</i> | 10.6 | 13.2 | 14.3 | 11.8 |
| | <i>Agree</i> | 44.8 | 42.2 | 41.5 | 41.3 |
| | <i>Neither agree nor disagree</i> | 24.8 | 26.5 | 24.0 | 24.7 |
| | <i>Disagree</i> | 13.1 | 11.5 | 12.4 | 13.7 |
| | <i>Strongly disagree</i> | 5.0 | 4.2 | 4.7 | 6.2 |
| | <i>Don't know</i> | 1.7 | 2.4 | 3.1 | 2.4 |
| <i>Total</i> | 100 | 100 | 100 | 100 | |

Base: Breakfast FM n=520, total talkback n=453, AM talkback n=258, all commercial radio listeners N=1,214.

Summary

Sensitivity to the presentation of advertising on commercial radio exists in a number of areas.

- > There is particularly strong agreement that *advertising content on radio should be clearly distinguishable from other radio content* (32 per cent indicate strong agreement, with overall agreement being 74.8 per cent).
- > There is also moderately strong overall agreement with *integrating advertising with other program content on commercial radio is acceptable so long as advertisers are identified at least once during the program* (54.7 per cent overall agreement, 20.6 per cent disagreement), with agreement particularly high for all talkback listeners (64.7 per cent) and AM talkback listeners (66.7 per cent).

Despite this preference to identify advertisers, there is also some irritation toward the broadcast of on-air disclosure announcements, with a similar level of overall agreement arising for: *it is annoying when presenters interrupt their programs with disclosure announcements to make listeners aware of their sponsorship arrangements* (56.8 per cent overall agreement, 16.5 per cent disagreement).

Many listeners accept the realities involved in operating commercial radio services. They agree that *advertising on commercial radio doesn't bother me because it's a business that relies on advertising to operate* (60.1 per cent overall agreement, 16.3 per cent disagreement). Such agreement is higher for talkback listeners (67.1 per cent) and commercial AM talkback listeners (67.8 per cent). There is also acceptance that the *blurring of advertising and other program material is inevitable on commercial radio* by just over half of commercial radio listeners (53.1 per cent, 19.9 per cent disagreement). Disagreement for this statement is lower among all talkback listeners (15.7 per cent).

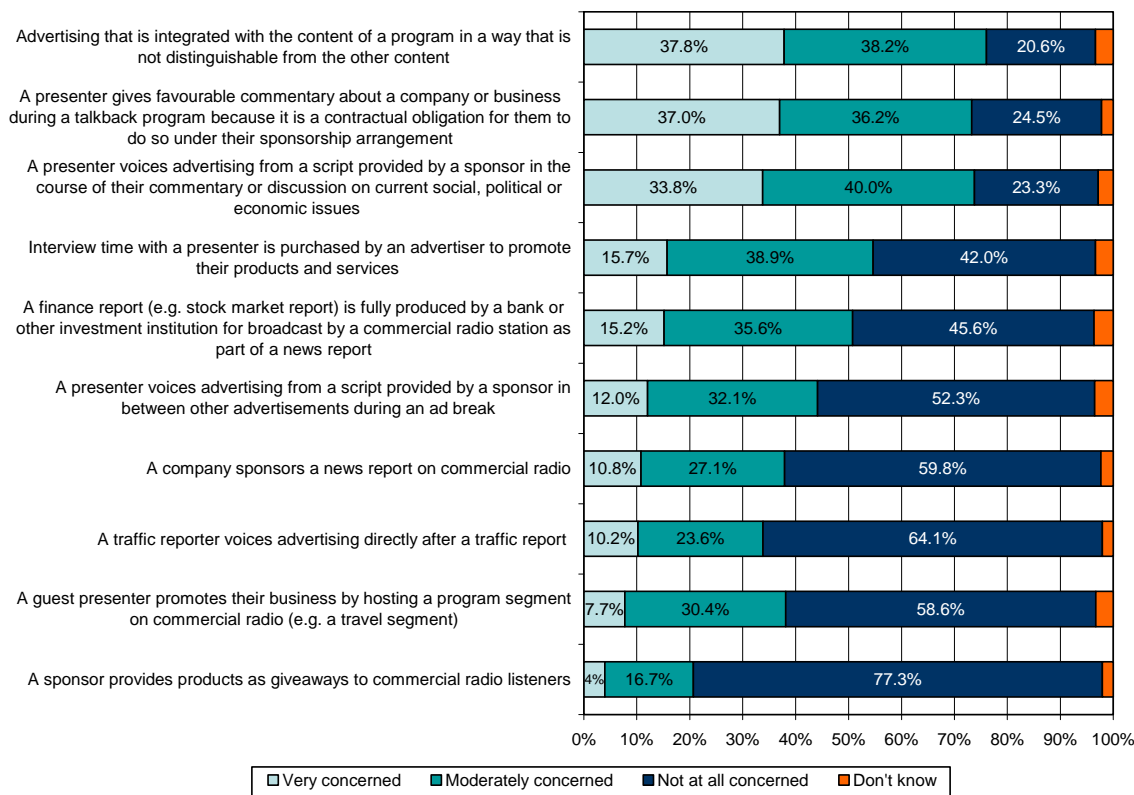
4.5 Levels of listener concern about different advertising and sponsorship practices

Commercial radio listeners were asked to indicate their level of concern with regard to ten practices that may affect the ability of some radio listeners to distinguish advertising from other program material (scale: very concerned, moderately concerned, not at all concerned). These practices were:

- > a presenter voices advertising from a script provided by a sponsor in between other advertisements during an ad break
- > a presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues
- > interview time with a presenter is purchased by an advertiser to promote their products and services
- > a guest presenter promotes their business by hosting a program segment on commercial radio (e.g. a travel segment)
- > a presenter gives favourable commentary about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement
- > a traffic reporter voices advertising directly after a traffic report
- > a company sponsors a news report on commercial radio
- > a finance report (e.g. stock market report) is fully produced by a bank or other investment institution for broadcast by a commercial radio station as part of a news report
- > advertising that is integrated with the content of a program in a way that is not distinguishable from the other content
- > a sponsor provides products as giveaways to commercial radio listeners.

These practices, ranked from highest to least concern, are presented at Figure 19.

Figure 19 Concern about advertising and sponsorship practices, 2009



Base: All commercial radio listeners, N=1,214.

Greatest concern is accorded to three statements in particular: *advertising that is integrated with the content of a program in a way that is not distinguishable from the other content* (37.8 per cent indicating a high level of concern, i.e. 'very concerned'), *a presenter gives favourable commentary about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement* (37 per cent indicating a high level of concern), and *a presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues* (33.8 per cent indicating a high level of concern).

- > High levels of concern are more evident for *advertising that is integrated with the content of a program in a way that is not distinguishable from the other content* is evident by university-educated groups (45 per cent to 49 per cent), non-talkback listeners (40.5 per cent) and non breakfast FM listeners (40.9 per cent).
- > High levels for concern are more evident for *a presenter who gives favourable commentary about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement* by males (40.9 per cent), those with postgraduate qualifications (53.4 per cent) and non-talkback listeners (39.6 per cent).
- > High levels of concern are more evident for *a presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues* by males (38.1 per cent), those with postgraduate qualifications (45.4 per cent) and non-breakfast FM listeners (37.5 per cent).
- > Adding moderate levels of concern, it can be seen that three-quarters of all commercial radio listeners indicate some level of concern for these three practices, which are quite distinct from other practices, in terms of overall concern.

- > This is not to say that significant levels of concern do not exist for the remaining practices. With the exception of *a sponsor provides products as giveaways to commercial radio listeners* (where 20.7 per cent indicate some level of concern), it can be seen that a moderate-to-high level of concern is attached to the remaining advertising and sponsorship practices by between 35 per cent and 55 per cent of all commercial radio listeners.
- > For practices where more than one in 10 commercial radio listeners indicated a high level of concern, the following trends emerged:
 - > *interview time with a presenter is purchased by an advertiser to promote their products and services* (15.7 per cent said very concerned); with significantly higher concern among males (18.1 per cent), those with postgraduate qualifications (24.5 per cent) and non-breakfast FM listeners (18.2 per cent)
 - > *a finance report is fully produced by a bank or other investment institution for broadcast* (15.2 per cent said very concerned—note: no significant differences emerged across different demographic or listener groups)
 - > *a presenter voices advertising from a script provided by a sponsor in between other advertisements during an ad break* (12 per cent very concerned); with significantly higher concern among males (15.7 per cent), ages 55 plus (16 per cent to 19 per cent) and non-breakfast FM listeners (15.3 per cent)
 - > *a company sponsors a news report on commercial radio* (10.8 per cent very concerned—note: no significant differences emerged across demographic or listener groups)
 - > *a traffic reporter voices advertising directly after a traffic report* (10.2 per cent very concerned—note: no significant differences emerged across demographic or listener groups).

All responses to each scale item are presented below, across key commercial listener categories (Table 7).

Table 7 Level of concern about advertising and sponsorship practices across key commercial listener types (%), 2009

| Practices | Response | Breakfast FM | Total talkback | AM talkback | Total |
|---|-----------------------------|--------------|----------------|-------------|-------|
| Q12.1a A presenter voices advertising from a script provided by a sponsor in between other advertisements during an ad break | <i>Not at all concerned</i> | 58.3 | 49.7 | 49.6 | 52.3 |
| | <i>Moderately concerned</i> | 31.5 | 35.8 | 35.7 | 32.1 |
| | <i>Very concerned</i> | 7.7 | 12.6 | 14.3 | 12.0 |
| | <i>Don't know</i> | 2.5 | 2.0 | 0.4 | 3.5 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q12.1b A presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on... | <i>Not at all concerned</i> | 25.2 | 25.8 | 24.0 | 23.3 |
| | <i>Moderately concerned</i> | 42.9 | 41.5 | 41.1 | 40 |
| | <i>Very concerned</i> | 28.8 | 29.8 | 32.6 | 33.8 |
| | <i>Don't know</i> | 3.1 | 2.9 | 2.3 | 2.9 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q12.1c Interview time with a presenter is purchased by an advertiser to promote their products and services | <i>Not at all concerned</i> | 42.7 | 44.2 | 46.5 | 42.0 |
| | <i>Moderately concerned</i> | 41.5 | 39.1 | 36.8 | 38.9 |
| | <i>Very concerned</i> | 12.5 | 14.1 | 14.3 | 15.7 |
| | <i>Don't know</i> | 3.3 | 2.6 | 2.3 | 3.4 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |

| | | | | | |
|---|-----------------------------|------|------|------|------|
| Q12.1d A guest presenter promotes their business by hosting a program segment on commercial radio... | <i>Not at all concerned</i> | 59.6 | 57.2 | 59.3 | 58.6 |
| | <i>Moderately concerned</i> | 31.5 | 32.2 | 29.8 | 30.4 |
| | <i>Very concerned</i> | 6.0 | 7.3 | 8.5 | 7.7 |
| | <i>Don't know</i> | 2.9 | 3.3 | 2.3 | 3.3 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q12.1e A presenter gives favourable commentary about a company or business during a talkback program because... | <i>Not at all concerned</i> | 26.5 | 27.6 | 25.6 | 24.5 |
| | <i>Moderately concerned</i> | 37.3 | 38.4 | 36.4 | 36.2 |
| | <i>Very concerned</i> | 33.7 | 32.7 | 37.2 | 37.0 |
| | <i>Don't know</i> | 2.5 | 1.3 | 0.8 | 2.2 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q12.1f A traffic reporter voices advertising directly after a traffic report | <i>Not at all concerned</i> | 67.1 | 65.6 | 69.0 | 64.1 |
| | <i>Moderately concerned</i> | 21.9 | 22.3 | 18.6 | 23.6 |
| | <i>Very concerned</i> | 9.0 | 10.8 | 12.0 | 10.2 |
| | <i>Don't know</i> | 1.9 | 1.3 | 0.4 | 2.1 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q12.1g A company sponsors a news report on commercial radio | <i>Not at all concerned</i> | 62.3 | 61.1 | 63.6 | 59.8 |
| | <i>Moderately concerned</i> | 26.3 | 25.2 | 23.3 | 27.1 |
| | <i>Very concerned</i> | 9.4 | 12.1 | 12.0 | 10.8 |
| | <i>Don't know</i> | 1.9 | 1.5 | 1.2 | 2.3 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q12.1h A finance report (e.g. stock market report) is fully produced by a bank or other investment institution for broadcast... | <i>Not at all concerned</i> | 48.3 | 44.4 | 50.4 | 45.6 |
| | <i>Moderately concerned</i> | 34.8 | 35.3 | 31.4 | 35.6 |
| | <i>Very concerned</i> | 12.5 | 16.6 | 15.9 | 15.2 |
| | <i>Don't know</i> | 4.4 | 3.8 | 2.3 | 3.6 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q12.1i Advertising that is integrated with the content of a program in a way that is not distinguishable from the other content | <i>Not at all concerned</i> | 23.5 | 21.9 | 20.2 | 20.6 |
| | <i>Moderately concerned</i> | 40 | 42.4 | 41.5 | 38.2 |
| | <i>Very concerned</i> | 33.7 | 33.3 | 36.8 | 37.8 |
| | <i>Don't know</i> | 2.9 | 2.4 | 1.6 | 3.4 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |
| Q12.1j A sponsor provides products as giveaways to commercial radio listeners | <i>Not at all concerned</i> | 78.3 | 75.1 | 77.9 | 77.3 |
| | <i>Moderately concerned</i> | 17.1 | 18.1 | 15.5 | 16.7 |
| | <i>Very concerned</i> | 2.3 | 5.1 | 5.0 | 4.0 |
| | <i>Don't know</i> | 2.3 | 1.8 | 1.6 | 2.1 |
| | <i>Total</i> | 100 | 100 | 100 | 100 |

Base: Breakfast FM n=520, total talkback n=453, AM talkback n=258, all commercial radio listeners N=1,214.

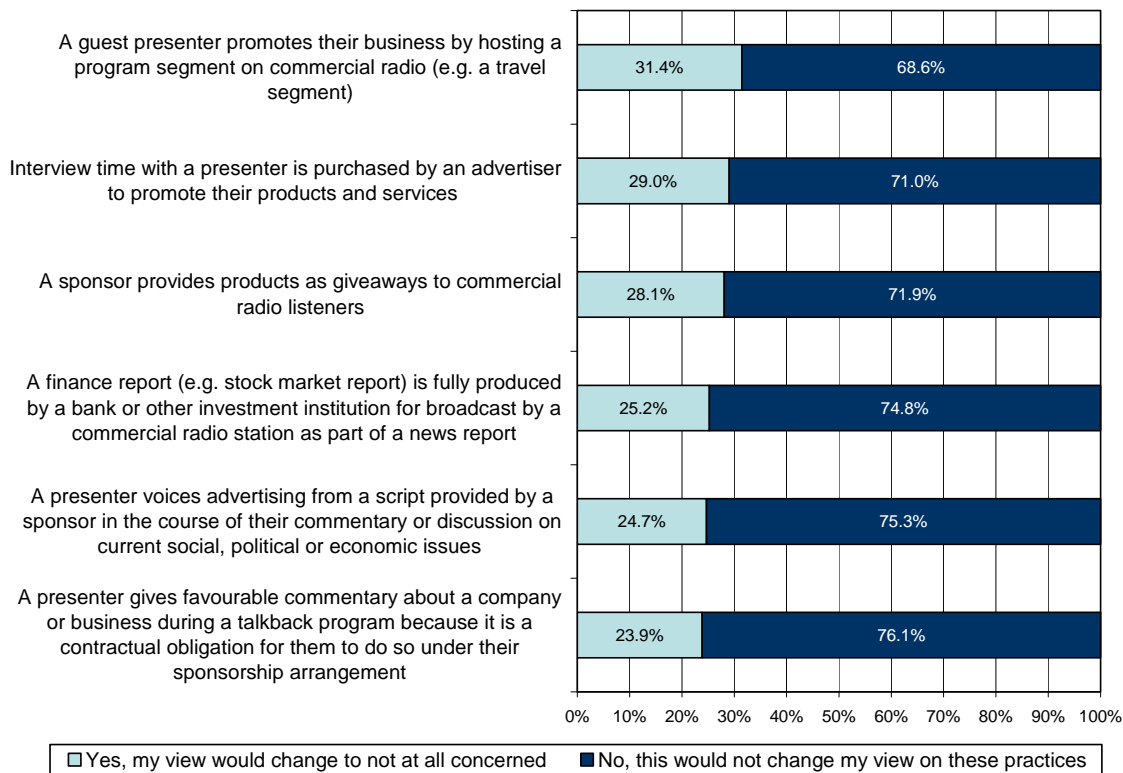
Impact on concern of making listeners aware of commercial arrangements – at ‘some other point’ in a program (other than the time of advertising)

All commercial radio listeners who indicated some level of concern about the following six advertising or sponsorship practices were asked to indicate whether their level of concern would diminish if the station or presenter made them aware of commercial arrangements with advertisers or sponsors, not at the time the advertising occurred, but at some other point in the program:

- 1/ a presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues
- 2/ interview time with a presenter is purchased by an advertiser to promote their products and services
- 3/ a guest presenter promotes their business by hosting a program segment on commercial radio (e.g. a travel segment)
- 4/ a presenter gives favourable commentary about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement
- 5/ a finance report (e.g. stock market report) is fully produced by a bank or other investment institution for broadcast by a commercial radio station as part of a news report
- 6/ a sponsor provides products as giveaways to commercial radio listeners.

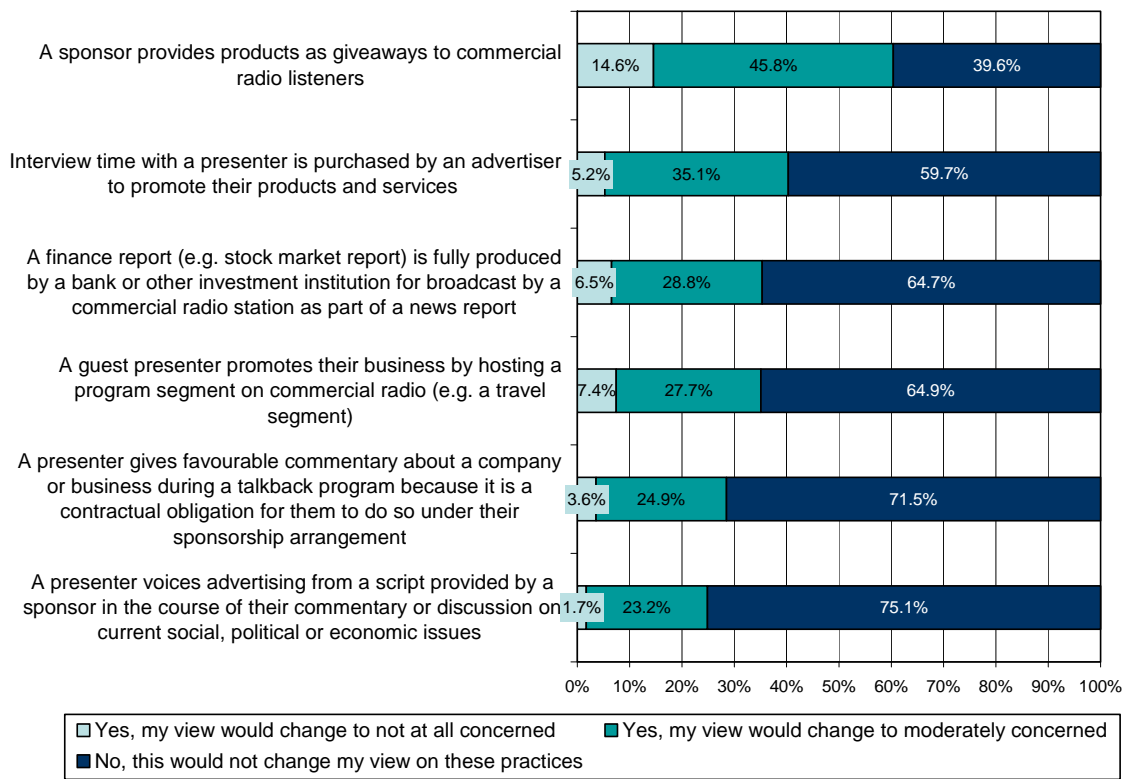
The impact on (i) moderate levels of concern and (ii) high levels of concern (i.e. those who said ‘very concerned’), ranked by the magnitude of change to concern, are illustrated in Figures 20 and 21.

Figure 20 Impact on moderate levels of concern (of announcement at ‘other point’)



Base: Initially moderately concerned: n(12.1b)=486, n(12.1c)=472, n(12.1d)=369, n(12.1e)=440, n(12.1h)=432, n(12.1j)=203.

Figure 21 Impact on high levels of concern (of announcement at ‘other point’)



Base: Initially very concerned: $n(12.1b)=410$, $n(12.1c)=191$, $n(12.1d)=94$, $n(12.1e)=449$, $n(12.1h)=184$, $n(12.1j)=48$.

It can be seen that the prospect of making listeners aware of commercial arrangements with advertisers or sponsors ‘at some other point in the program’ displaces moderate levels of concern by between 23.9 per cent (for a presenter gives favourable commentary about a company or business during a talkback program because it is a contractual obligation ...) and 31.4 per cent (for a guest presenter promotes their business by hosting a program segment on commercial radio).

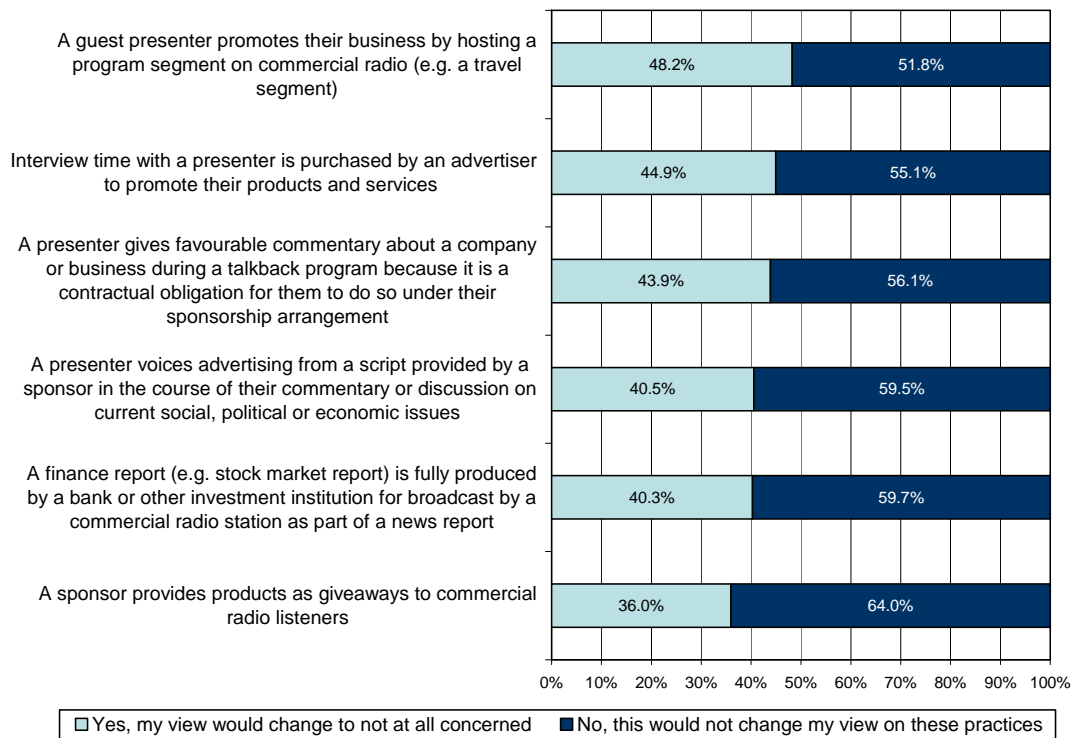
Greater variability, and resistance, however, is apparent for respondents who expressed high levels of concern. Removing a sponsor provides products as giveaways ... from this comparison (because the sample is low at $n=48$), change from ‘very concerned’ to ‘no concern at all’ is only evident for up to seven per cent of those who were ‘very concerned’. Overall reduction of concern is between 24.9 per cent and 40.3 per cent). Between 59.7 per cent and 75.1 per cent of the ‘very concerned’ listeners indicate their views would not change.

Impact on concern of making listeners aware of commercial arrangements – ‘at the time’ the advertising occurred

Concerned radio listeners were also asked to indicate whether their level of concern would diminish if the station or presenter made them aware of the commercial arrangement ‘at the time’ the advertising occurred.

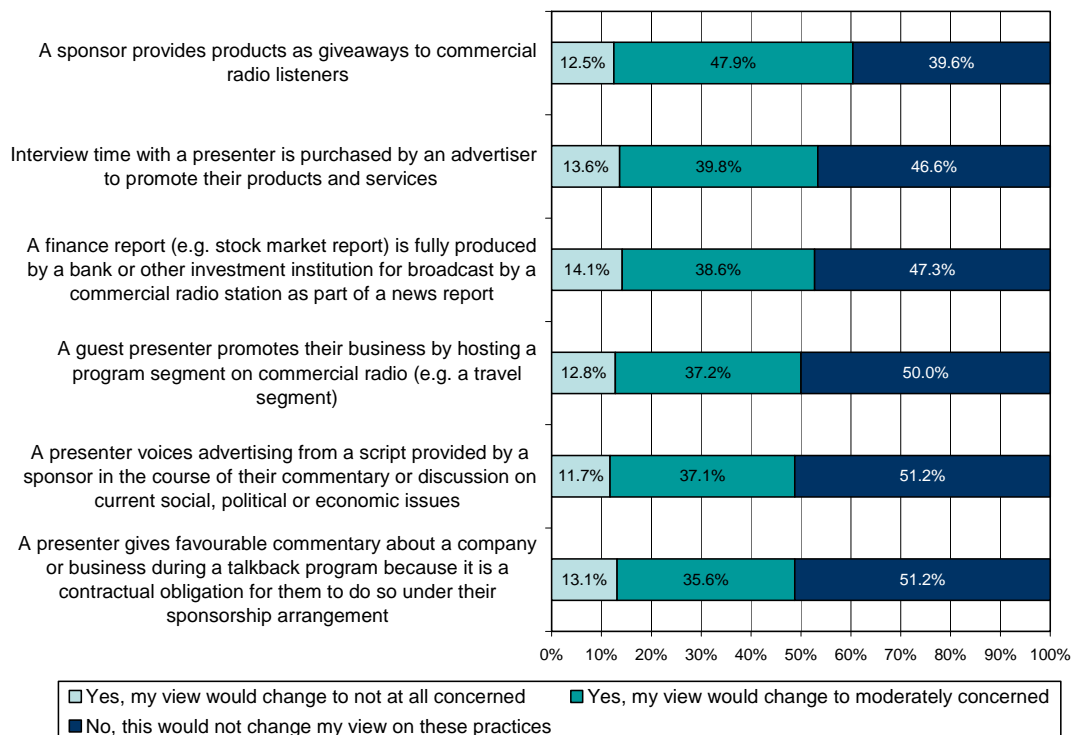
The impact on (i) moderate levels of concern and (ii) high levels of concern, ranked by the magnitude of lowering of concern, are illustrated in Figures 22 and 23.

Figure 22 Impact on moderate levels of concern (of announcement at 'same time')



Base: Initially moderately concerned: n(12.1b)=486, n(12.1c)=472, n(12.1d)=369, n(12.1e)=440, n(12.1h)=432, n(12.1j)=203.

Figure 23 Impact on high levels of concern (of announcement at 'same time')



Base: Initially very concerned: n(12.1b)=410, n(12.1c)=191, n(12.1d)=94, n(12.1e)=449, n(12.1h)=184, n(12.1j)=48.

Making listeners aware of commercial arrangements ‘at the time’ advertising occurs in a program displaces moderate levels of concern by between 36 per cent (*for a sponsor provides products as giveaways to commercial radio listeners*) and 48.2 per cent (*for a guest presenter promotes their business by hosting a program segment on commercial radio*). This represents a significantly greater degree of change than if the announcement were to be broadcast ‘at some other point in the program’.

- > Pairwise comparisons of reduction of concern proportions revealed a statistically significant improvement in most cases (the exception was the low sample size for a sponsor provides products as giveaways to commercial radio listeners).

Similarly, a more profound and positive impact is evident for the highly concerned group, where 11.7 per cent to 14.1 per cent of those who were initially ‘very concerned’ changed their view to ‘not at all concerned’. Overall reduction of concern is between 48.7 per cent and 60.4 per cent.

While previously between 59.7 per cent and 75.1 per cent indicate their views would not change, the range has now narrowed to between 39.6 per cent and 51.2 per cent. This is a positive improvement that is due to the prospect of including an announcement that makes listeners aware of advertising or sponsorship arrangements at the time advertising occurs.

- > Pairwise comparisons of overall reduction of concern revealed a statistically significant improvement in most cases (the exception was the low sample size for a sponsor provides products as giveaways to commercial radio listeners).

It is important to note though, that the views of most of the concerned commercial radio listeners remain unchanged, regardless of where an announcement might be placed in the broadcast.

The impact of including ‘at the time’ announcements reduces the reported level of concern about the two most concerning advertising practices⁷ from 73 per cent to 52 per cent of all commercial radio listeners for statement 1 (Q12.1e), and from 74 per cent to 54 per cent for statement 2 (Q12.1b). With this intervention, a higher 44 to 45 per cent of commercial radio listeners report having no concerns, compared with the initial 23 to 25 per cent who expressed no concerns about these practices if there were no announcements. For the less concerning advertising practices, no concern is expressed by between 62 and 84 per cent of respondents if announcements are made at the same time as advertising. Changes to levels of concern are shown in Table 8.

⁷ The two most concerning advertising practices identified by the surveyed commercial radio listeners—and that were also tested for change—were:

(1) *a presenter gives favourable comment about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement, and*
(2) *a presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues.*

Table 8 Level of concern about advertising and sponsorship practices (%), 2009

| Practices | Response | Initial level of concern | Level of concern if commercial agreement is mentioned at 'some other point' | Level of concern if commercial agreement is mentioned at 'same time' |
|---|-----------------------------|--------------------------|---|--|
| Q12.1b A presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on... | <i>Not at all concerned</i> | 23.3 | 33.8 | 43.5 |
| | <i>Moderately concerned</i> | 40 | 38.0 | 36.3 |
| | <i>Very concerned</i> | 33.8 | 25.4 | 17.3 |
| | <i>Don't know</i> | 2.9 | 2.9 | 2.9 |
| | <i>Total</i> | 100 | 100 | 100 |
| Q12.1c Interview time with a presenter is purchased by an advertiser to promote their products and services | <i>Not at all concerned</i> | 42.0 | 54.1 | 61.6 |
| | <i>Moderately concerned</i> | 38.9 | 33.1 | 27.7 |
| | <i>Very concerned</i> | 15.7 | 9.4 | 7.3 |
| | <i>Don't know</i> | 3.4 | 3.4 | 3.4 |
| | <i>Total</i> | 100 | 100 | 100 |
| Q12.1d A guest presenter promotes their business by hosting a program segment on commercial radio... | <i>Not at all concerned</i> | 58.6 | 68.7 | 74.2 |
| | <i>Moderately concerned</i> | 30.4 | 23.0 | 18.6 |
| | <i>Very concerned</i> | 7.7 | 5.0 | 3.9 |
| | <i>Don't know</i> | 3.3 | 3.3 | 3.3 |
| | <i>Total</i> | 100 | 100 | 100 |
| Q12.1e A presenter gives favourable commentary about a company or business during a talkback program because... | <i>Not at all concerned</i> | 24.5 | 34.5 | 45.3 |
| | <i>Moderately concerned</i> | 36.2 | 36.8 | 33.5 |
| | <i>Very concerned</i> | 37.0 | 26.4 | 18.9 |
| | <i>Don't know</i> | 2.2 | 2.2 | 2.2 |
| | <i>Total</i> | 100 | 100 | 100 |
| Q12.1h A finance report (e.g. stock market report) is fully produced by a bank or other investment institution for broadcast... | <i>Not at all concerned</i> | 45.6 | 56.6 | 62.1 |
| | <i>Moderately concerned</i> | 35.6 | 31.0 | 27.1 |
| | <i>Very concerned</i> | 15.2 | 9.8 | 7.2 |
| | <i>Don't know</i> | 3.6 | 3.6 | 3.6 |
| | <i>Total</i> | 100 | 100 | 100 |
| Q12.1j A sponsor provides products as giveaways to commercial radio listeners | <i>Not at all concerned</i> | 77.3 | 82.5 | 83.8 |
| | <i>Moderately concerned</i> | 16.7 | 13.8 | 12.6 |
| | <i>Very concerned</i> | 4.0 | 1.6 | 1.6 |
| | <i>Don't know</i> | 2.1 | 2.1 | 2.1 |
| | <i>Total</i> | 100 | 100 | 100 |

Base: All commercial radio listeners N=1,214.

Summary

Three-quarters of all commercial radio listeners indicate concern about three practices in particular that may inhibit the ability of radio listeners to distinguish advertising from other program material:

- 1/ advertising that is integrated with the content of a program in a way that is not distinguishable from the other content (37.8 per cent indicating a high level of concern, and 38.2 per cent indicating moderate concern)
- 2/ a presenter gives favourable commentary about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement (37 per cent indicating a high level of concern, and 36.2 per cent indicating moderate concern)
- 3/ a presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues (33.8 per cent indicating a high level of concern, and 40 per cent indicating moderate concern).

Concern about these, and other practices presented, tends to be highest among male commercial radio listeners and those with higher levels of educational qualifications, as well as non-breakfast FM listeners and non-talkback listeners.

Making listeners aware of commercial arrangements with sponsors and advertisers through the use of on-air announcements, and the proximity of these announcements to the advertising practice in question, can play a role in reducing concern among affected commercial radio listeners.

The prospect of broadcasting such on-air announcements 'at the time' the advertising occurs changes the views (from 36 per cent to 48 per cent) of those who initially expressed moderate concern, to having no concern. This represents a significantly greater degree of change than if the announcement were to be broadcast 'at some other point in the program' (reduction range: 24 per cent to 31 per cent).

For listeners who expressed higher levels of concern, 'at the time' on-air announcements reduce their concern to moderate levels from 49 per cent to 60 percent. This also represents a significantly greater degree of change than is evident via an announcement 'at some other point in the program' (reduction range: 23 per cent to 40 per cent).

The use of on-air announcements to inform listeners of commercial agreements when advertising occurs reduces listener concern to a degree. However, this intervention does not satisfy just over half of all the commercial radio listeners in the study who said they would still have concerns about the two most concerning advertising practices they identified.

Appendix: Listener attitudes to advertising, sponsorship and influence on commercial radio questionnaire

Listener attitudes to advertising, sponsorship and influence on commercial radio

Ipsos project no. 09-001597

To be administered via online survey of The ORU (The Online Research Unit) panel members. Headings will not appear in field version.

Sample structure (region, age, gender quotas apply)

Regions:

| State/territory | Overall quotas | ... broken down by | |
|-------------------|----------------|--------------------|-----------|
| | | Metro | Non-metro |
| NSW | 407 | 271 | 136 |
| Victoria | 315 | 234 | 81 |
| Queensland | 226 | 107 | 119 |
| Western Australia | 107 | 87 | 20 |
| South Australia | 87 | 66 | 21 |
| Tasmania | 27 | 9 | 18 |
| ACT | 18 | 18 | na |
| NT | 13 | 7 | 6 |
| Total | 1,200 | 799 | 401 |

Age: 17-24 (n=160), 25-34 (n=224), 35-44 (n=231), 45-54 (n=222), 55-64 (n=189), 65+ (n=174)

Gender: 48% males (n=581), 52% females (n=619)

1 Introduction and screen (following click-through in ORU email)

1.1 Which of the following kinds of radio stations do you regularly listen to? By 'regularly', we mean, on average at least once a week. Please indicate all that apply. MULTI RESPONSE.

ROTATE

| | |
|--|---------------------------|
| Commercial AM radio | 1 |
| Commercial FM radio | 2 |
| Triple J | 3 |
| Any ABC radio (not including Triple J) | 4 |
| SBS radio | 5 |
| Community radio | 6 |
| Other types of radio listening | 7 |
| None listened to regularly | 8 – TERMINATE WITH THANKS |
| Never listen to radio at all | 9 – TERMINATE WITH THANKS |

CONTINUE IF YES AT EITHER CODE 1 OR 2, OTHERWISE TERMINATE WITH THANKS

1.2 Please indicate your gender.

| | |
|--------|---|
| Male | 1 |
| Female | 2 |

CONTINUE SUBJECT TO QUOTAS, OTHERWISE TERMINATE WITH THANKS

1.3 In which one of the following age groups are you in? SINGLE RESPONSE.

| | |
|-------------|---|
| 17-24 years | 1 |
| 25-34 years | 2 |
| 35-44 years | 3 |
| 45-54 years | 4 |
| 55-64 years | 5 |
| 65+ years | 6 |

1.4 Please indicate where you live. SINGLE RESPONSE.

| | | | |
|------------------|---|----------------|----|
| Sydney | 1 | Adelaide | 9 |
| Other NSW | 2 | Other SA | 10 |
| Melbourne | 3 | Hobart | 11 |
| Other Victoria | 4 | Other Tasmania | 12 |
| Brisbane | 5 | Darwin | 13 |
| Other Queensland | 6 | Other NT | 14 |
| Perth | 7 | Canberra/ACT | 15 |
| Other WA | 8 | | |

CONTINUE SUBJECT TO QUOTAS, OTHERWISE TERMINATE WITH THANKS

1.5 [IF >1 STATION @ Q1.1 FOR CODES 1-7, PRESENT INDICATED STATIONS]
 You indicated earlier that you listen to the following kinds of radio stations.
 Which kind of radio station do you listen to the most? SINGLE.

| | |
|---|--|
| | Kind of radio station listened to most |
| LIST APPLICABLE STATION TYPES FROM Q1.1 | |
| IE CODES 1-7 @ Q1.1 | |
| “ “ | |

2 Commercial radio listening

2.1 Please note: all remaining questions in this survey relate to your commercial radio listening.

Which of the following types of programs do you regularly listen to on commercial radio? By 'regularly' we mean, on average at least once a week. Please indicate all that apply. MULTI RESPONSE

| | |
|---|---|
| Music | 1 |
| Talkback | 2 |
| News and information | 3 |
| Sport | 4 |
| Special interest | 5 |
| Breakfast programs on commercial FM radio | 6 |
| Other | 7 |

3 Audio clip introduction screen

***** PROGRAMMER: INSERT FLASH TEST SCRIPT

advertising clips A, B, C, D, E, F: ROTATE SECTIONS 4-10

SEPARATE SCREEN THAT FOLLOWS FLASH TEST SCRIPT

Please listen to each clip as if you've just heard it on commercial radio as part of your usual listening experience. Try to listen to each clip once, however there is an option to hear it again if needed.

4 Audio clip A

PLEASE CLICK 'PLAY' FOR THIS AUDIO CLIP (PROGRAMMER'S NOTE: MAINTAIN LINK TO REPLAY AT ANY POINT OF ANSWERING Q4.1, 4.2. SET UP SEPARATE VARIABLES TO INDICATE THE ORDER IN WHICH ROTATED CLIPS ARE PRESENTED TO EACH RESPONDENT)

4.1 Which of the following descriptions do you think best apply to the clip you've just heard? You can indicate more than one response. MULTI RESPONSE

ROTATE CATEGORIES

| | |
|---|----|
| News, information or current affairs | 1 |
| Presenter's opinion, commentary or discussion | 2 |
| Interview with expert or spokesperson | 3 |
| Talkback caller discussion | 4 |
| Advertising or sponsor promotion | 5 |
| None of the above | 6 |
| Unsure/don't know | 98 |

4.2 To what extent do you think the part of the clip about [Brand Name] chocolates is paid advertising (as opposed to other program material). Please indicate a number from 1 to 5, where:

- 1= The material is clearly advertising, and
- 5= The material is clearly other (non-advertising) program material

| | |
|---|---------------------|
| 1 | Clearly advertising |
|---|---------------------|

| | |
|---|---|
| 2 | More like advertising than other program material |
| 3 | Could be advertising or other program material / couldn't really tell |
| 4 | More like other program material than advertising |
| 5 | Clearly other (non-advertising) program material |
| | None of the above |

4.3 [IF CODE 1 OR 2 ABOVE] What were the particular features of that part of the clip that led you to describe it as '[INSERT RESPONSE FROM Q4.2 IE EITHER CODE 1 OR 2]'?

PROGRAMMER'S NOTE: INSERT TEXT BOX

4.4 [IF CODE 4 OR 5 ABOVE] What were the particular features of that part of the clip that led you to describe it as '[INSERT RESPONSE FROM Q4.2 IE EITHER CODE 4 OR 5]'?

PROGRAMMER'S NOTE: INSERT TEXT BOX

5 Audio clip B

PLEASE CLICK 'PLAY' FOR THIS AUDIO CLIP (PROGRAMMER'S NOTE: MAINTAIN LINK TO REPLAY AT ANY POINT OF ANSWERING Q5.1, 5.2. SET UP SEPARATE VARIABLES TO INDICATE THE ORDER IN WHICH ROTATED CLIPS ARE PRESENTED TO EACH RESPONDENT)

5.1 Which of the following descriptions do you think best apply to the clip you've just heard? You can indicate more than one response. MULTI RESPONSE

ROTATE CATEGORIES

| | |
|---|----|
| News, information or current affairs material | 1 |
| Presenter's opinion, commentary or discussion | 2 |
| Interview with expert or spokesperson | 3 |
| Talkback caller discussion | 4 |
| Advertising or sponsor promotion | 5 |
| None of the above | 6 |
| Unsure/don't know | 98 |

5.2 To what extent do you think the material in this clip about [Brand Name Foodmarket] is paid advertising (as opposed to other program material). Please indicate a number from 1 to 5, where:

1= The material is clearly advertising, and
5= The material is clearly other (non-advertising) program material

| | |
|---|---|
| 1 | Clearly advertising |
| 2 | More like advertising than other program material |
| 3 | Could be advertising or other program material / couldn't really tell |
| 4 | More like other program material than advertising |
| 5 | Clearly other (non-advertising) program material |
| | None of the above |

6 Audio clip C

PLEASE CLICK 'PLAY' FOR THIS AUDIO CLIP (PROGRAMMER'S NOTE:
 MAINTAIN LINK TO REPLAY AT ANY POINT OF ANSWERING Q6.1, 6.2.
 SET UP SEPARATE VARIABLES TO INDICATE THE ORDER IN WHICH
 ROTATED CLIPS ARE PRESENTED TO EACH RESPONDENT)

6.1 Which of the following descriptions do you think best apply to the clip you've just heard? You can indicate more than one response. MULTI RESPONSE

ROTATE CATEGORIES

| | |
|---|----|
| News, information or current affairs material | 1 |
| Presenter's opinion, commentary or discussion | 2 |
| Interview with expert or spokesperson | 3 |
| Talkback caller discussion | 4 |
| Advertising or sponsor promotion | 5 |
| None of the above | 6 |
| Unsure/don't know | 98 |

6.2 To what extent do you think the part of the clip about [Brand Name] 'three day sale' is paid advertising (as opposed to other program material). Please indicate a number from 1 to 5, where:

1= The material is clearly advertising, and
 5= The material is clearly other (non-advertising) program material

| | |
|---|---|
| 1 | Clearly advertising |
| 2 | More like advertising than other program material |
| 3 | Could be advertising or other program material / couldn't really tell |
| 4 | More like other program material than advertising |
| 5 | Clearly other (non-advertising) program material |
| | None of the above |

7 Audio clip D (AAMI live read within editorial commentary/discussion)

PLEASE CLICK 'PLAY' FOR THIS AUDIO CLIP (PROGRAMMER'S NOTE:
 MAINTAIN LINK TO REPLAY AT ANY POINT OF ANSWERING Q7.1, 7.2.
 SET UP SEPARATE VARIABLES TO INDICATE THE ORDER IN WHICH
 ROTATED CLIPS ARE PRESENTED TO EACH RESPONDENT)

7.1 Which of the following descriptions do you think best apply to the clip you've just heard? You can indicate more than one response. MULTI RESPONSE

ROTATE CATEGORIES

| | |
|---|----|
| News, information or current affairs material | 1 |
| Presenter's opinion, commentary or discussion | 2 |
| Interview with expert or spokesperson | 3 |
| Talkback caller discussion | 4 |
| Advertising or sponsor promotion | 5 |
| None of the above | 6 |
| Unsure/don't know | 98 |

7.2 To what extent do you think the part of the clip about 'your maximum no claim bonus' for [Brand Name] insurance is paid advertising (as opposed to other program material). Please indicate a number from 1 to 5, where:

- 1= The material is clearly advertising, and
- 5= The material is clearly other (non-advertising) program material

| | |
|---|---|
| 1 | Clearly advertising |
| 2 | More like advertising than other program material |
| 3 | Could be advertising or other program material / couldn't really tell |
| 4 | More like other program material than advertising |
| 5 | Clearly other (non-advertising) program material |
| | None of the above |

7.3 [IF CODE 1 OR 2 ABOVE] What were the particular features of that part of the clip that led you to describe it as '[INSERT RESPONSE FROM Q7.2 IE EITHER CODE 1 OR 2]'?

PROGRAMMER'S NOTE: INSERT TEXT BOX

7.4 [IF CODE 4 OR 5 ABOVE] What were the particular features of that part of the clip that led you to describe it as '[INSERT RESPONSE FROM Q7.2 IE EITHER CODE 4 OR 5]'?

PROGRAMMER'S NOTE: INSERT TEXT BOX

8 Audio clip E

PLEASE CLICK 'PLAY' FOR THIS AUDIO CLIP (PROGRAMMER'S NOTE: MAINTAIN LINK TO REPLAY AT ANY POINT OF ANSWERING Q8.1, 8.2. SET UP SEPARATE VARIABLES TO INDICATE THE ORDER IN WHICH ROTATED CLIPS ARE PRESENTED TO EACH RESPONDENT)

8.1 Which of the following descriptions do you think best apply to the clip you've just heard? You can indicate more than one response. MULTI RESPONSE

ROTATE CATEGORIES

| | |
|---|----|
| News, information or current affairs material | 1 |
| Presenter's opinion, commentary or discussion | 2 |
| Interview with expert or spokesperson | 3 |
| Talkback caller discussion | 4 |
| Advertising or sponsor promotion | 5 |
| None of the above | 6 |
| Unsure/don't know | 98 |

8.2 To what extent do you think the material in the clip about [Brand Name] development is paid advertising (as opposed to other program material). Please indicate a number from 1 to 5, where:

- 1= The material is clearly advertising, and
- 5= The material is clearly other (non-advertising) program material

| | |
|---|---|
| 1 | Clearly advertising |
| 2 | More like advertising than other program material |
| 3 | Could be advertising or other program material / couldn't really tell |

| | |
|---|---|
| 4 | More like other program material than advertising |
| 5 | Clearly other (non-advertising) program material |
| | None of the above |

8.3 [IF CODE 1 OR 2 ABOVE] What were the particular features of that material that led you to describe it as '[INSERT RESPONSE FROM Q8.2 IE EITHER CODE 1 OR 2]'?

PROGRAMMER'S NOTE: INSERT TEXT BOX

8.4 [IF CODE 4 OR 5 ABOVE] What were the particular features of that material that led you to describe it as '[INSERT RESPONSE FROM Q8.2 IE EITHER CODE 4 OR 5]'?

PROGRAMMER'S NOTE: INSERT TEXT BOX

9 Audio clip F

PLEASE CLICK 'PLAY' FOR THIS AUDIO CLIP (PROGRAMMER'S NOTE: MAINTAIN LINK TO REPLAY AT ANY POINT OF ANSWERING Q10.1, 10.2. SET UP SEPARATE VARIABLES TO INDICATE THE ORDER IN WHICH ROTATED CLIPS ARE PRESENTED TO EACH RESPONDENT)

9.1 Which of the following descriptions do you think best apply to the clip you've just heard? You can indicate more than one response. MULTI RESPONSE

ROTATE CATEGORIES

| | |
|---|----|
| News, information or current affairs | 1 |
| Presenter's opinion, commentary or discussion | 2 |
| Interview with expert or spokesperson | 3 |
| Talkback caller discussion | 4 |
| Advertising or sponsor promotion | 5 |
| None of the above | 6 |
| Unsure/don't know | 98 |

9.2 To what extent do you think the material in the clip about [Brand Name] is paid advertising (as opposed to other program material). Please indicate a number from 1 to 5, where:

1= The material is clearly advertising, and

5= The material is clearly other (non-advertising) program material

| | |
|---|---|
| 1 | Clearly advertising |
| 2 | More like advertising than other program material |
| 3 | Could be advertising or other program material / couldn't really tell |
| 4 | More like other program material than advertising |
| 5 | Clearly other (non-advertising) program material |
| | None of the above |

10 Probability

To what extent do you believe that advertisers or sponsors use commercial radio in any of the following ways?

ROTATE STATEMENTS. SINGLE RESPONSE.

| | | I believe this does happens | I believe this is likely to happen | I believe this is unlikely to happen | I believe this does not happen | Don't know / None of these |
|---|---|------------------------------------|---|---|---------------------------------------|----------------------------|
| a | Advertisers or sponsors influence the content of current affairs commentary, discussion or talkback on commercial radio | 1 | 2 | 3 | 4 | 98 |
| b | News stories are omitted from news bulletins on commercial radio to 'please' sponsors or advertisers | 1 | 2 | 3 | 4 | 98 |
| c | Talkback radio presenters on commercial radio are paid by advertisers or sponsors for favourable comments | 1 | 2 | 3 | 4 | 98 |
| d | Talkback callers on commercial radio are screened to favour advertisers or sponsors | 1 | 2 | 3 | 4 | 98 |

10.1 (IF ANSWERED 3 OR 4 ABOVE FOR STATEMENT c ONLY): What are your reasons for believing that talkback radio presenters are paid by advertisers or sponsors for favourable comments [INSERT APPLICABLE: IE EITHER CODE 3 'is unlikely to happen' OR CODE 4 'does not happen']?

PROGRAMMER'S NOTE: INSERT TEXT BOX

11 Attitudes

Please indicate the extent to which you agree or disagree with the following statements about commercial radio?

ROTATE STATEMENTS. SINGLE RESPONSE.

| | | Strongly Agree | Agree | Neither Agree nor Disagree | Disagree | Strongly Disagree | Don't know |
|---|---|----------------|-------|----------------------------|----------|-------------------|------------|
| a | Advertising on commercial radio doesn't bother me, because it's a business that relies on advertising to operate | 1 | 2 | 3 | 4 | 5 | 98 |
| b | Advertising content on radio should be clearly distinguishable from other radio content | 1 | 2 | 3 | 4 | 5 | 98 |
| c | Advertising interrupts my enjoyment of commercial radio | 1 | 2 | 3 | 4 | 5 | 98 |
| d | Integrating advertising with other program content on commercial radio is acceptable so long as advertisers are identified at least once during the program | 1 | 2 | 3 | 4 | 5 | 98 |
| e | It is annoying when presenters interrupt their programs with disclosure announcements to make listeners aware of their sponsorship arrangements | 1 | 2 | 3 | 4 | 5 | 98 |
| f | Blurring of advertising and other program material is inevitable on commercial radio | 1 | 2 | 3 | 4 | 5 | 98 |

12 Concern

Certain practices may affect the ability of some radio listeners to distinguish advertising from other program material. We're interested in your opinion on a range of practices that may be used by commercial radio to promote products and services.

12.1 Can you please indicate how you feel about each of the following advertising practices on commercial radio?

ROTATE STATEMENT – SINGLE RESPONSE

| | | Not at all concerned | Moderately concerned | Very concerned | Don't know |
|---|--|----------------------|----------------------|----------------|------------|
| a | A presenter voices advertising from a script provided by a sponsor in between other advertisements during an ad break | 1 | 2 | 3 | 98 |
| b | A presenter voices advertising from a script provided by a sponsor in the course of their commentary or discussion on current social, political or economic issues | 1 | 2 | 3 | 98 |
| c | Interview time with a presenter is purchased by an advertiser to promote their products and services | 1 | 2 | 3 | 98 |
| d | A guest presenter promotes their business by hosting a program segment on commercial radio (e.g. a travel segment) | 1 | 2 | 3 | 98 |
| e | A presenter gives favourable commentary about a company or business during a talkback program because it is a contractual obligation for them to do so under their sponsorship arrangement | 1 | 2 | 3 | 98 |
| f | A traffic reporter voices advertising directly after a traffic report | 1 | 2 | 3 | 98 |
| g | A company sponsors a news report on commercial radio | 1 | 2 | 3 | 98 |
| h | A finance report (e.g. stock market report) is fully produced by a bank or other investment institution for broadcast by a commercial radio station as part of a news report | 1 | 2 | 3 | 98 |
| i | Advertising that is integrated with the content of a program in a way that is not distinguishable from the other content | 1 | 2 | 3 | 98 |
| j | A sponsor provides products as giveaways to commercial radio listeners | 1 | 2 | 3 | 98 |

12.2 [IF CODE 2 OR 3 @ ANY OF (b), (c), (d), (e), (h) or (j) AT 12.1 ABOVE

(a) You found the following advertising practices on commercial radio to be 'moderately' or 'very' concerning. Would you be less concerned about these practices if the station or presenter made you aware of the commercial arrangement, not at the time the advertising occurred, but at some other point in the program?

| | No, this would not change my view on these practices | Yes, my view would change to 'moderately concerned' | Yes, my view would change to 'not at all concerned' |
|--|--|---|---|
| Moderately concerned about... LIST APPLICABLE PRACTICES IN ROWS BELOW IE CODE 2 @ ANY OF (b), (c), (d), (e), (h) or (j) @Q12.1 | 0 | | 2 |
| Very concerned about... LIST APPLICABLE | 0 | 1 | 2 |

| | | | |
|--|--|--|--|
| PRACTICES IN ROWS | | | |
| IE CODE 3 @ ANY OF (b), (c), (d), (e), (h) or (j) @Q12.1 | | | |

NEW SCREEN

(b) Continuing with the advertising practices you found to be of concern. Would you be less concerned about these practices if the station or presenter made you aware of the commercial arrangement at the time the advertising occurred?

| | No, this would not change my view on these is practices | Yes, my view would change to 'moderately concerned' | Yes, my view would change to 'not at all concerned' |
|--|---|---|---|
| Moderately concerned about... LIST APPLICABLE PRACTICES IN ROWS IE CODE 2 @ ANY OF (b), (c), (d), (e), (h) or (j) @Q12.1 | 0 | | 2 |
| Very concerned about... LIST APPLICABLE PRACTICES IN ROWS IE CODE 3 @ ANY OF (b), (c), (d), (e), (h) or (j) @Q12.1 | 0 | 1 | 2 |

13 Demographics

13.1 Thank you, we are almost at the end now. Just a few more questions to go... what is the highest level of education you have reached? SINGLE RESPONSE.

| | |
|--|---|
| Some secondary school | 1 |
| Completed secondary school | 2 |
| TAFE, trade certificate | 3 |
| Undergraduate university degree, CAE diploma | 4 |
| Post graduate qualification | 5 |
| I would prefer not to answer this question | 6 |

13.2 Are there any children under the age of 15 who usually live in this household?

| | |
|--|------------------|
| Yes | 1 |
| No | 0 – GO TO Q13.5 |
| I would prefer not to answer this question | 99 – GO TO Q13.5 |

13.3 What is the age of the youngest child?

RECORD NUMERIC IN YEARS

13.4 What is your relationship to that child?

| | |
|-------------------|---|
| Parent/guardian | 1 |
| Brother or sister | 2 |
| Other | 3 |

13.5 Is a language other than English regularly spoken in this household?

| | |
|-----|---|
| Yes | 1 |
| No | 0 |

Sign off (PROGRAMMER'S NOTE: INSERT ACMA LOGO ON FINAL SCREEN)

That is the end of our survey. Thank you for participating. This research is being carried out on behalf of the Australian Communications and Media Authority (ACMA), Australia's regulator for broadcasting, the internet, radiocommunications and telecommunications. This will help the ACMA better understand community views on radio.

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