





What I'll be discussing

1. Radio, Newspaper, Cable and TV 10-year growth rates
2. Measuring Market Share
3. A couple of warning signs and a look at the Yellow Pages Industry for inspiration
4. Attributes of the high share getters
5. Going to market Differently
6. Q&A



What We're Known For

Borrell is highly regarded for its unique, fact-based insights and forecasts that help clients capitalize on market changes.





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Critically Important?

Declining revenues-- Identifying new revenue sources and implementing cost cutting programs.

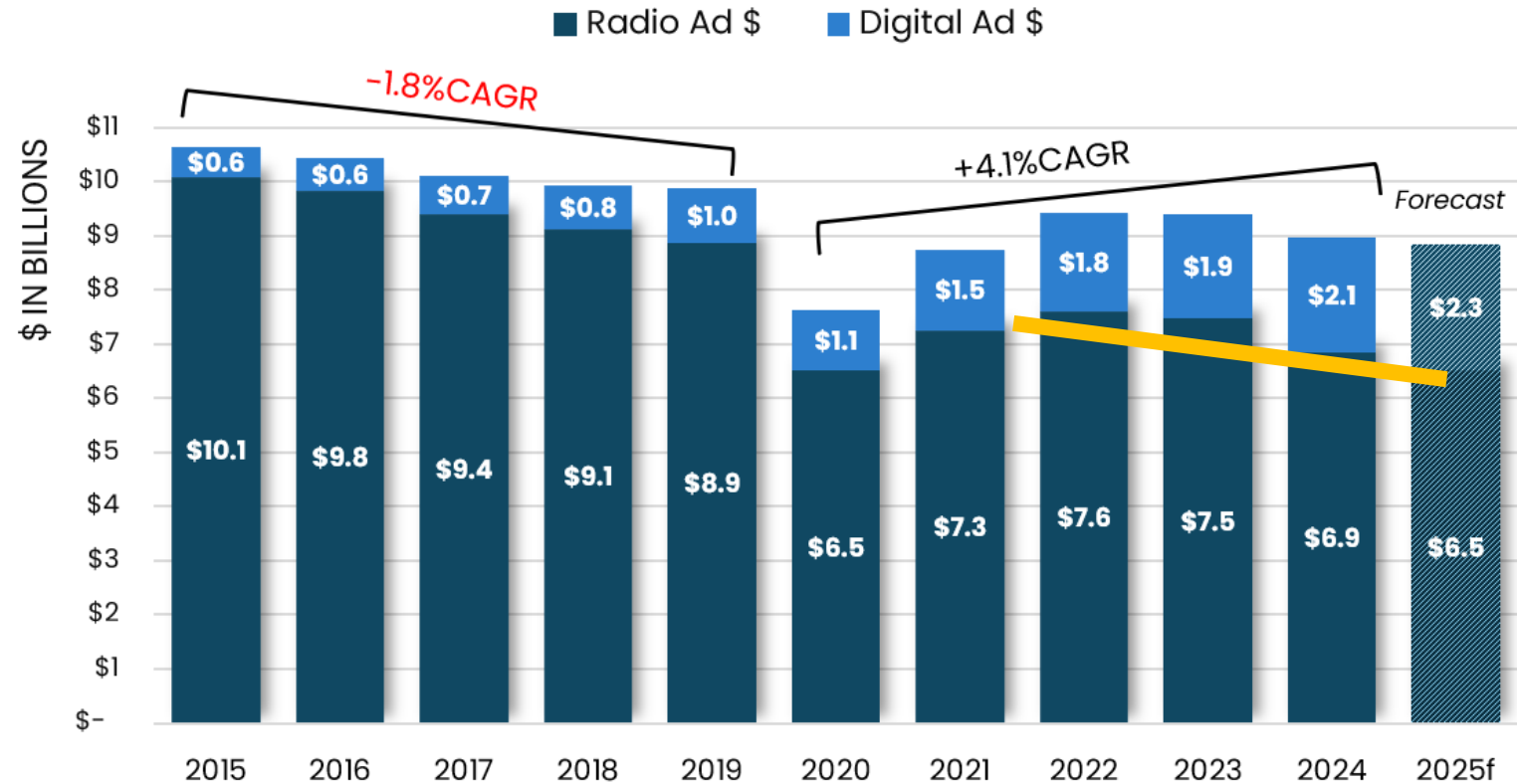
68%

DIGITAL IS
THE ONLY
GROWTH
ENGINE



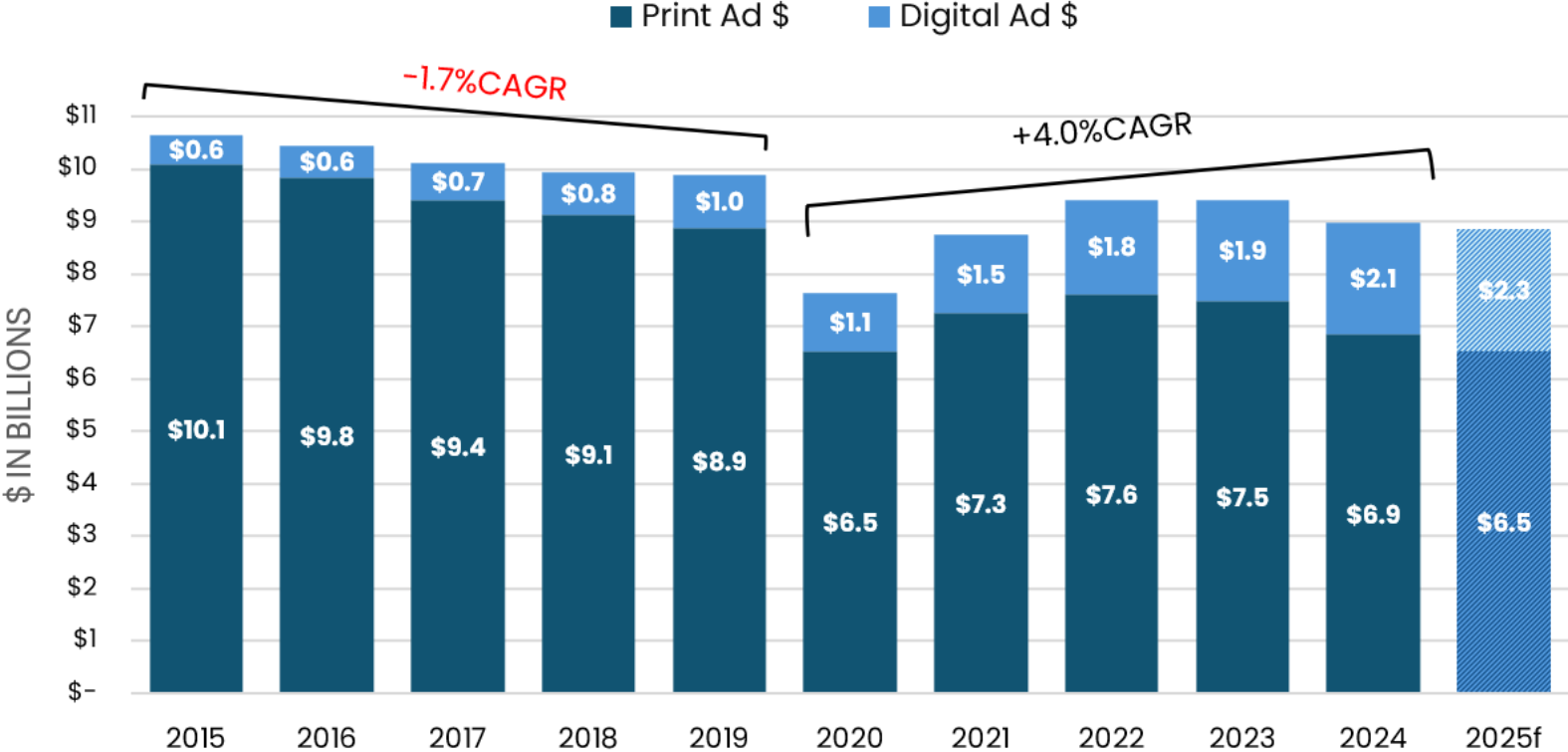
Digital offsets Declines

RADIO



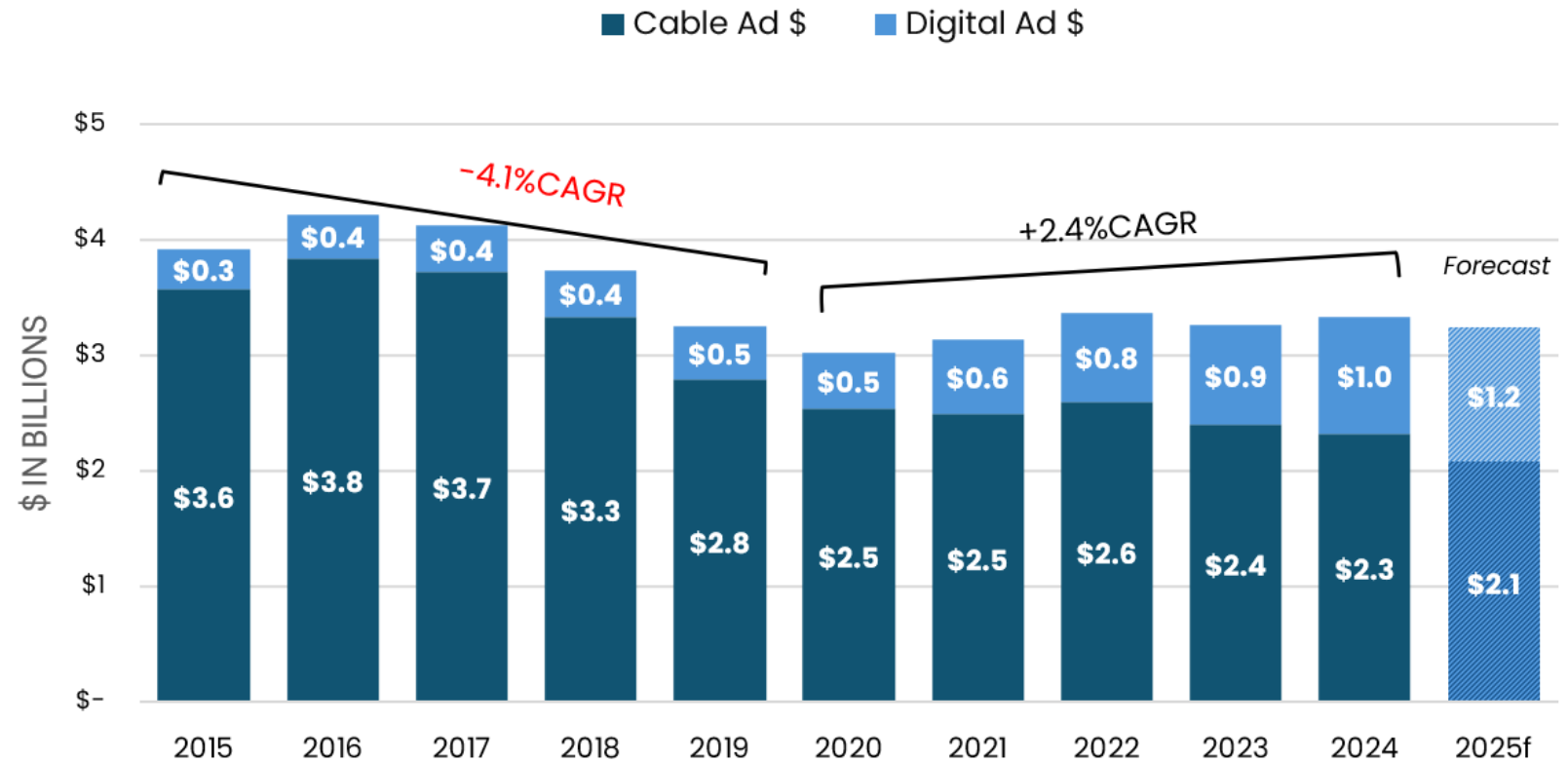
Digital offsets Declines

NEWSPAPERS

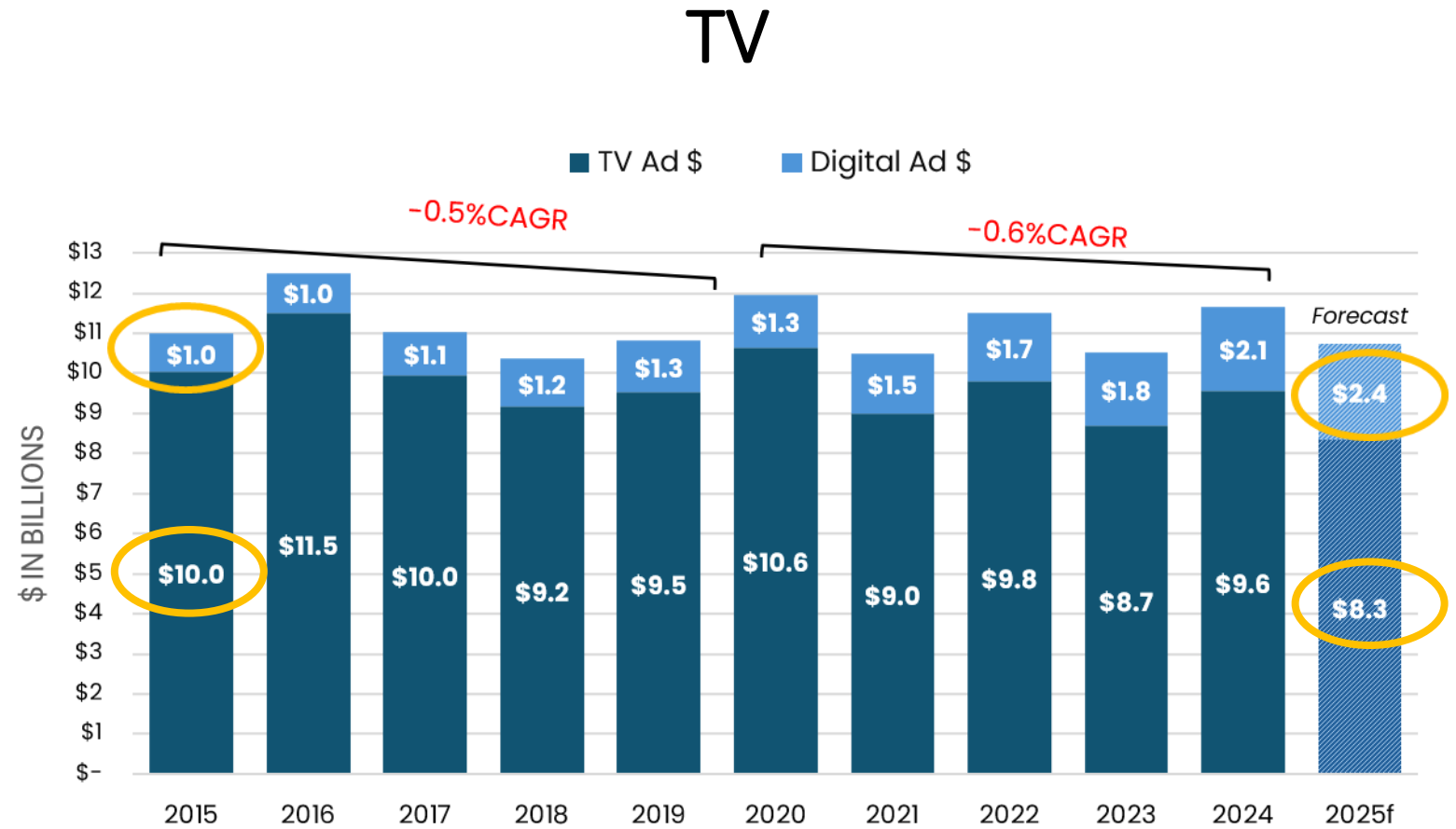


Digital offsets Declines

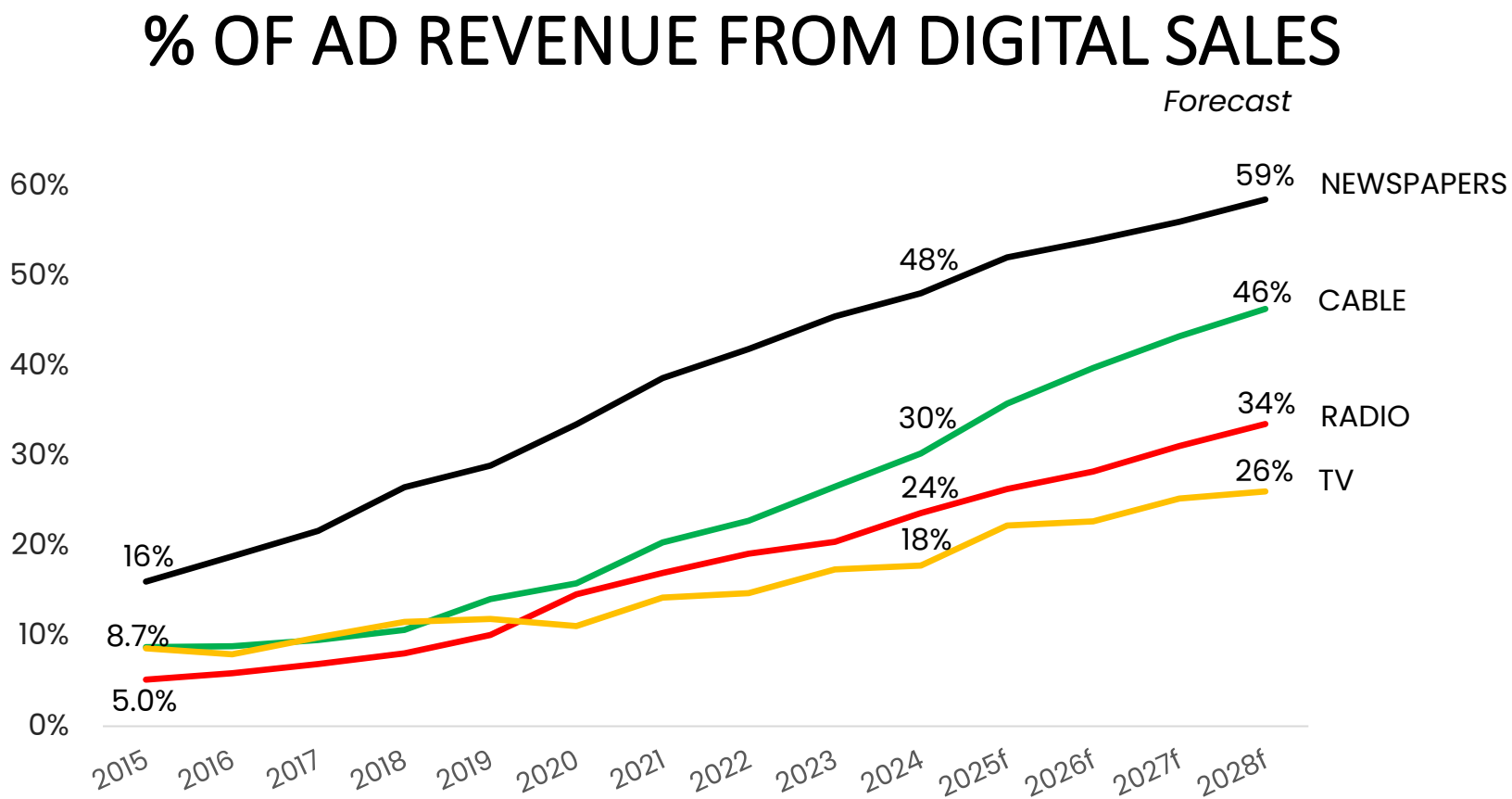
CABLE



Digital offsets Declines (almost)

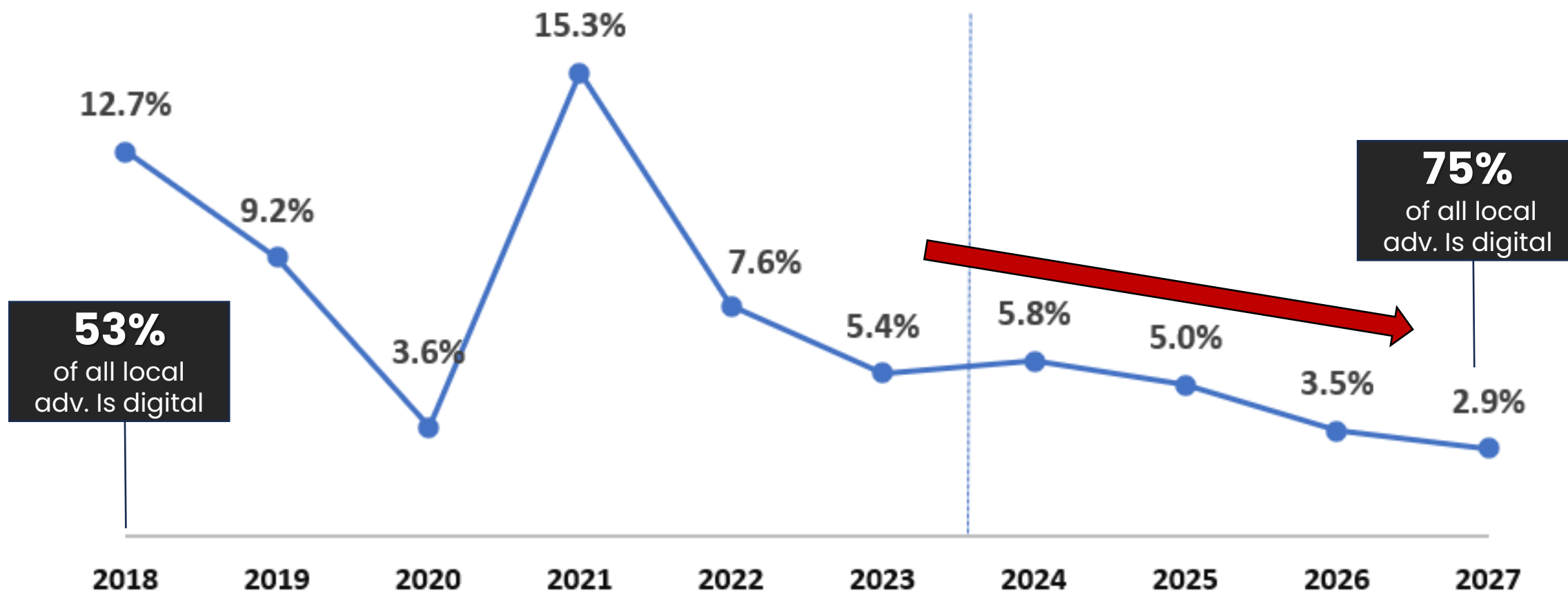


Meanwhile,
Digital
Inches
toward
Dominant
Source of
Revenue



Digital Growth Slows as Its Share Approaches 75%

U.S. Local Digital Advertising YOY Growth Rate





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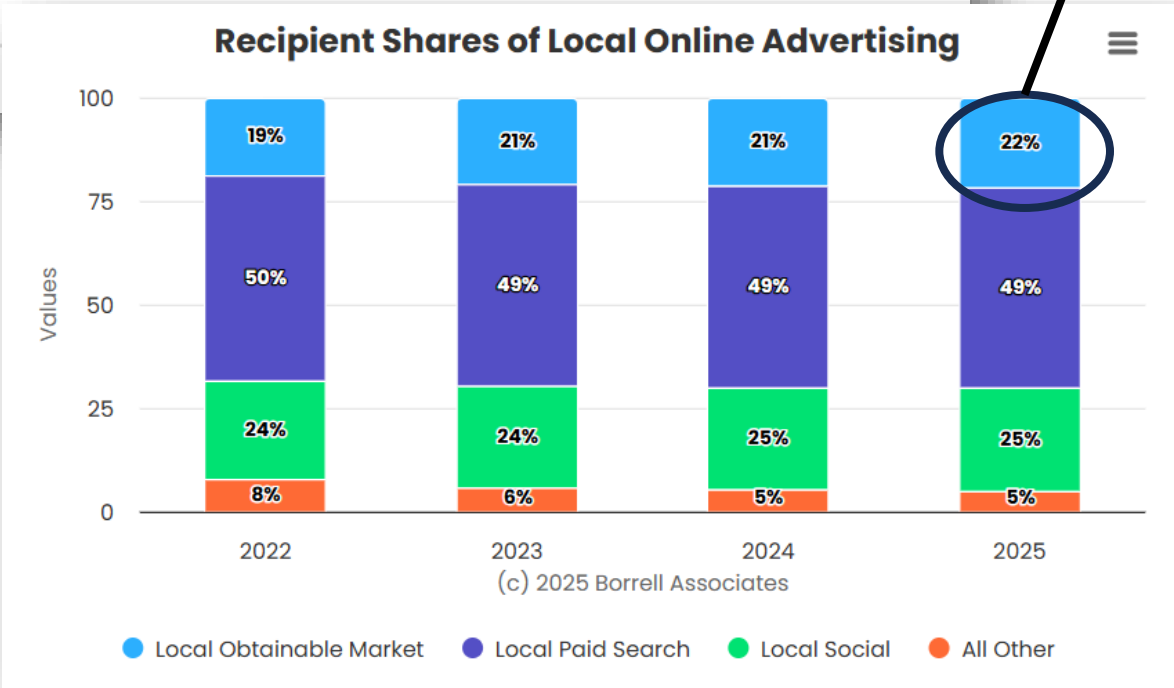


Local Advertising Spending Eugene, OR

	Spending Amount			
	2022	2023	2024	2025
Total Local Digital Advertising Expenditures	\$159,288,000	\$166,505,000	\$169,156,000	\$176,269,000
Local Obtainable Digital Market	\$30,266,000	\$34,872,000	\$36,175,000	\$38,412,000
Local Paid Search Expenditures	\$79,218,000	\$81,323,000	\$82,343,000	\$85,491,000
Local Social Media Expenditures	\$37,656,000	\$40,682,000	\$42,124,000	\$43,610,000
All Other Digital Advertising Expenditures	\$12,148,000	\$9,628,000	\$8,515,000	\$8,756,000

\$ in Actuals

Obtainable
Digital
Revenue



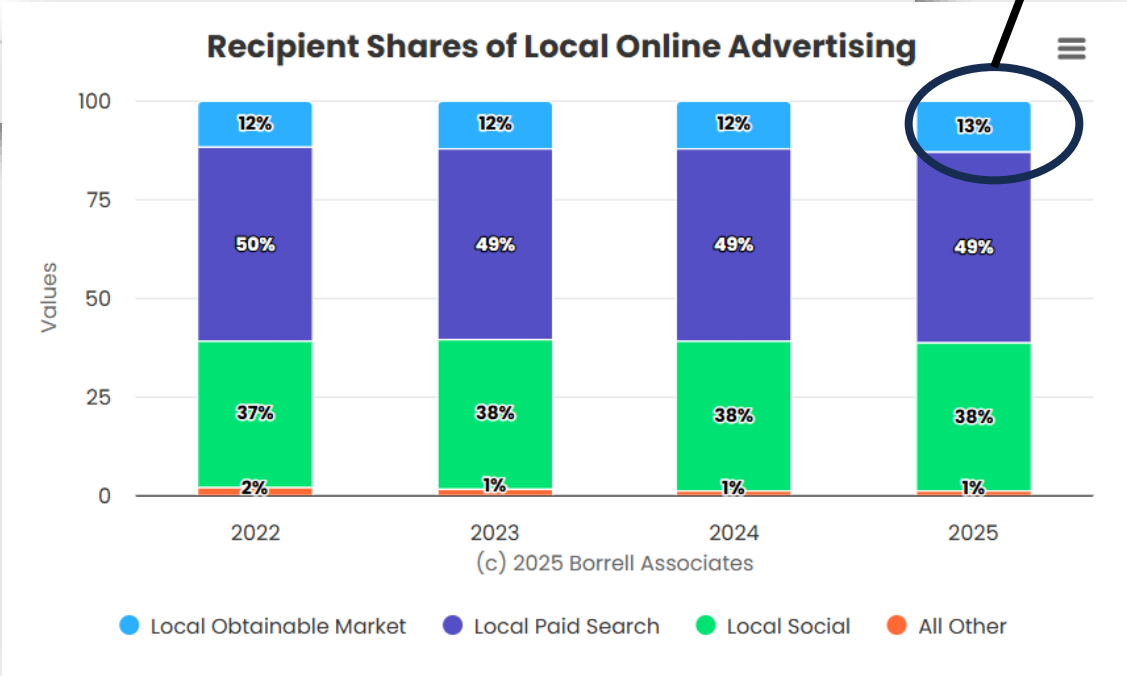
22%



San Antonio, TX Local Advertising Spending

	Spending Amount			
	2022	2023	2024	2025
Total Local Digital Advertising Expenditures	\$618,578,000	\$655,696,000	\$688,342,000	\$720,747,000
Local Obtainable Digital Market	\$72,305,000	\$79,751,000	\$84,201,000	\$93,146,000
Local Paid Search Expenditures	\$306,526,000	\$318,482,000	\$334,992,000	\$349,820,000
Local Social Media Expenditures	\$228,403,000	\$247,799,000	\$261,481,000	\$270,467,000
All Other Digital Advertising Expenditures	\$11,344,000	\$9,663,000	\$7,669,000	\$7,314,000
\$ in Actuals				

Obtainable
Digital
Revenue



13%



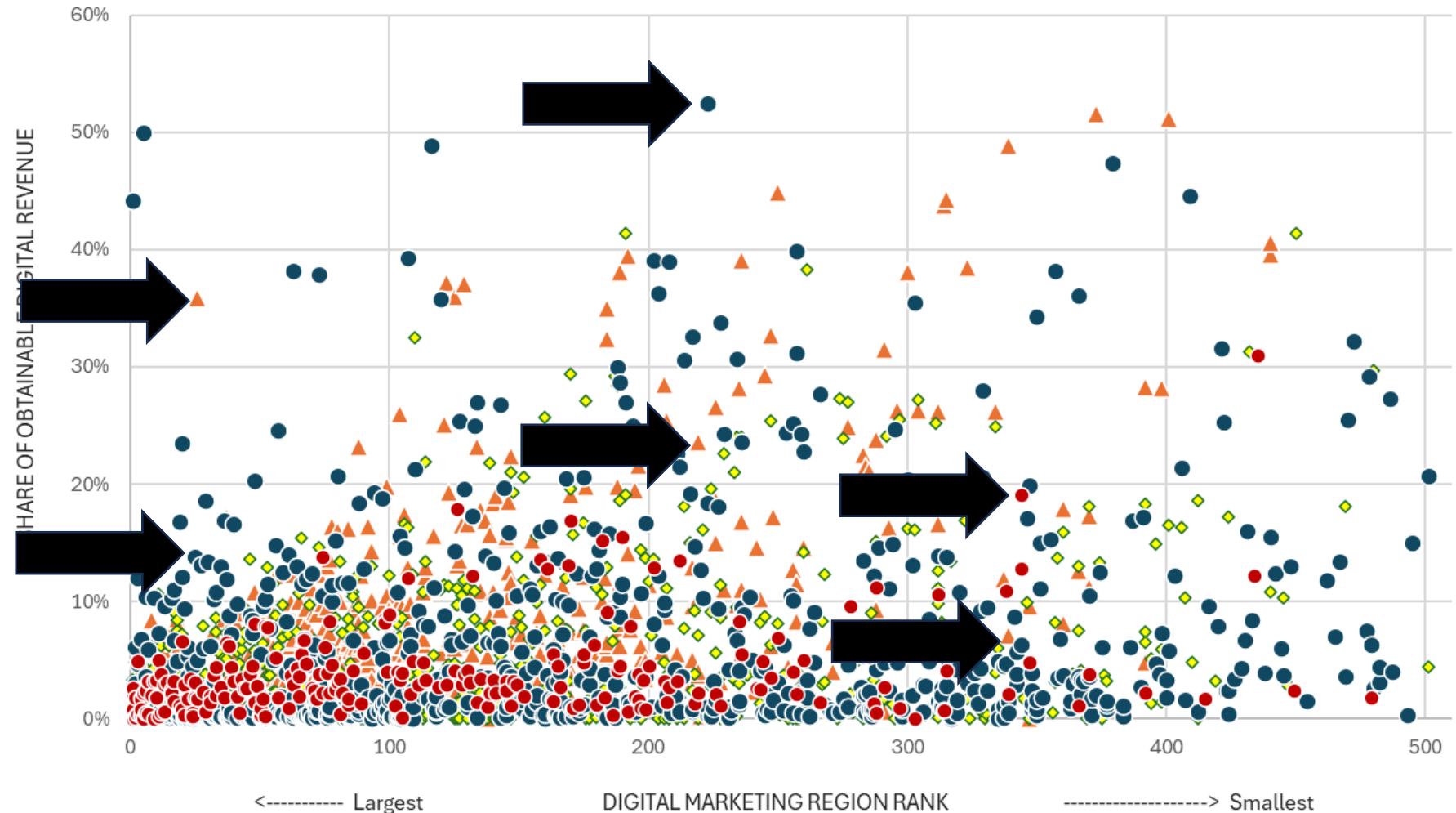
Share of In-Market Obtainable Digital Revenue for 2,786 Local Media Entities

▲ 673 TV Stations

◆ 974 Radio Clusters

● 901 Newspapers

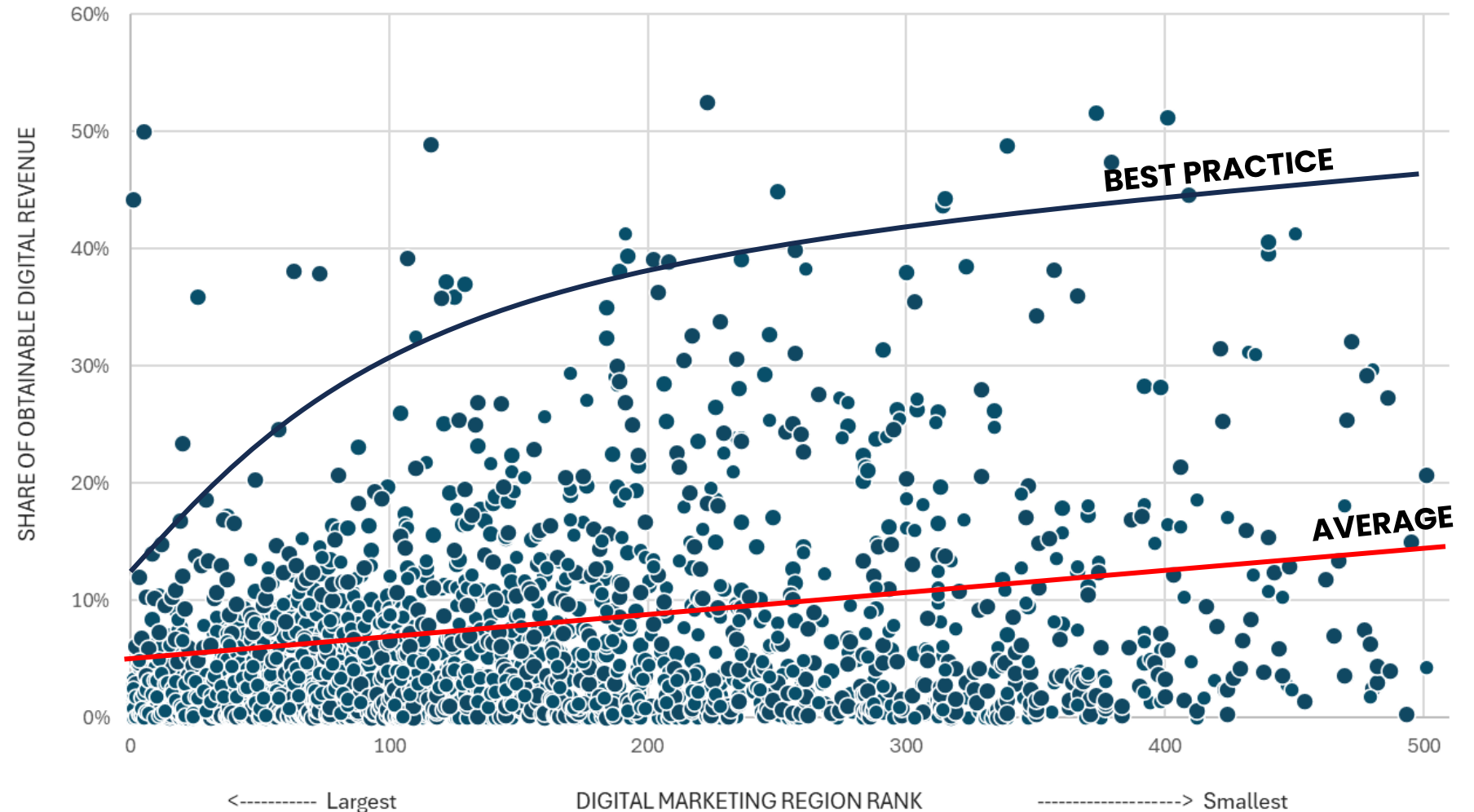
● 238 Cable Systems



**Your Best
Measurement:
Market Share**



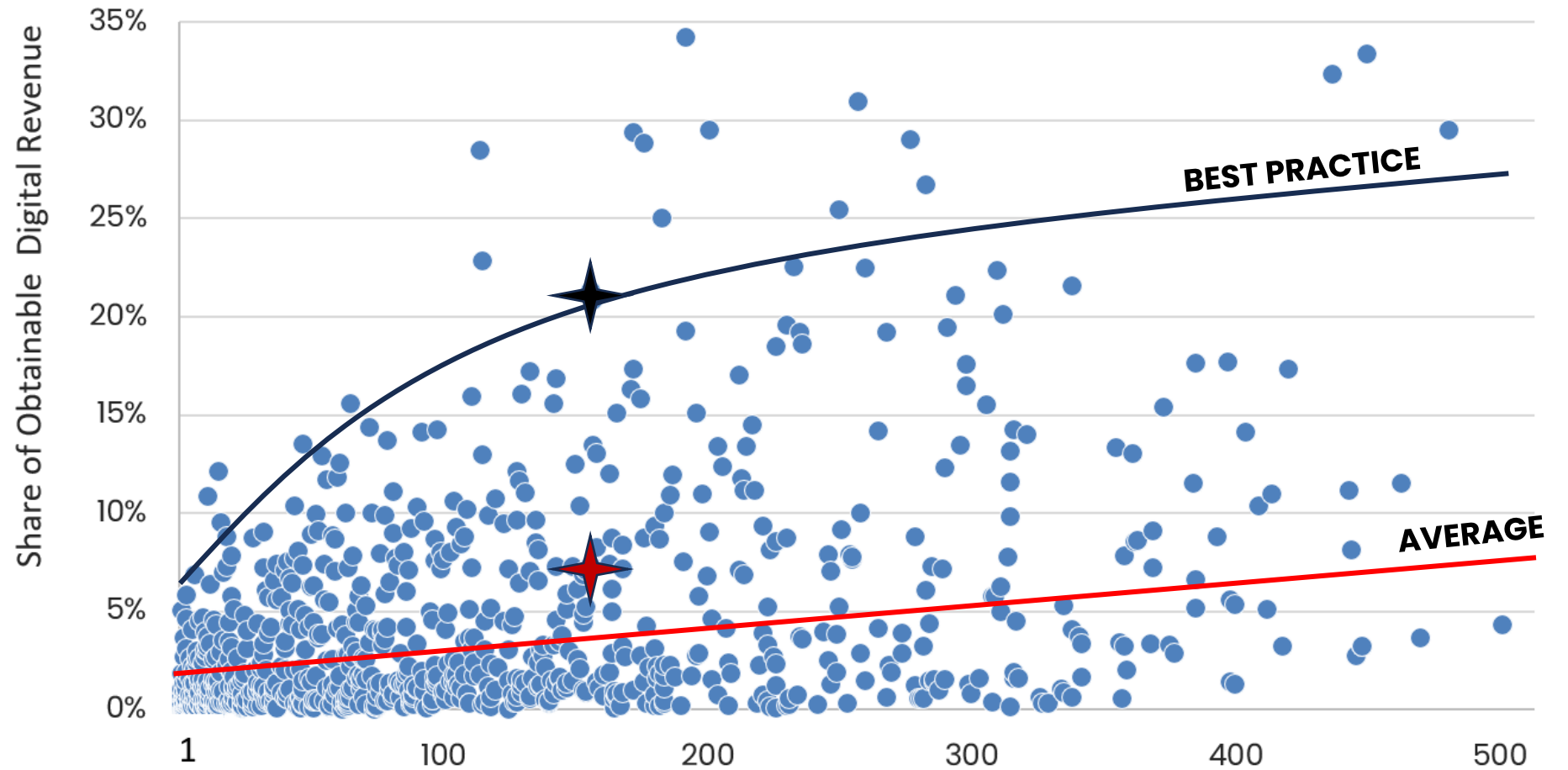
Share of In-Market Obtainable Digital Revenue for 2,786 Local Media Entities



**Your Best
Measurement:
Market Share**



Share of 2024 In-Market Obtainable Digital Revenue for 823 Radio Market Clusters



BENCHMARKS
**Radio's
Digital
Market
Share**



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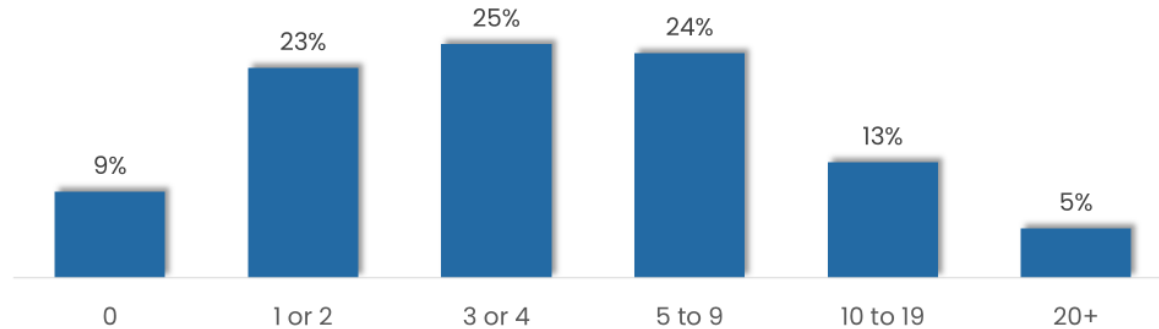


**SOME GROWTH WILL COME
FROM COMPETITORS WHO
ARE WITHERING OR GOING
AWAY**

COMPANIES BUY FROM

On average, advertisers buy advertising/marketing from 7 companies; 4 of which are local companies.

NUMBER OF COMPANIES BOUGHT FROM



	Total # of Companies Buy Adv/Mktg From	# that are Local
Average	6.5	3.8
Median	4.0	2.0
Mode (Most Common)	3.0	1.0

Survey Questions

Q. How many companies would you say your company bought advertising or marketing services from in 2024? Please enter a number in the box provided.
 Q. Okay, and of those [X] companies your company bought advertising/marketing services from, how many would you classify as a local company?
 Total responses for advertiser survey n=1130

Copyright © 2024 Borrell Inc. Local Advertiser Survey Summary | Fielded Sept–Nov 2024

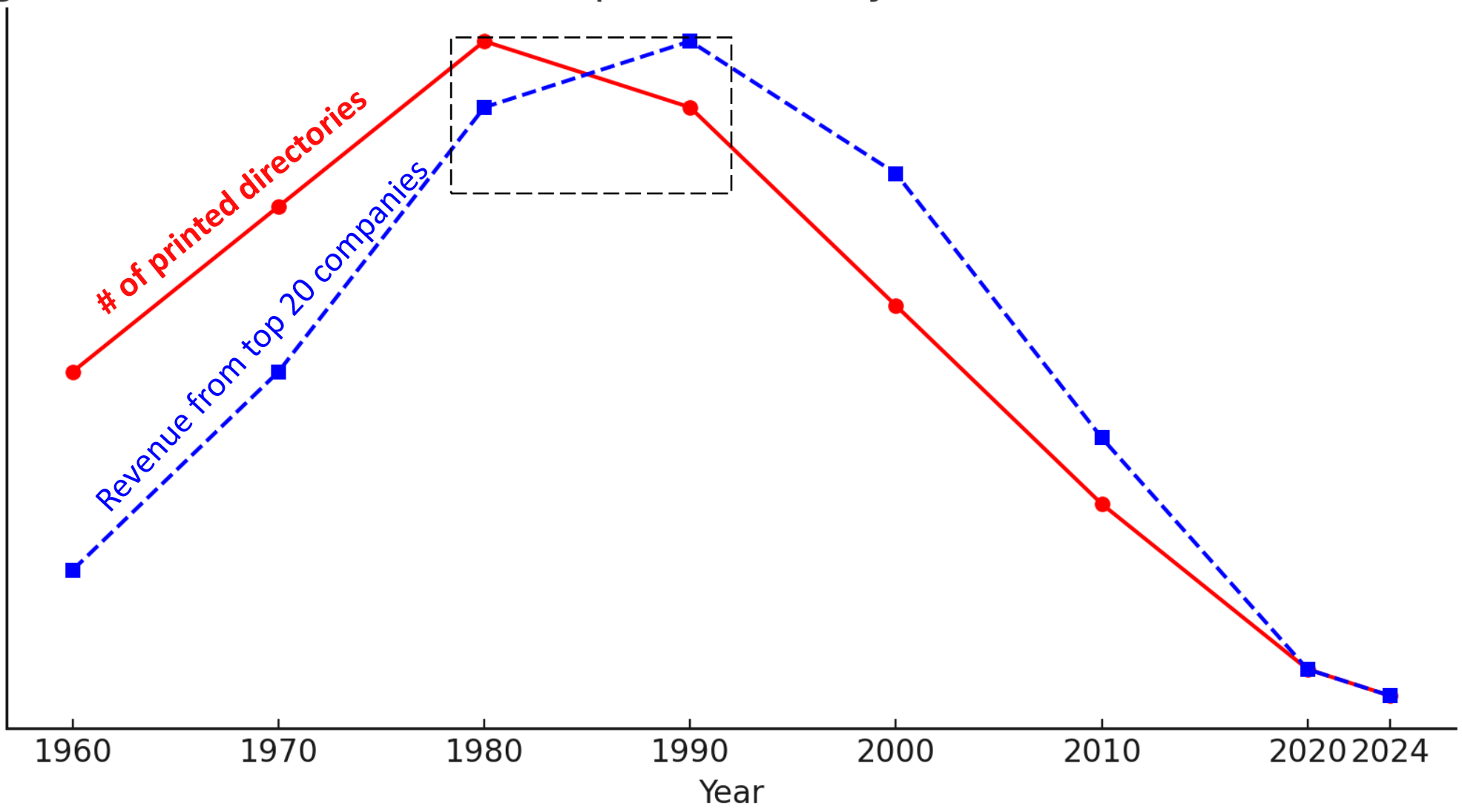






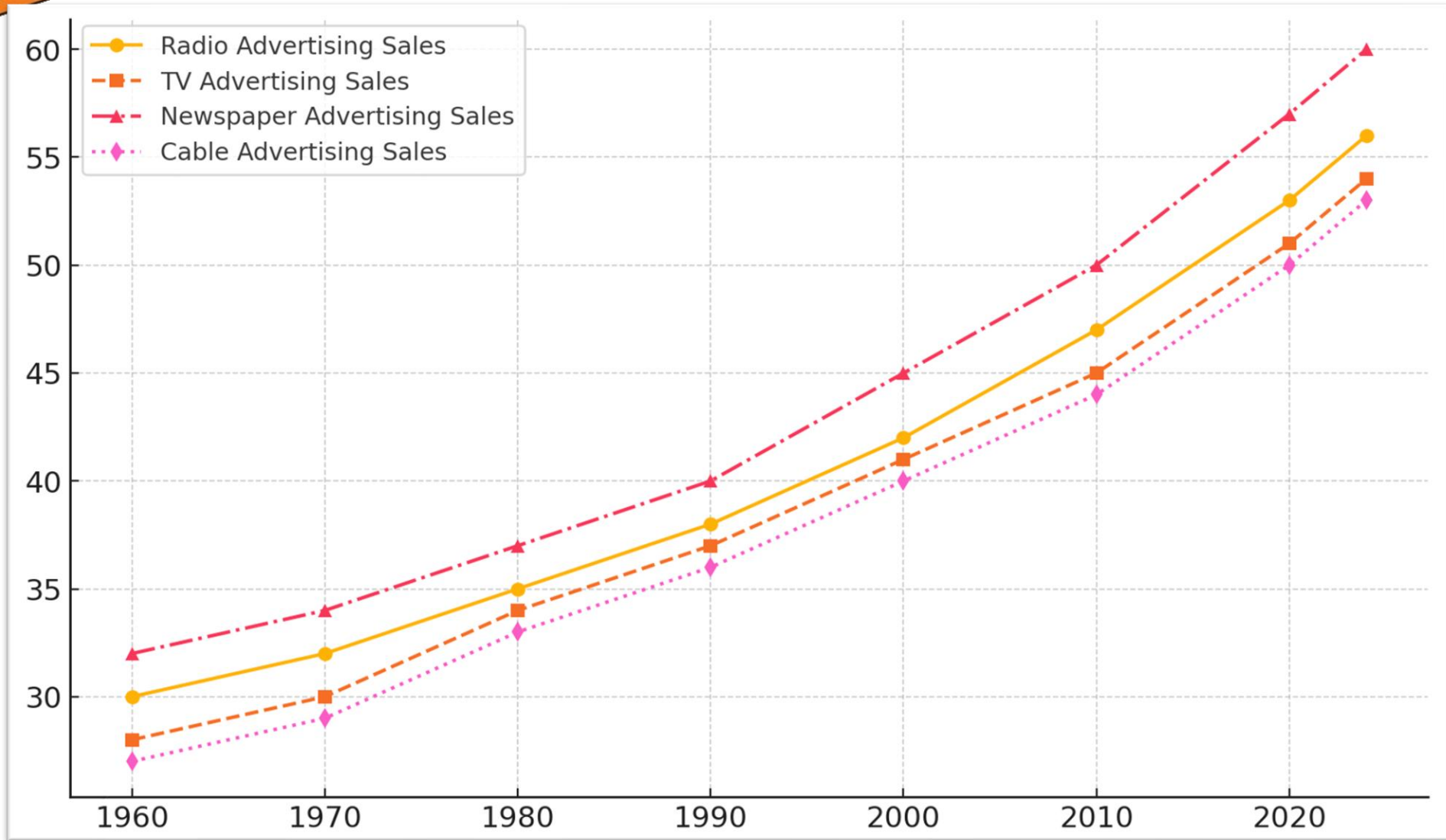
consolidation ends

Yellow Pages Printed Directories vs. Top 20 Directory Publishers' Ad Revenue (1960-2024)





An aging sales force



Sources: Yellow Pages Association (Now Local Search Association - LSA) – Historical data on the Yellow Pages workforce. Public financial reports and investor calls from major directory publishers (e.g., Dex Media, YP Holdings, Hibu). U.S. Bureau of Labor Statistics (BLS) – Data on advertising sales representatives, showing an increase in average age over time.



WHAT WILL THE **SURVIVORS**
LOOK LIKE?



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1

CORPORATE INVEMTMENT IN GROWTH



2

DON'T RELY ON CORE PRODUCTS AND
CORE SELLERS TO DRIVE A NEW LINE OF
BUSINESS



3

EASY TO BUY

EASY TO SELL

EASY TO EXECUTE



4

NOT
OVERRELIANT
ON LOCAL
AUDIENCE



MARKET OPPORTUNITY

WEBSITE VISITS



5

LEVERAGE CONTENT IN A WHOLE NEW WAY





6

THINK DIFFERENTLY

EXPONENTIALLY NOT
INCREMENTALLY

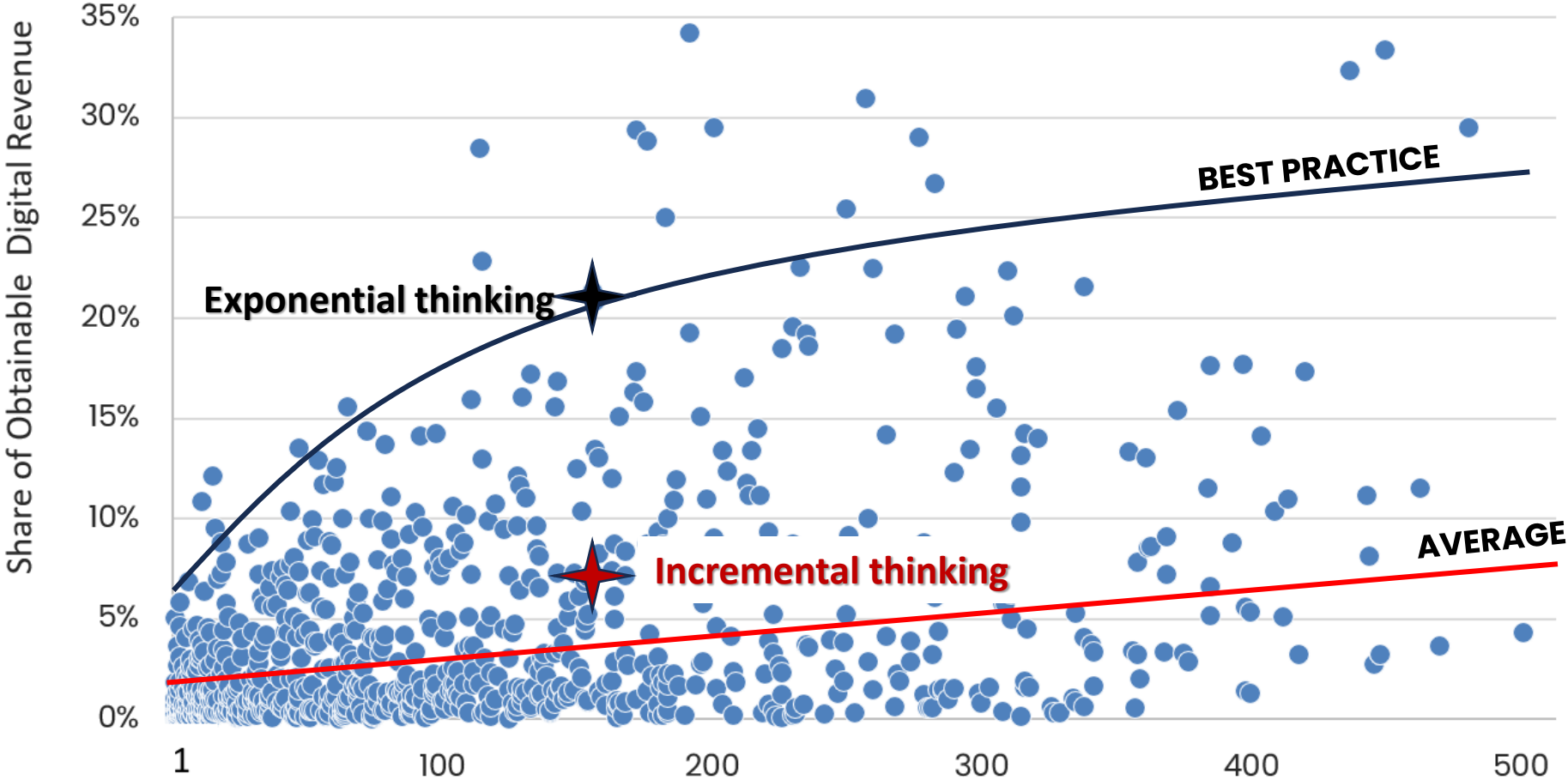
AN ENTREPRENEUR
MINDSET



BENCHMARKS

Radio's Digital Market Share

Share of 2024 In-Market Obtainable Digital Revenue for 823 Radio Market Clusters



7

RESEARCH AND DEVELOPMENT

Year	R&D Expenses (in billions)	Operating Expenses (in billions)	R&D as % of Operating Expenses
2020	\$18.447	\$53.294	34.6%
2021	\$24.655	\$71.176	34.6%
2022	\$35.338		
2023	\$38.483		
2024	\$43.873		



Year	R&D Expenses (in billions)	Operating Expenses (in billions)	R&D as % of Operating Expenses
2020	\$27.573	\$89.769	30.7%
2021	\$31.562	\$91.322	34.6%
2022	\$39.500	\$87.665	45.1%
2023	\$45.427	\$89.769	50.6%

Alphabet

Year	R&D Expenses (in billions)	Operating Expenses (in billions)	R&D as % of Operating Expenses
2020	\$1.830	\$20.411	9.0%
2021	\$2.274	\$23.503	9.7%
2022	\$2.711	\$25.983	10.4%
2023	\$2.676	\$26.769	10.0%
2024	\$2.925	\$28.583	10.2%





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How much time does it take to get a “no”?

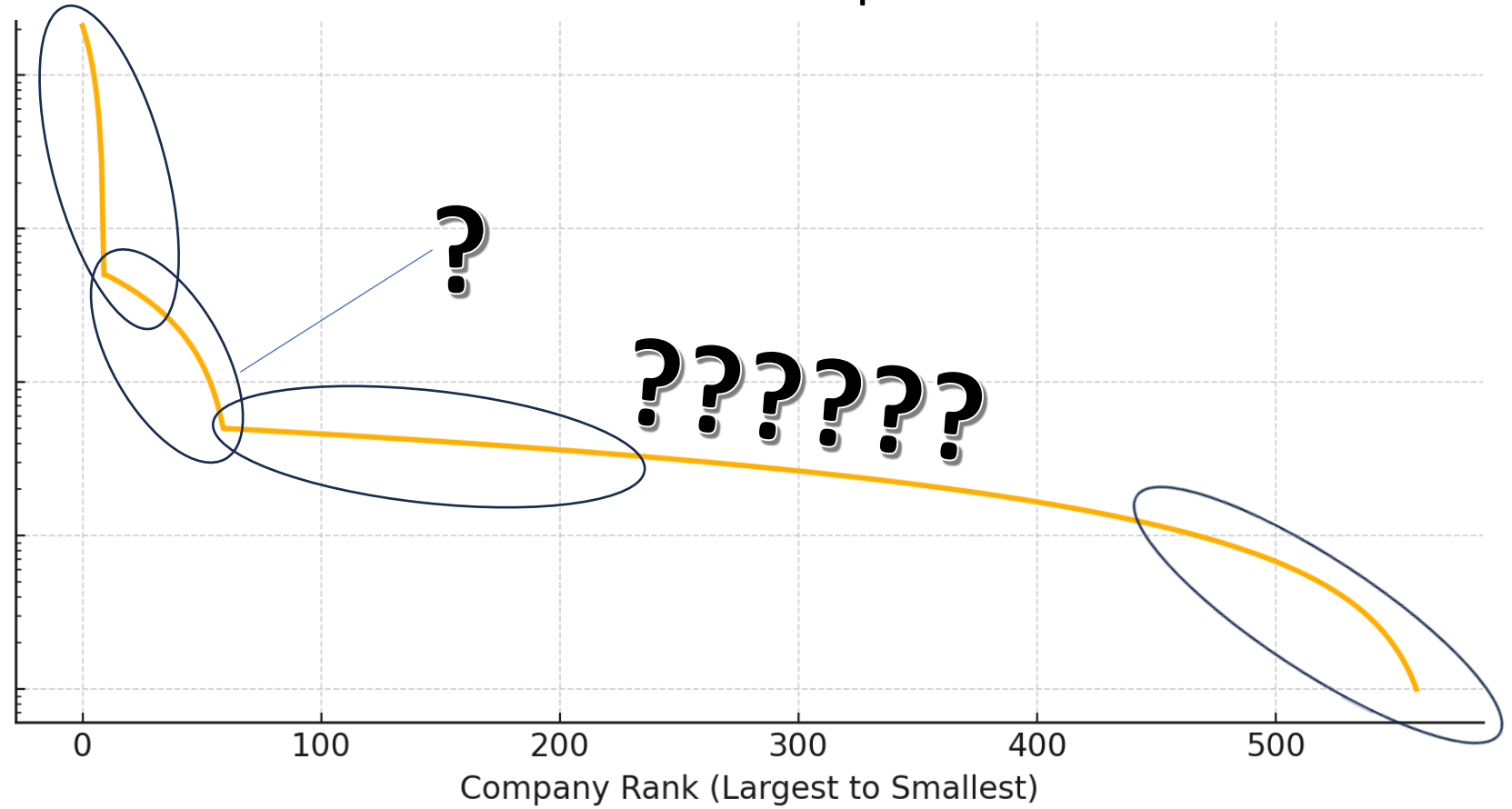
How much does that cost?

Sales Management Function

- Match prospect to sales talent
- Create profitable product and pricing packages that match the business category needs
- Manage the flow of prospect to the sellers
- Track progress – the “Lost” as much as the “Won”
 - What went right?
 - What went wrong?
 - Competition
 - Price
 - Not qualified
 - Didn’t get appointment (not lost)



567 HVAC Companies



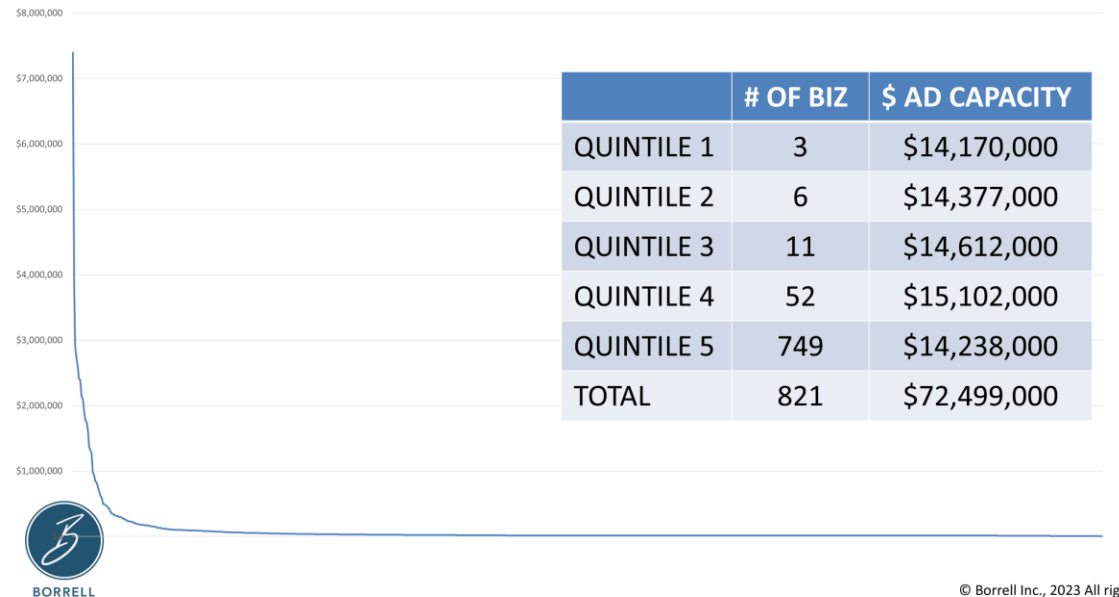
AD CAPACITY	Other Home Furnishings	Nursery & Garden Centers	Floor Coverings	Plumbing /HVAC	Furniture Stores	Electronics & Appliances	Resd. Building/Const/ Remodeling	Landscaping Services	Home Centers	TOTAL	SHARE
Under \$20k	476	127	717	293	533	1672	8558	2280	384	17677	89.9%
\$20k to \$39k	28	9	62	38	125	90	139	32	25	891	4.5%
\$40k to \$59k	11	4	19	15	40	29	35	6	19	318	1.6%
\$60k to \$79k	4	5	5	8	27	9	16	1	7	155	0.8%
\$80k to \$99k	5	2	1	5	22	6	11	1	9	113	0.6%
\$100k to \$119k	2	0	4	3	8	4	4	4	1	66	0.3%
\$120k to \$139k	4	0	1	4	6	3	10	0	4	72	0.4%
\$140k to \$159k	1	1	2	3	6	1	5	1	2	49	0.2%
\$160k to \$179k	0	0	1	2	5	3	2	0	1	36	0.2%
\$180k to \$199k	3	1	0	1	5	3	2	0	3	31	0.2%
\$200k to \$249k	1	0	4	3	5	1	5	0	2	49	0.2%
\$250k to \$499k	1	0	1	5	15	10	15	0	4	99	0.5%
\$500k to \$749k	11	0	0	1	8	2	2	0	0	42	0.2%
\$750k to \$999k	0	0	0		0	0	0	0	0	9	0.0%
\$1,000,000 and up	7	1	0	2	15	11	4	0	4	62	0.3%
	554	150	817	388	820	1844	8808	2325	465	19669	
Overall Loc. Share	2.8%	0.8%	4.2%	19.8%	4.2%	9.4%	44.8%	11.8%	2.4%		

FURNITURE STORES

TOTAL NUMBER OF BUSINESSES/ROOFTOPS	1025
TOTAL NUMBER OF UNIQUE BUSINESSES	820
TOTAL REVENUE OF SEGMENT	\$ 1,113,500,000
TOTAL AD CAPACITY	\$ 76,295,000
% AD TO REVENUE	6.9%
CURRENT MEDA CO. ACCTS	50
PENETRATION	6.1%

AD CAPACITY RANGE	# OF BIZ
Under \$20k	533
\$20k to \$39k	125
\$40k to \$59k	40
\$60k to \$79k	27
\$80k to \$99k	22
\$100k to \$119k	8
\$120k to \$139k	6
\$140k to \$159k	6
\$160k to \$179k	5
\$180k to \$199k	5
\$200k to \$249k	5
\$250k to \$499k	15
\$500k to \$749k	8
\$750k to \$999k	0
\$1,000,000 and up	15

FURNITURE STORES



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What are current customers buying that you aren't selling?

Which businesses best fit what you are selling?

What are the needs of non-customers that you aren't selling

What could you sell or what problems could you solve for businesses that buy nothing from you now?

Changing Profile of Local Ad Buyers

They're Gaining



Cassidy (Cannon) Lewis · 1st
Chief Marketing Officer | Creative Problem Solver | **Top 40 Under 40**
Virginia Beach, Virginia, United States · [Contact info](#)
1,247 followers · **500+** connections



Lawyers
N



Summary

Digital is the only growth engine, but digital growth is slowing

Measure Market Share against obtainable market

Warning signs – consolidation ends, salesforce ages

Best practices companies think differently

- Investment from corporate

- Decouple digital from core

- Easy to buy, easy to sell

- Beyond local audience

- Leverage old content in new ways

- Invest in Research

Go to market holistically using data, not salespeople's intuition

Decouple the core and the new business lines as much as possible

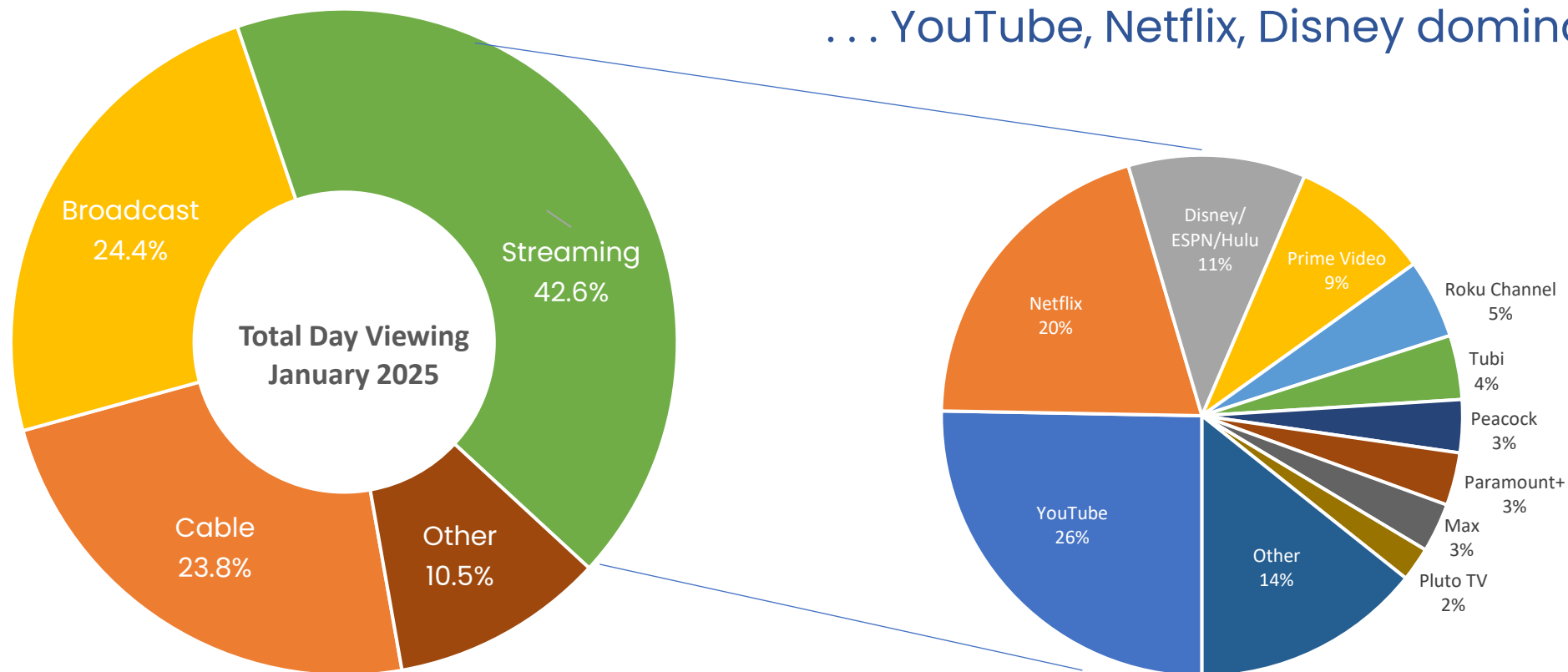
Q & A

Bonus Content:

Musings on OTT/CTV

42% of Video Viewing is Streaming ...

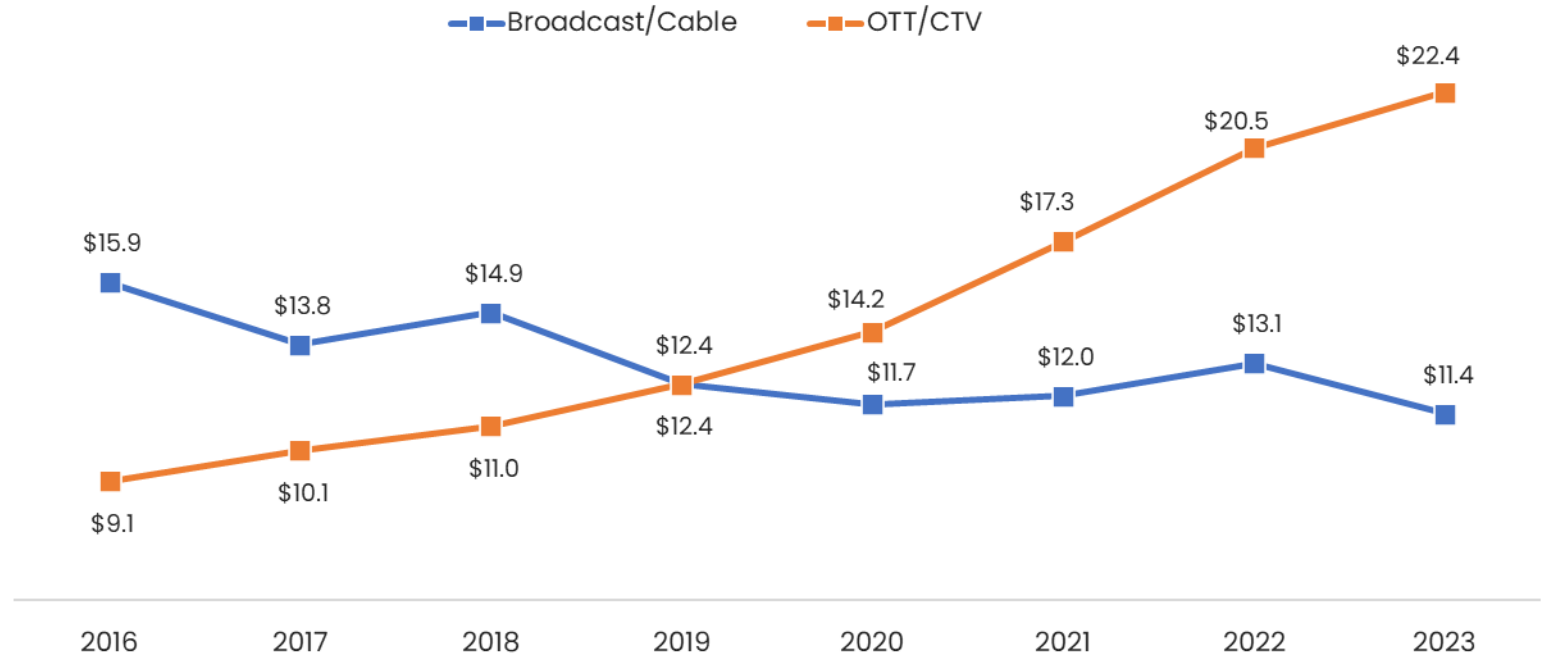
... YouTube, Netflix, Disney dominate platforms



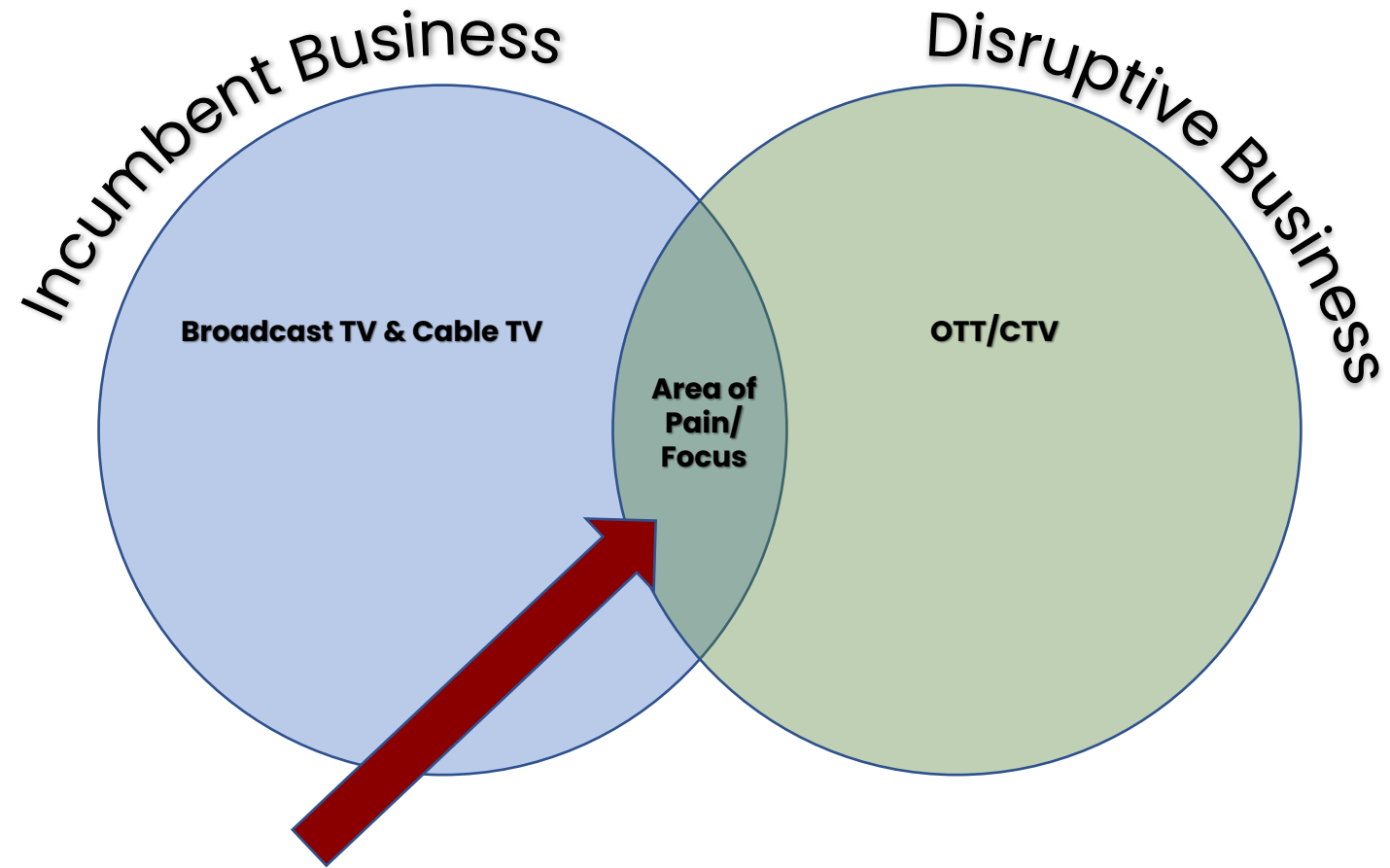
Insights on CTV/OTT

CTV/OTT Spending Surpassed Linear TV **6 Years Ago**

U.S. Local Ad Spending on Video Advertising, 2016-2023



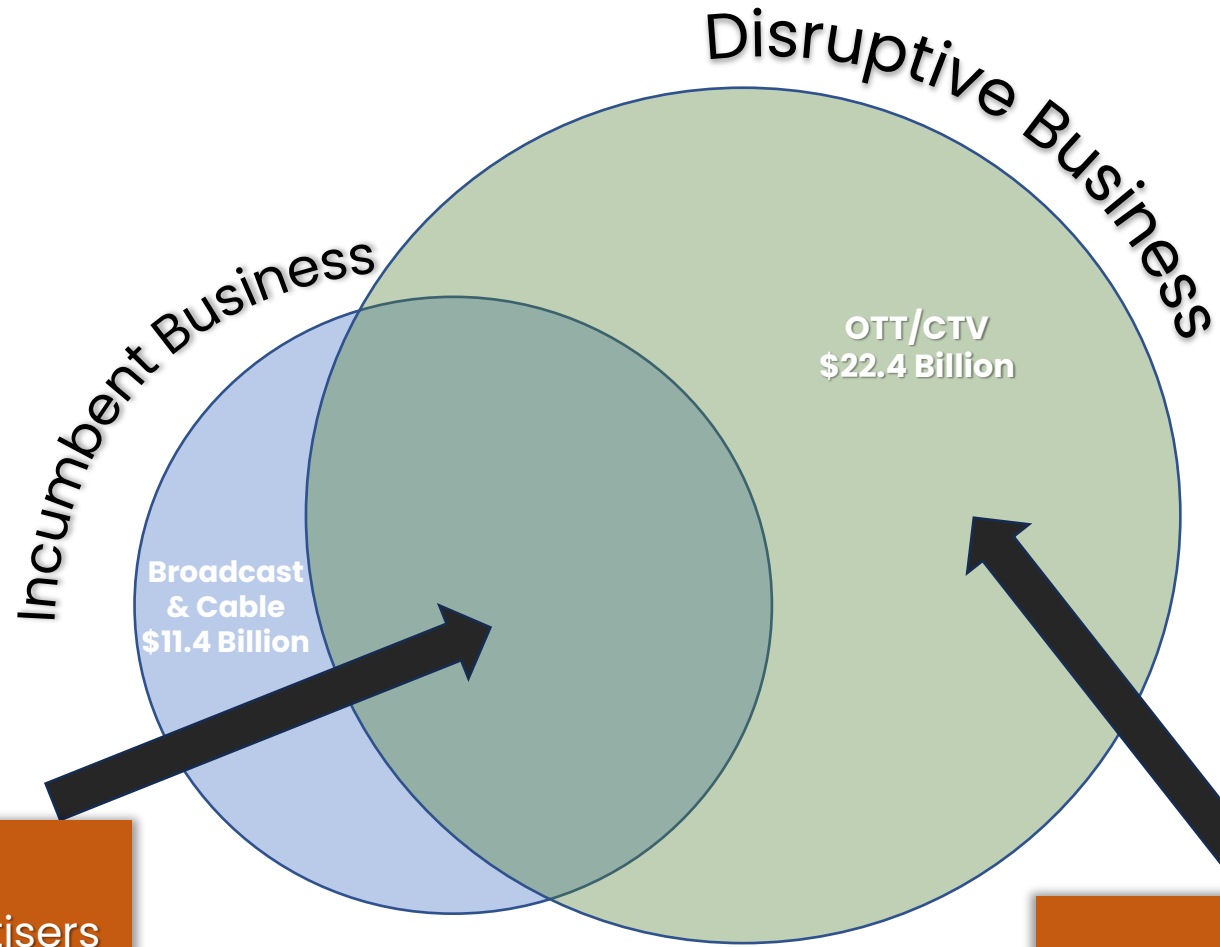
Disruptive Innovation



For incumbent businesses, the focus is restricted to this area, where a new technology mimics the incumbent's products and thus its customers.



Disruptive Innovation



64%

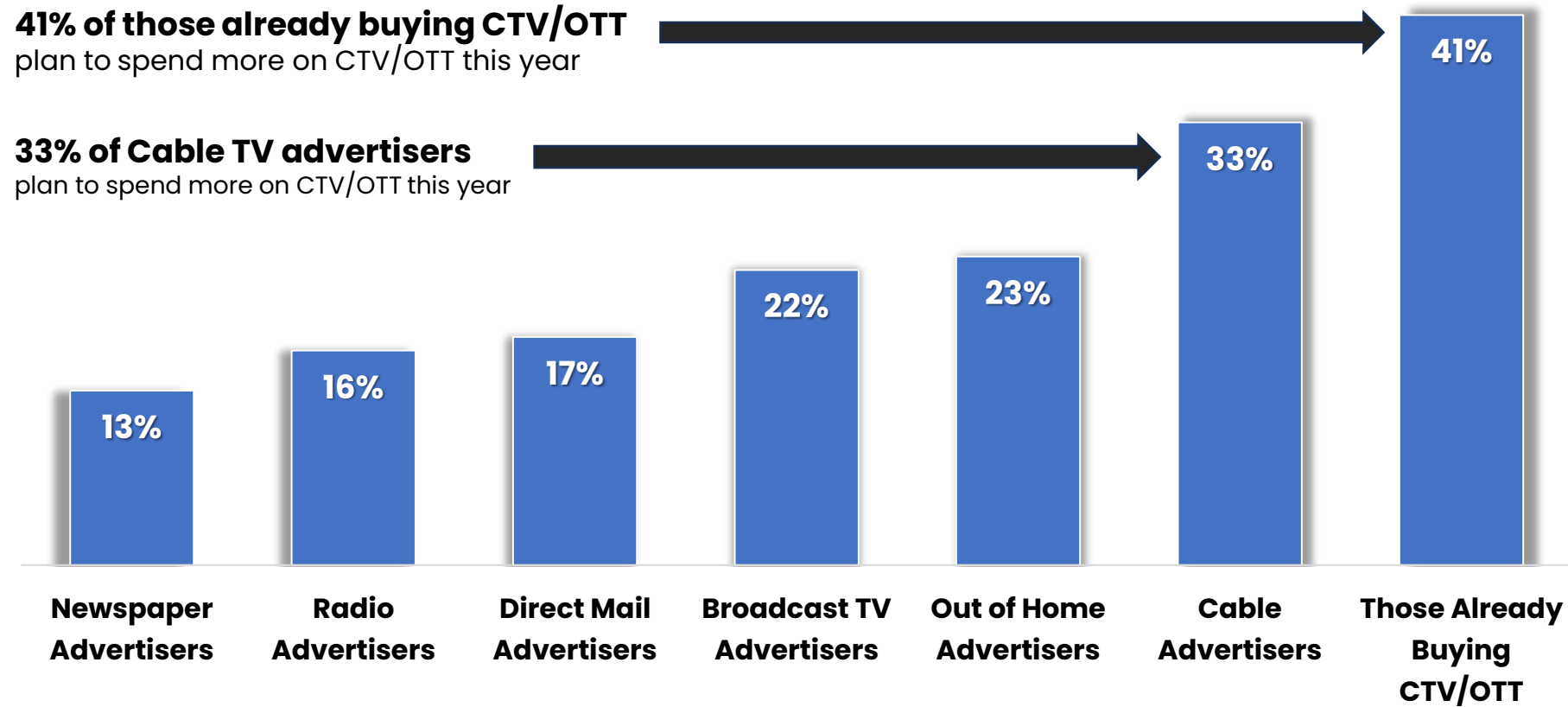
of TV & Cable Advertisers
also buy OTT

50%

of OTT/CTV buyers are
not also buying
Broadcast TV/Cable



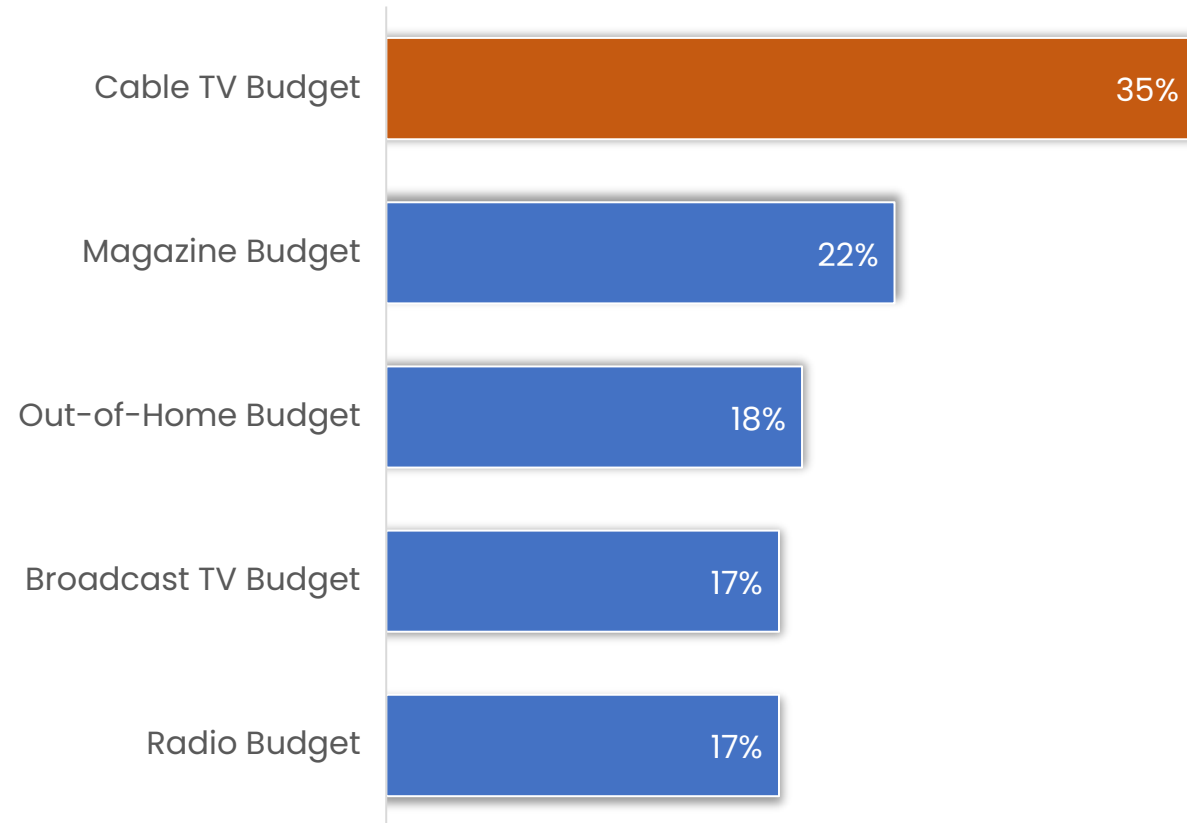
Where to Find the Best Prospects for CTV/OTT



Source: Borrell's Q4 2024 survey of 1,130 local advertisers



Top 5 Things Cable Buyers Plan to Cut in 2025

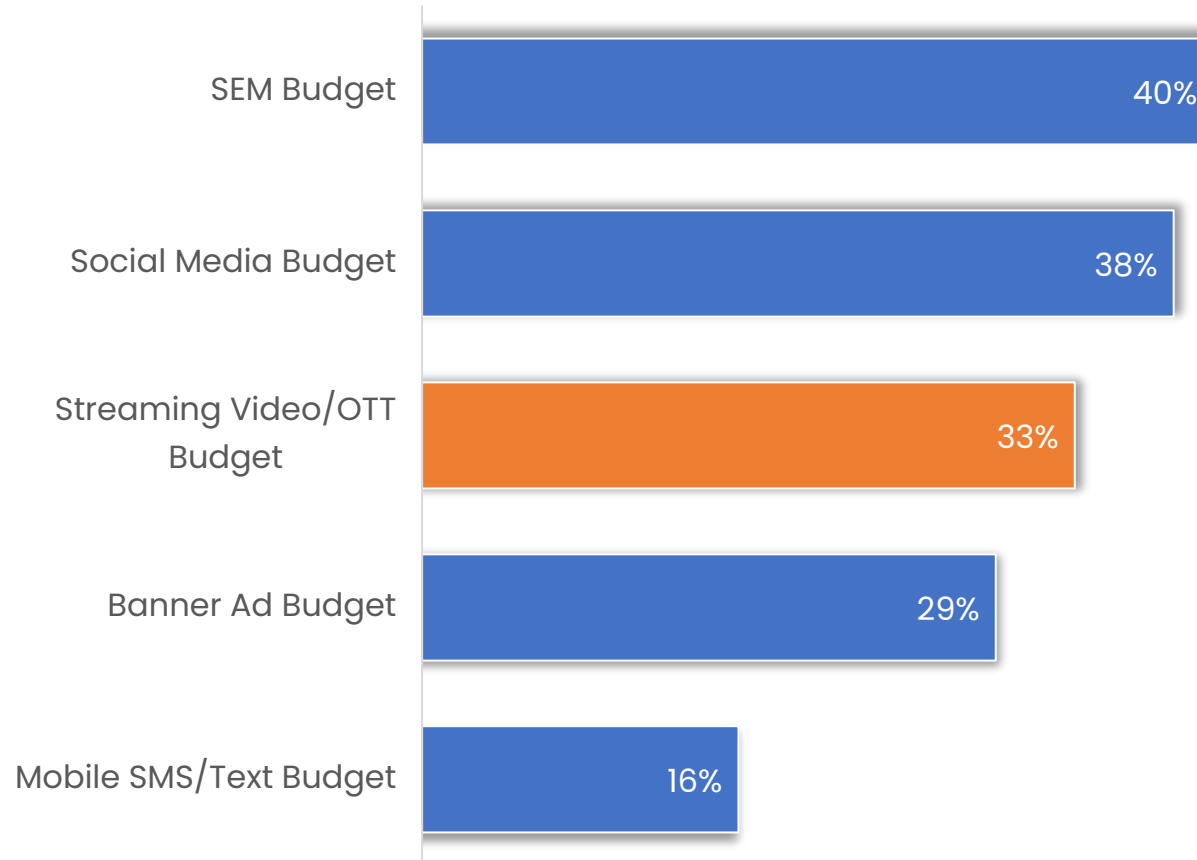


Source: Borrell's Q4 2024 survey of 1,130 local advertisers; n=101 cable buyers



Top 5 Things Cable Buyers Plan to Increase in 2025

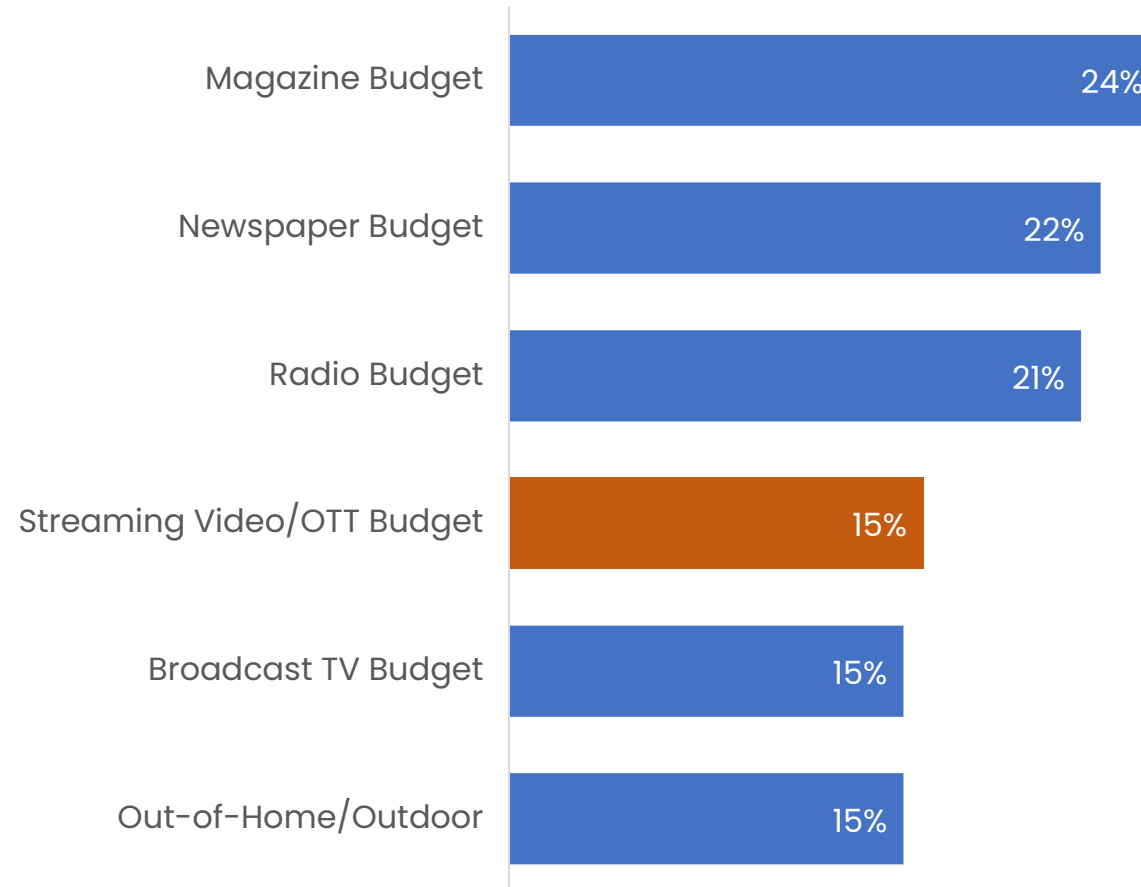
Top 5 Things Cable Buyers Plan to Cut in 2025



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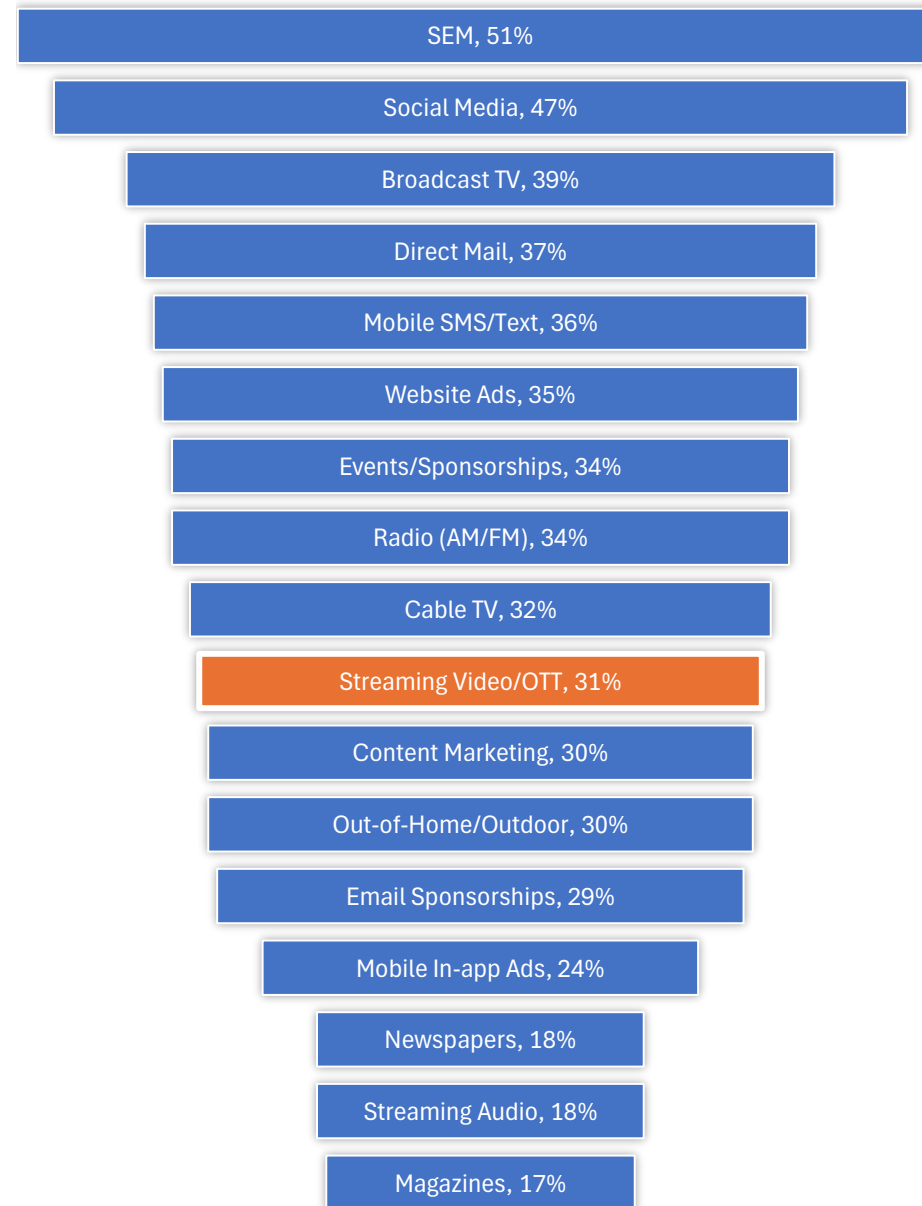
Top 5 Things OTT/CTV Buyers Plan to Cut in 2025



Source: Borrell's Q4 2024 survey of 1,130 local advertisers; n=101 cable buyers



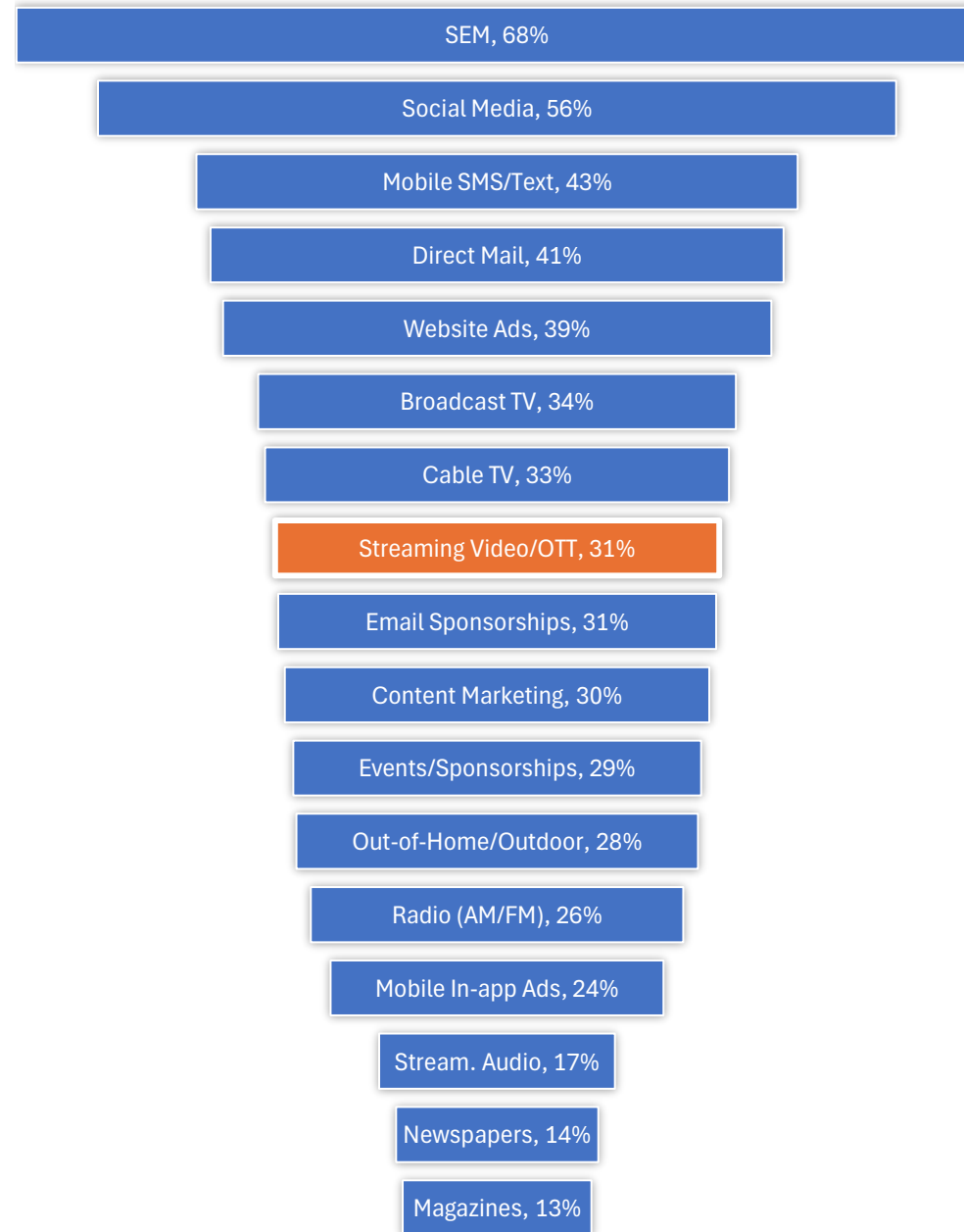
% of Local Advertisers Rating Each 'Very' to 'Extremely' Effective



Source: Borrell's Q4 2024 survey of 1,130 local advertisers



% of Local OTT Buyers Rating Each 'Very' to 'Extremely' Effective



Source: Borrell's Q4 2024 survey of 1,130 local advertisers





Thank You

Jim Brown

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