







# 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.

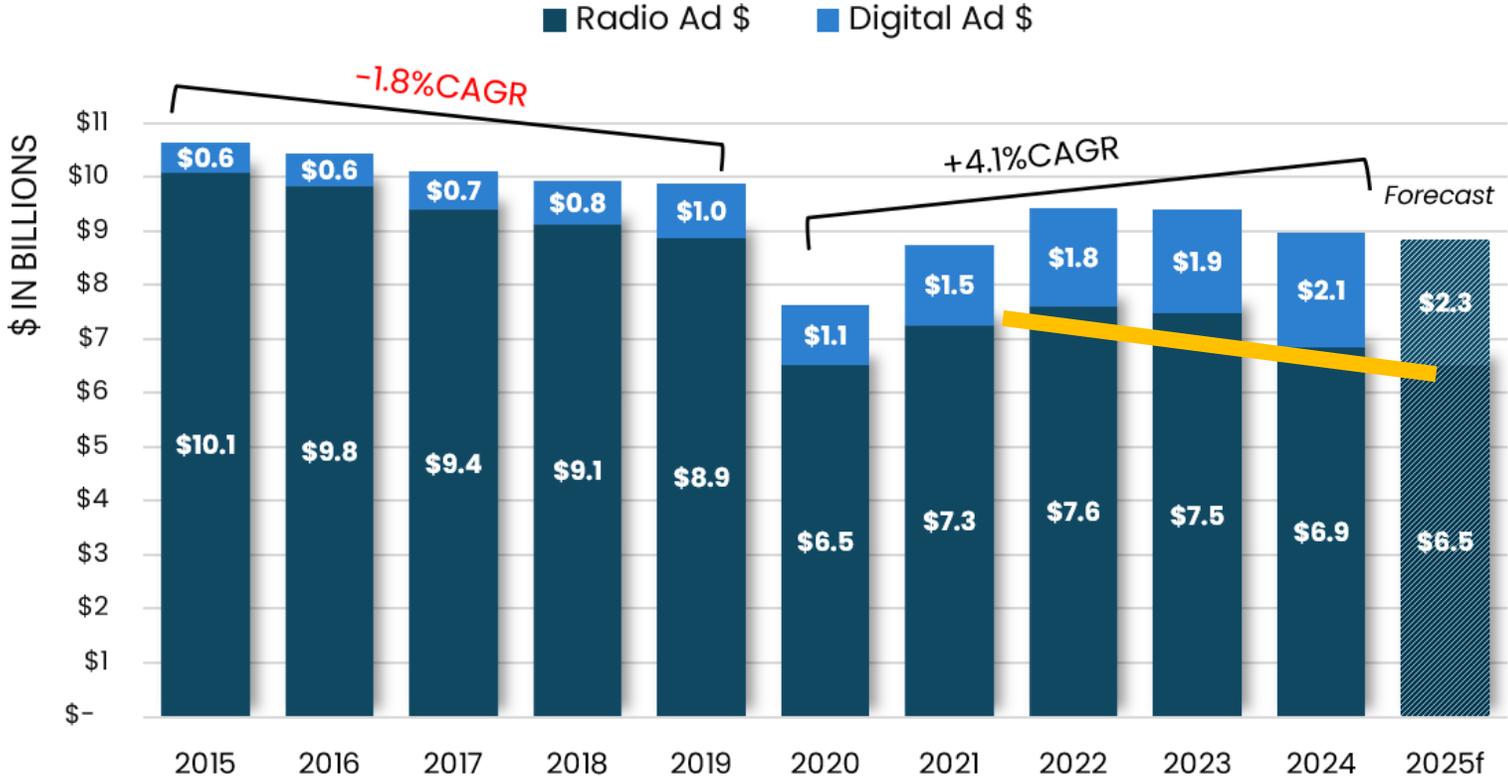
**68%**

DIGITAL IS  
THE ONLY  
GROWTH  
ENGINE



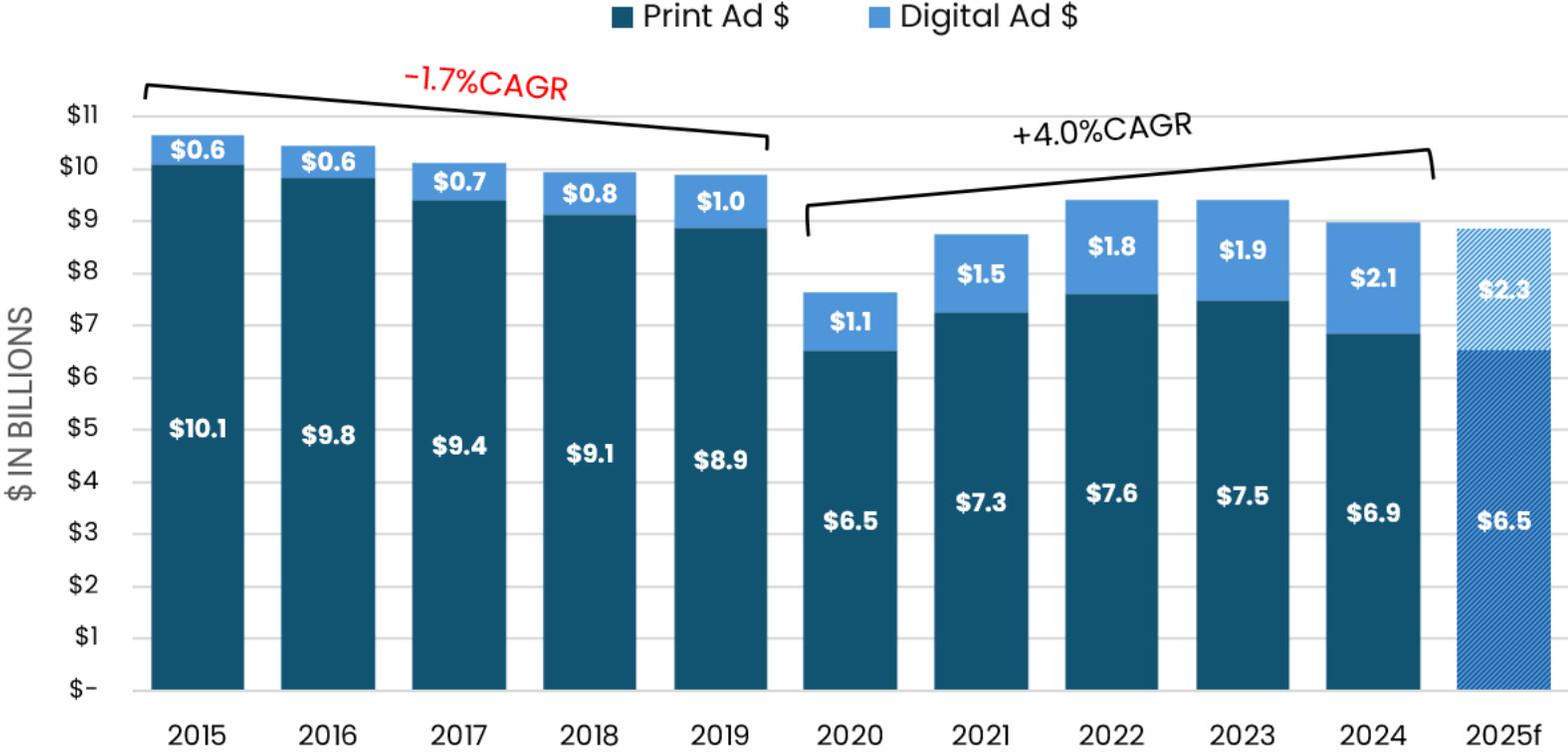
# Digital offsets Declines

## RADIO



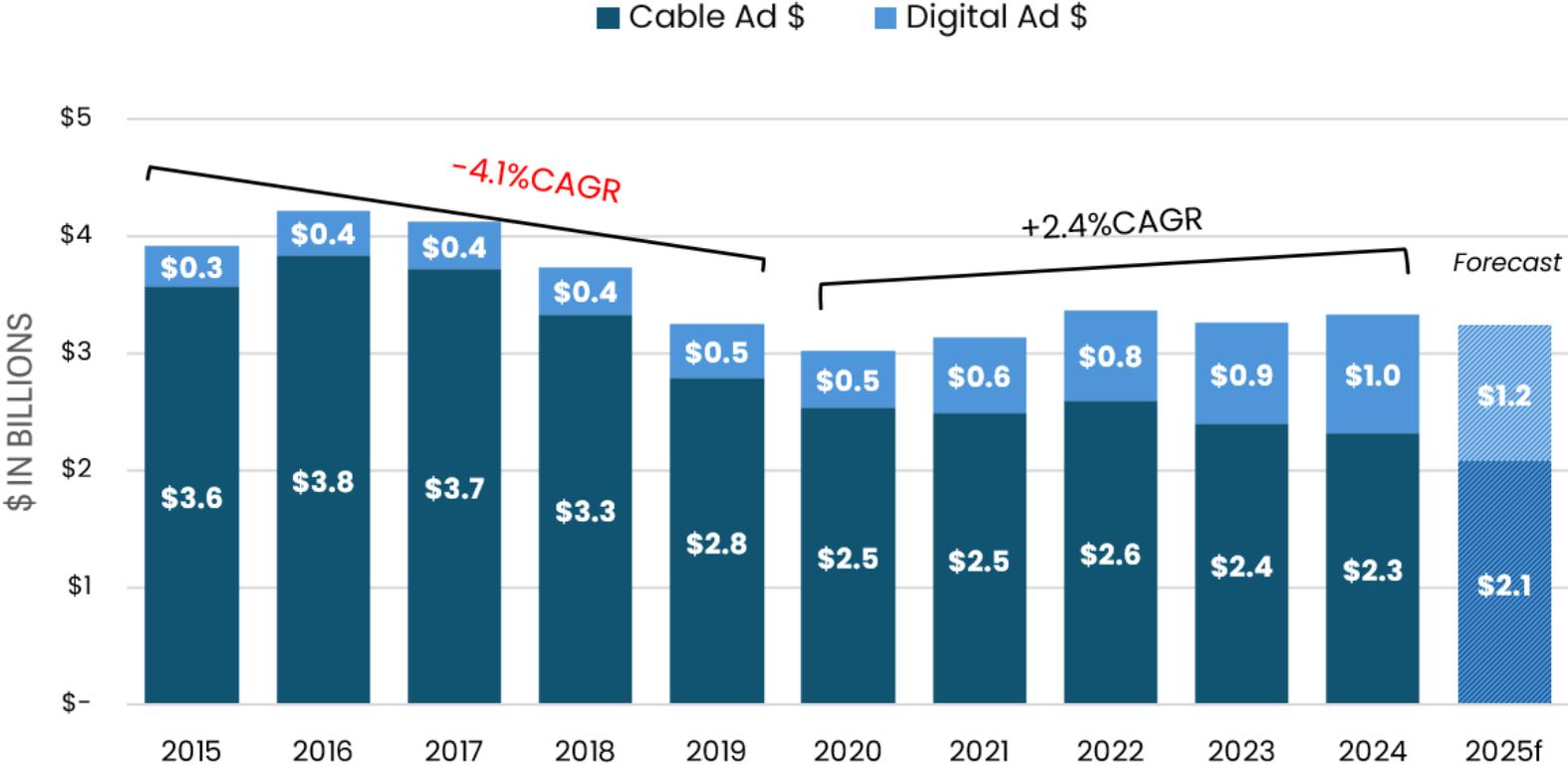
# Digital offsets Declines

## NEWSPAPERS

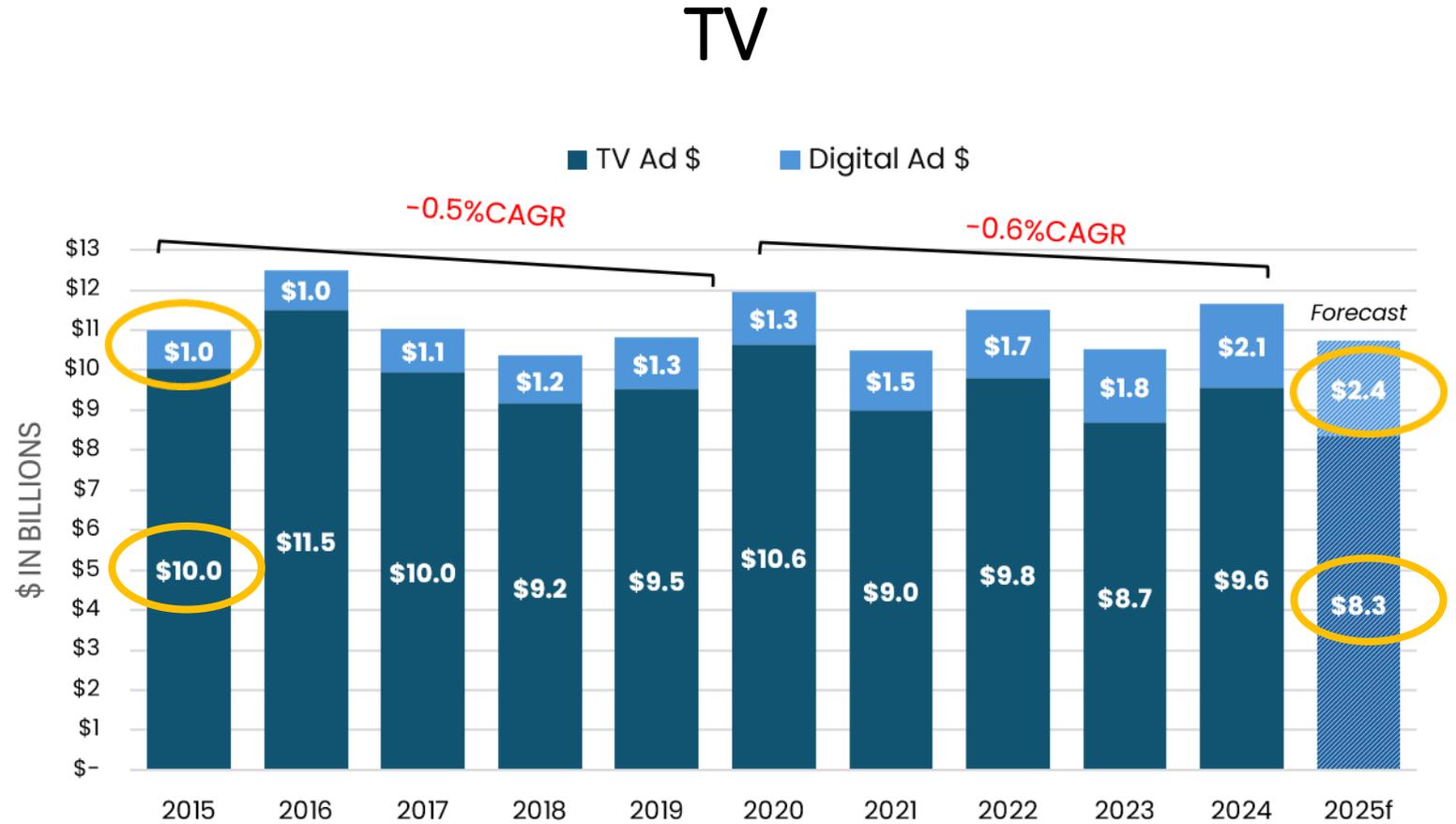


# Digital offsets Declines

## CABLE



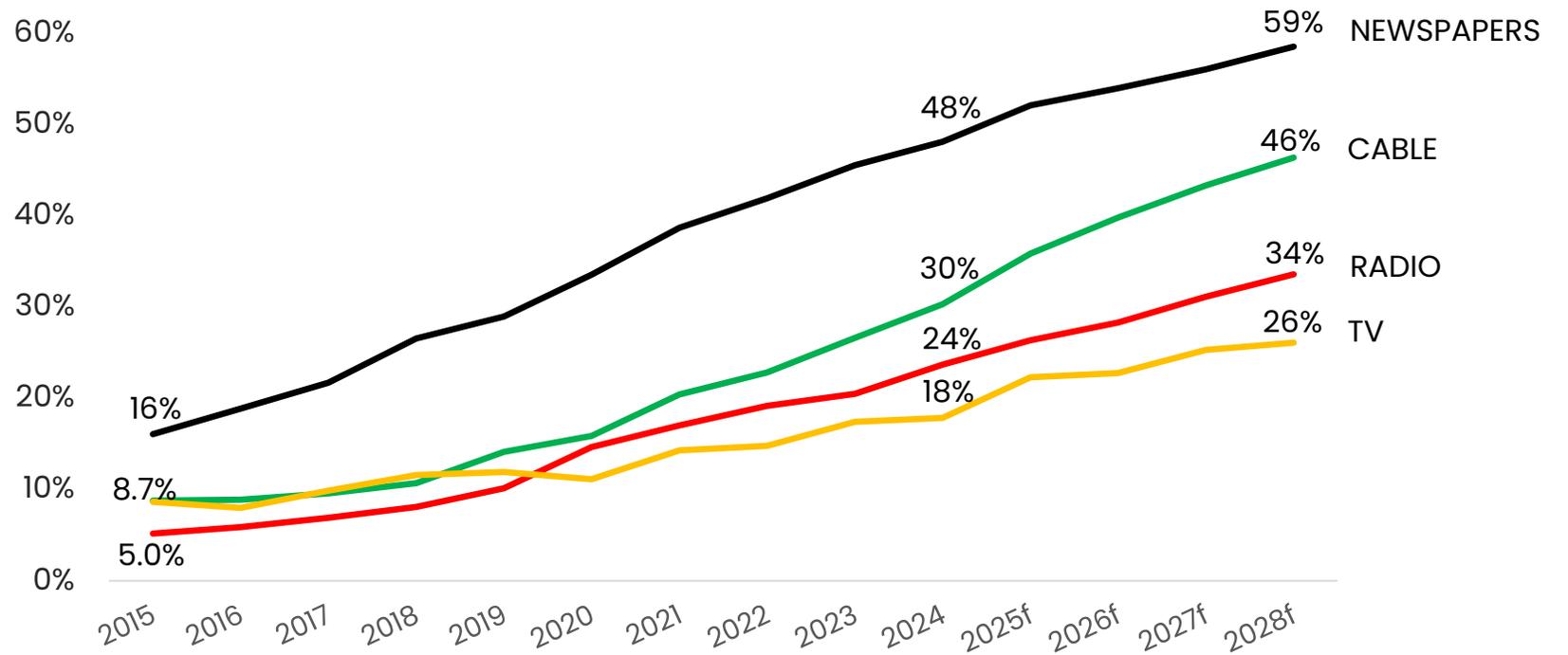
# Digital offsets Declines (almost)



**Meanwhile,  
Digital  
Inches  
toward  
Dominant  
Source of  
Revenue**

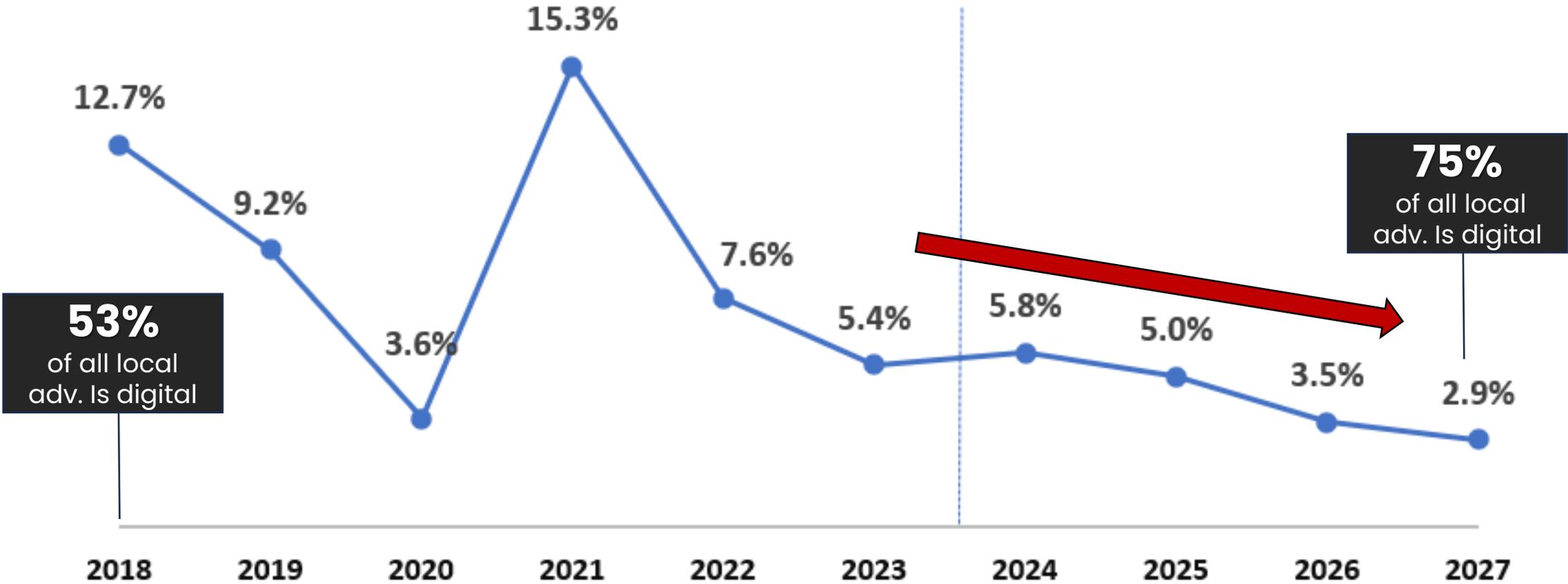
## % OF AD REVENUE FROM DIGITAL SALES

*Forecast*



# Digital Growth Slows as Its Share Approaches 75%

U.S. Local Digital Advertising YOY Growth Rate





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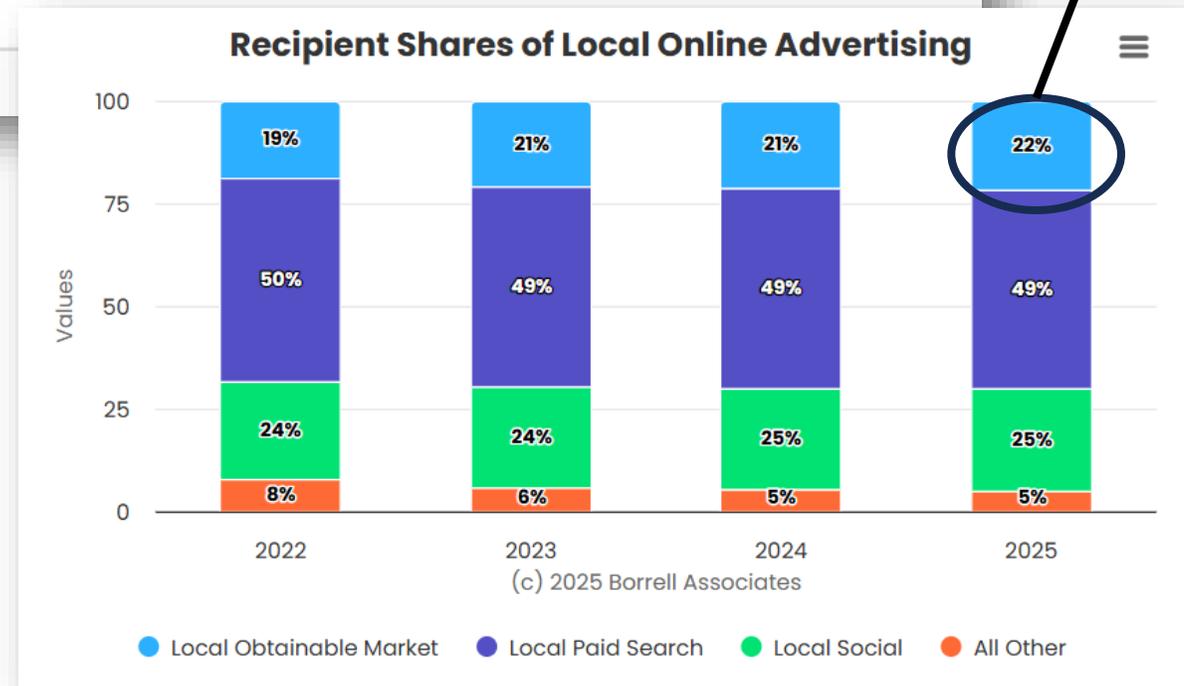


# Local Advertising Spending Eugene, OR

	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



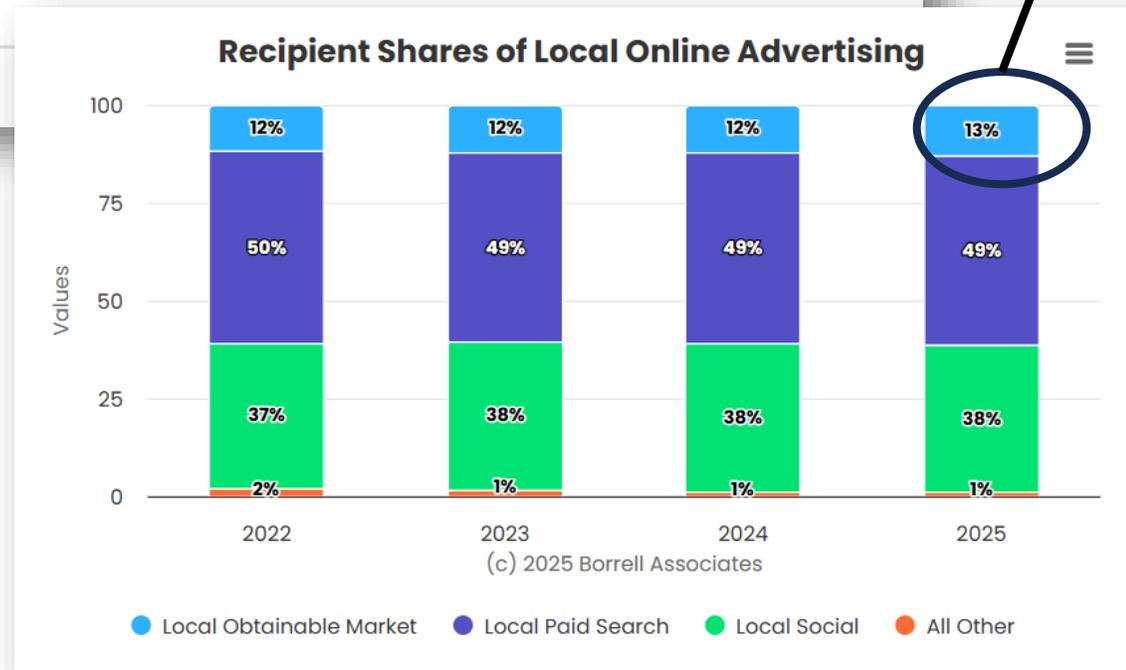
22%



# 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



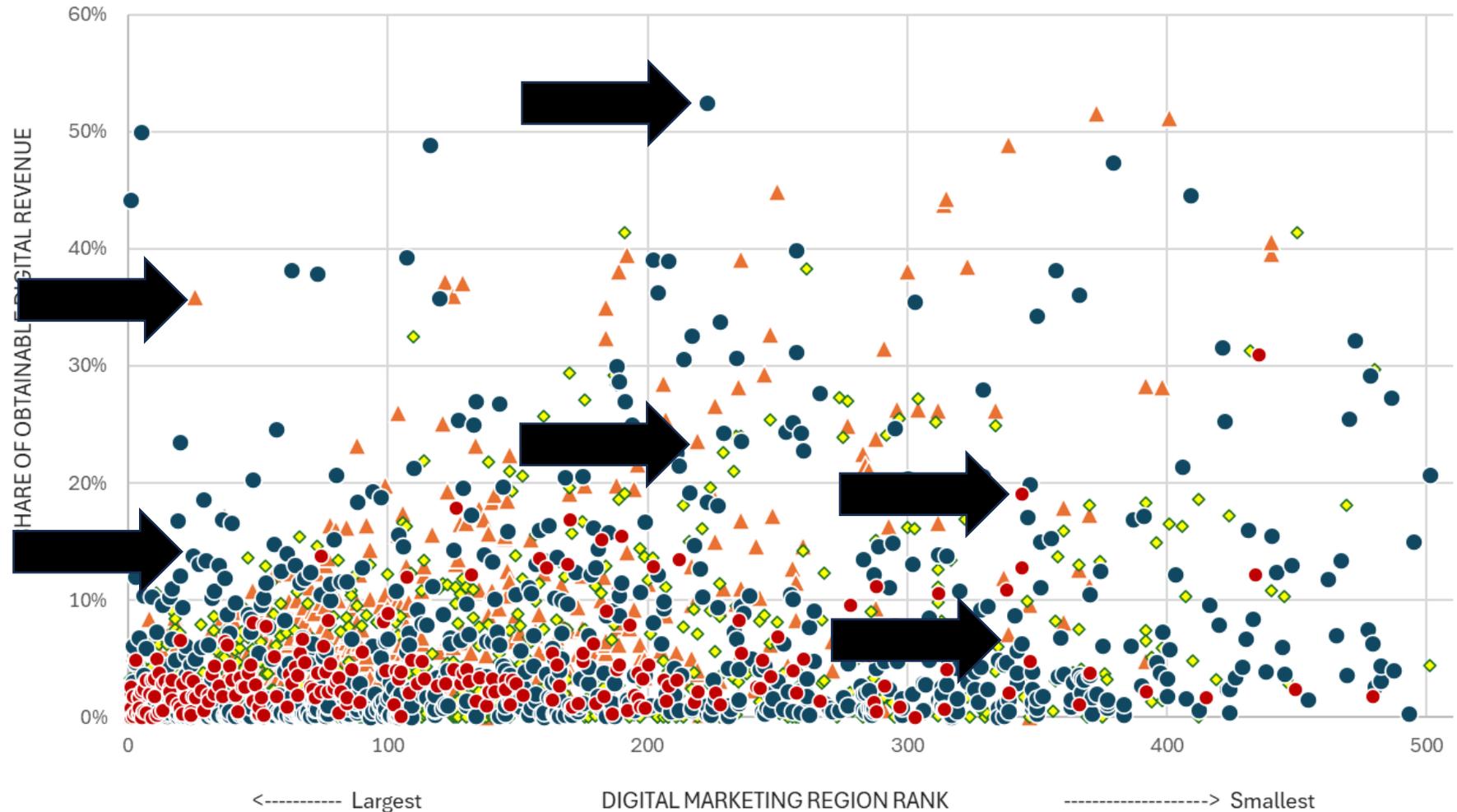
13%

Obtainable  
Digital  
Revenue



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

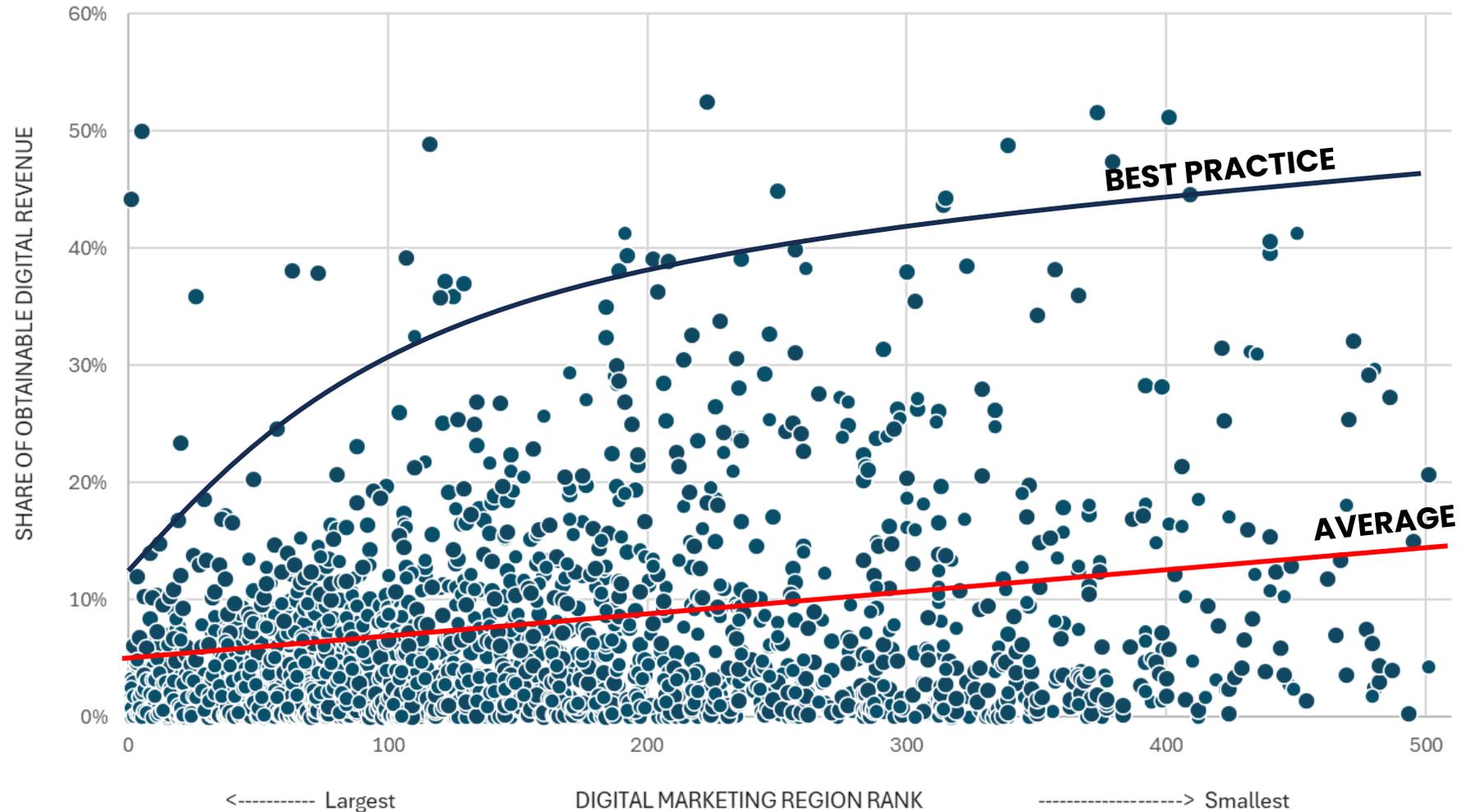
▲ 673 TV Stations    ◆ 974 Radio Clusters    ● 901 Newspapers    ● 238 Cable Systems



Your Best  
Measurement:  
Market Share



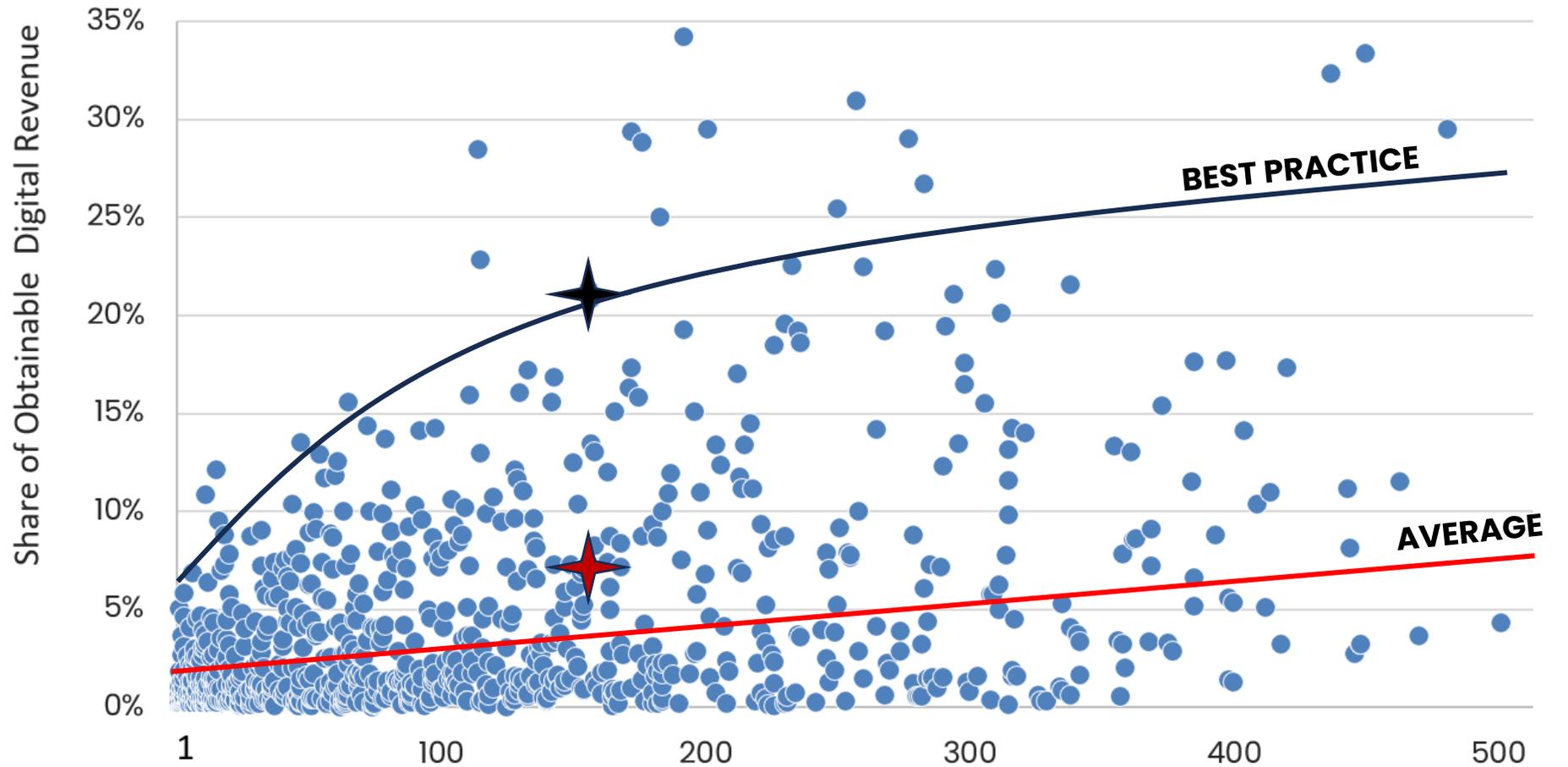
# Share of In-Market Obtainable Digital Revenue for 2,786 Local Media Entities



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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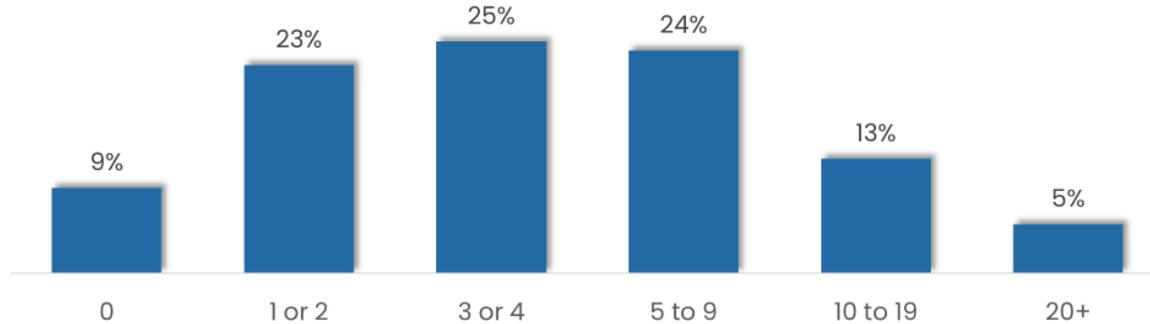


**SOME GROWTH WILL COME  
FROM COMPETITORS WHO  
ARE WITHERING OR GOING  
AWAY**

# 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 <b>Local</b>
Average	<b>6.5</b>	<b>3.8</b>
Median	<b>4.0</b>	<b>2.0</b>
Mode (Most Common)	<b>3.0</b>	<b>1.0</b>

### 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

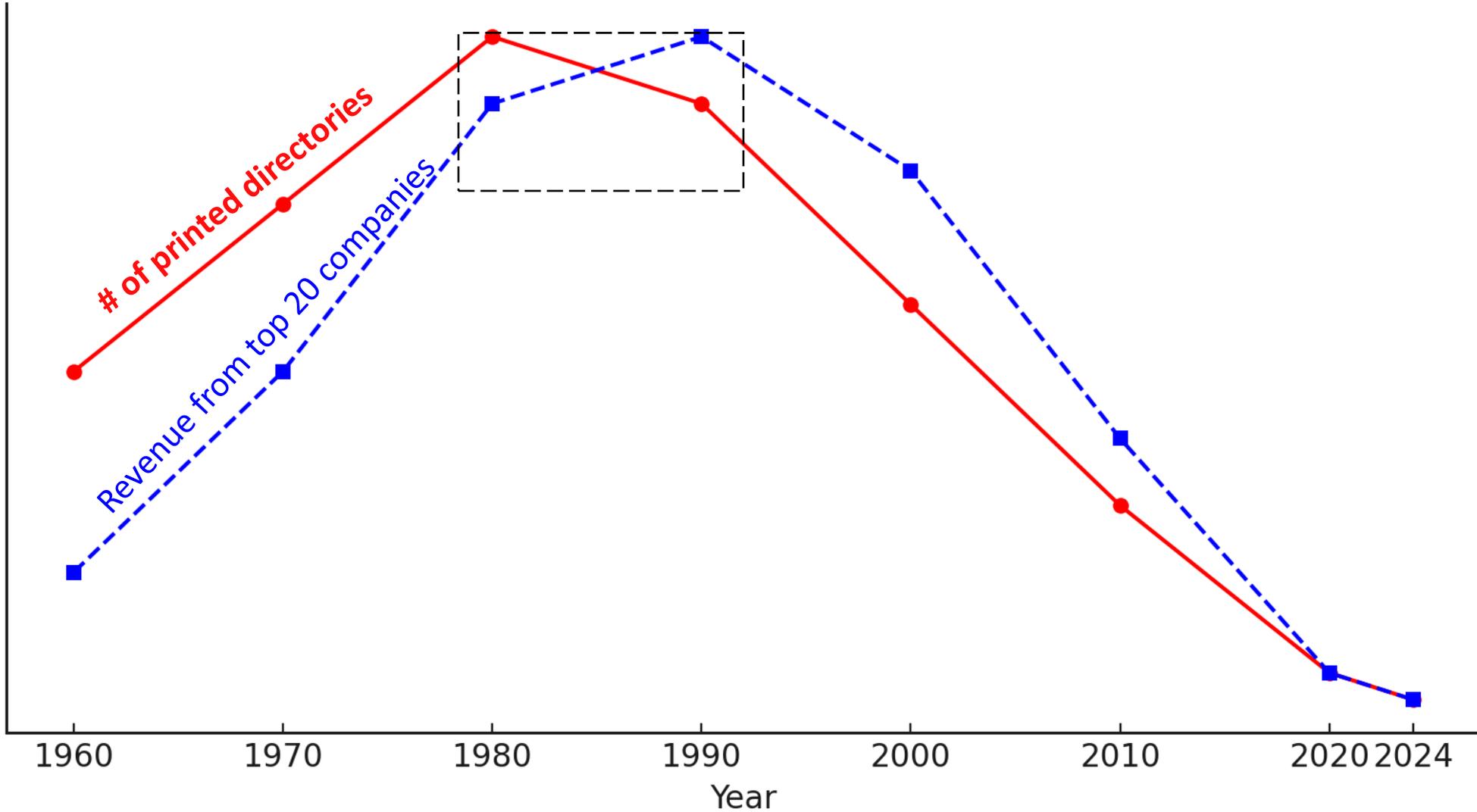






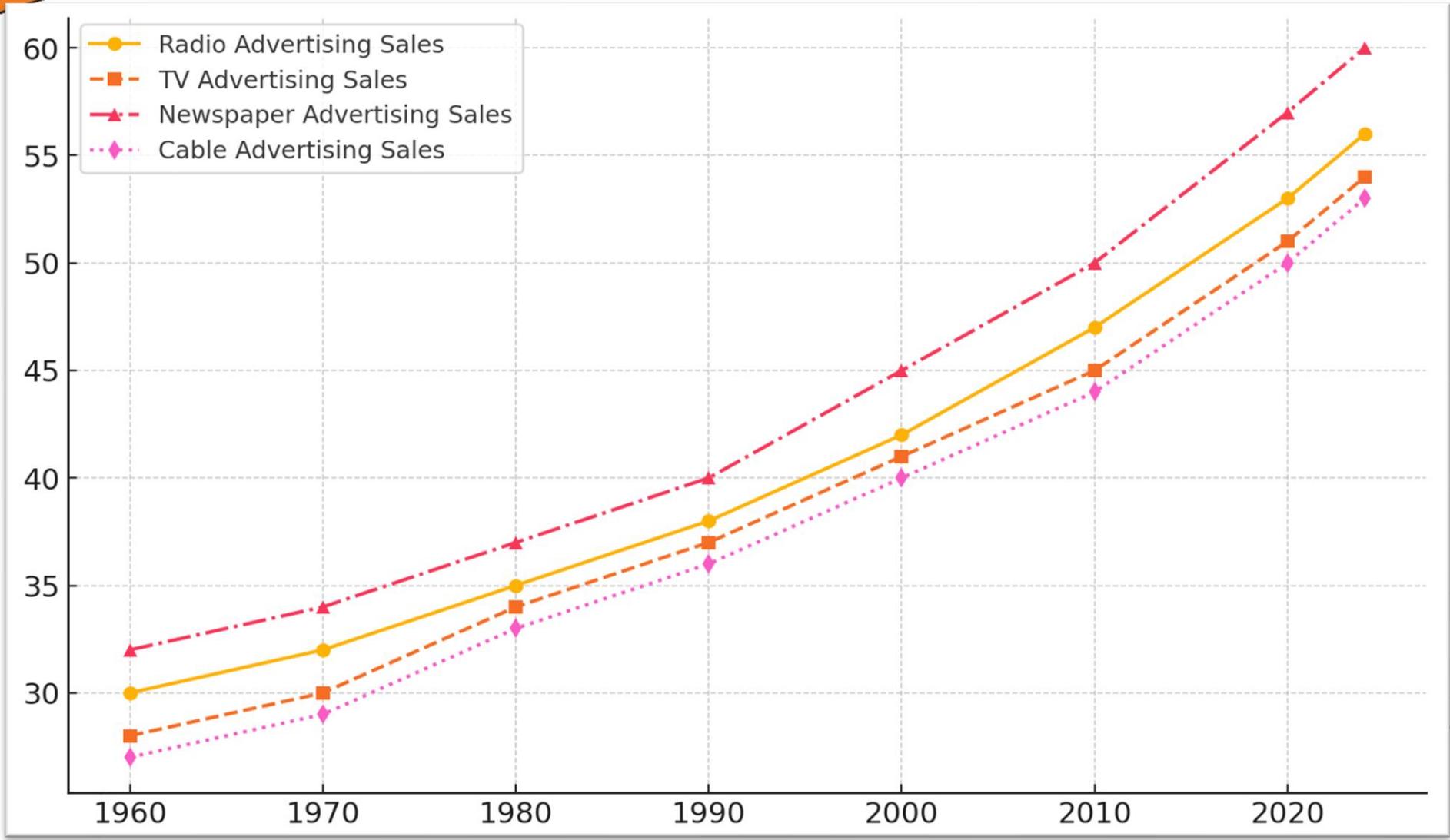
# consolidation ends

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 INVESTMENT 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**

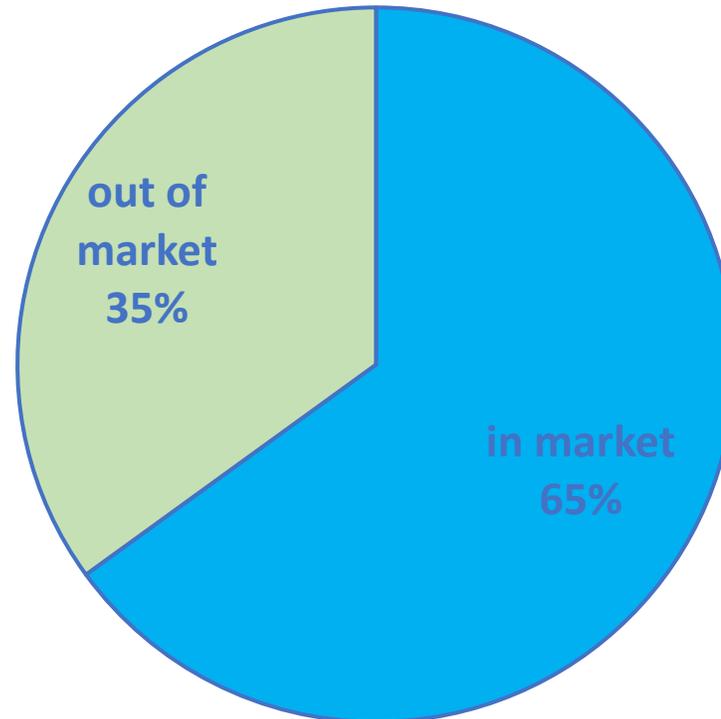
4

NOT  
OVERRELIANT  
ON LOCAL  
AUDIENCE



# MARKET OPPORTUNITY

## WEBSITE VISITS



# 5

## LEVERAGE CONTENT IN A WHOLE NEW WAY





6

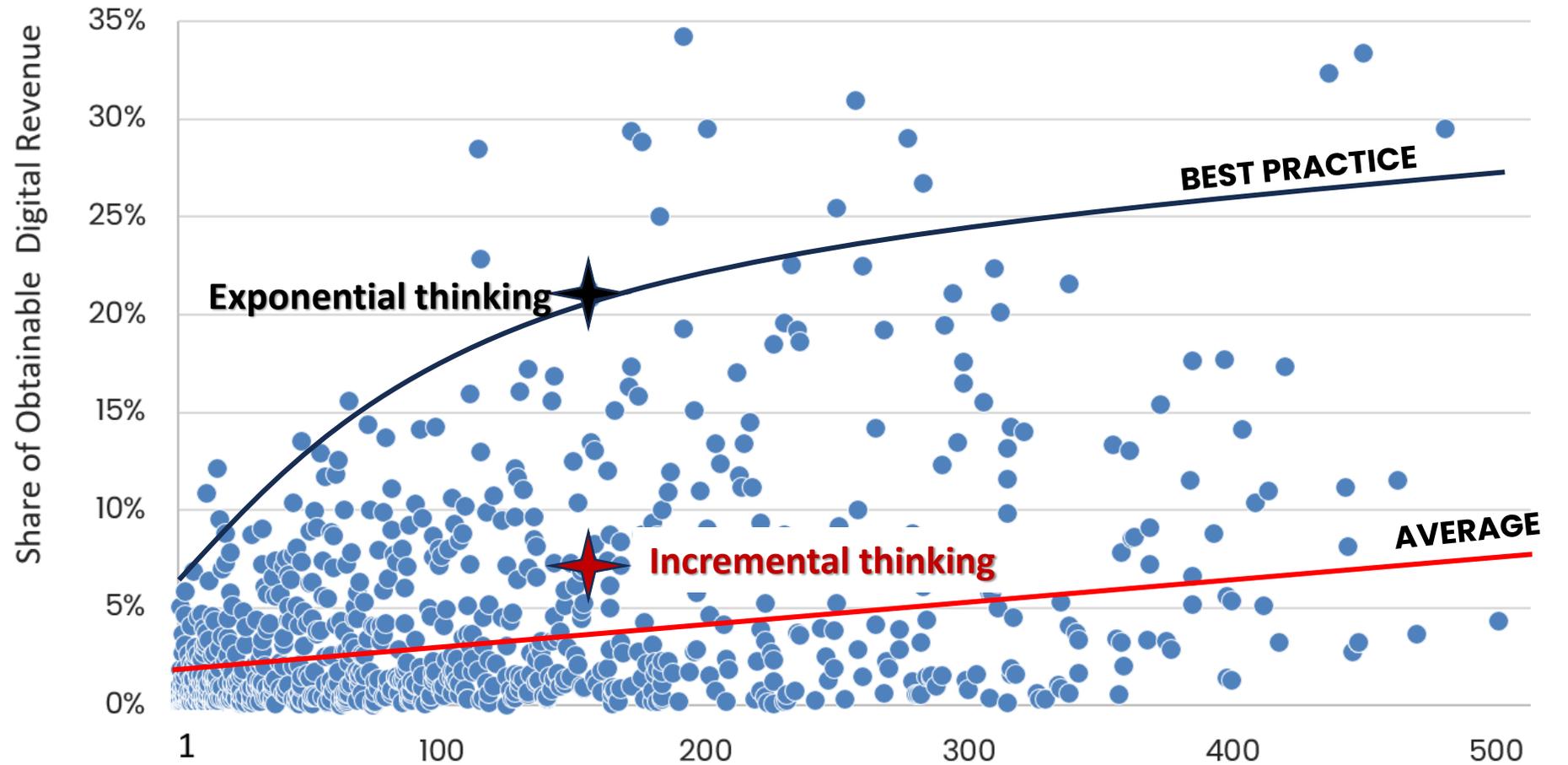
THINK DIFFERENTLY

EXPONENTIALLY NOT  
INCREMENTALLY

AN ENTREPRENEUR  
MINDSET



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



BENCHMARKS  
**Radio's  
Digital  
Market  
Share**

# 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%

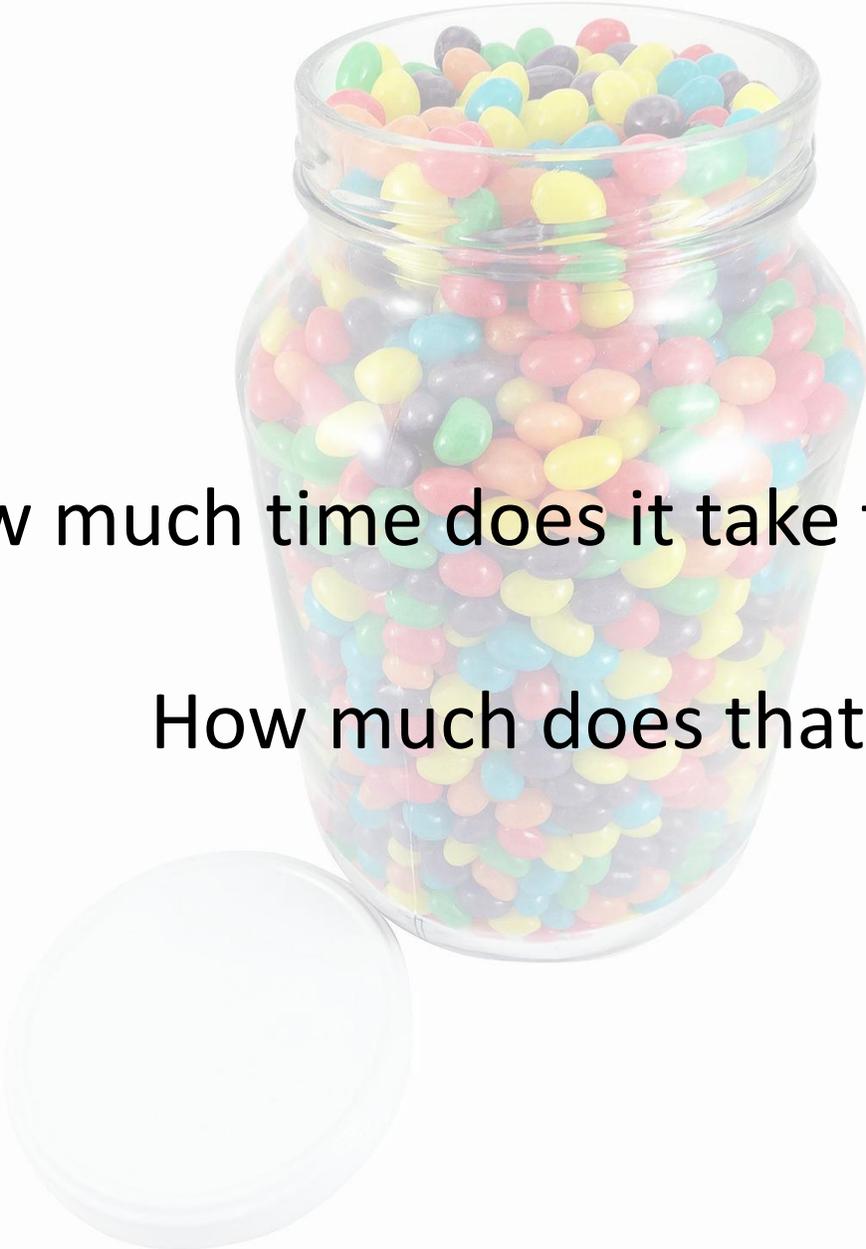




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How much time does it take to get a “no”?

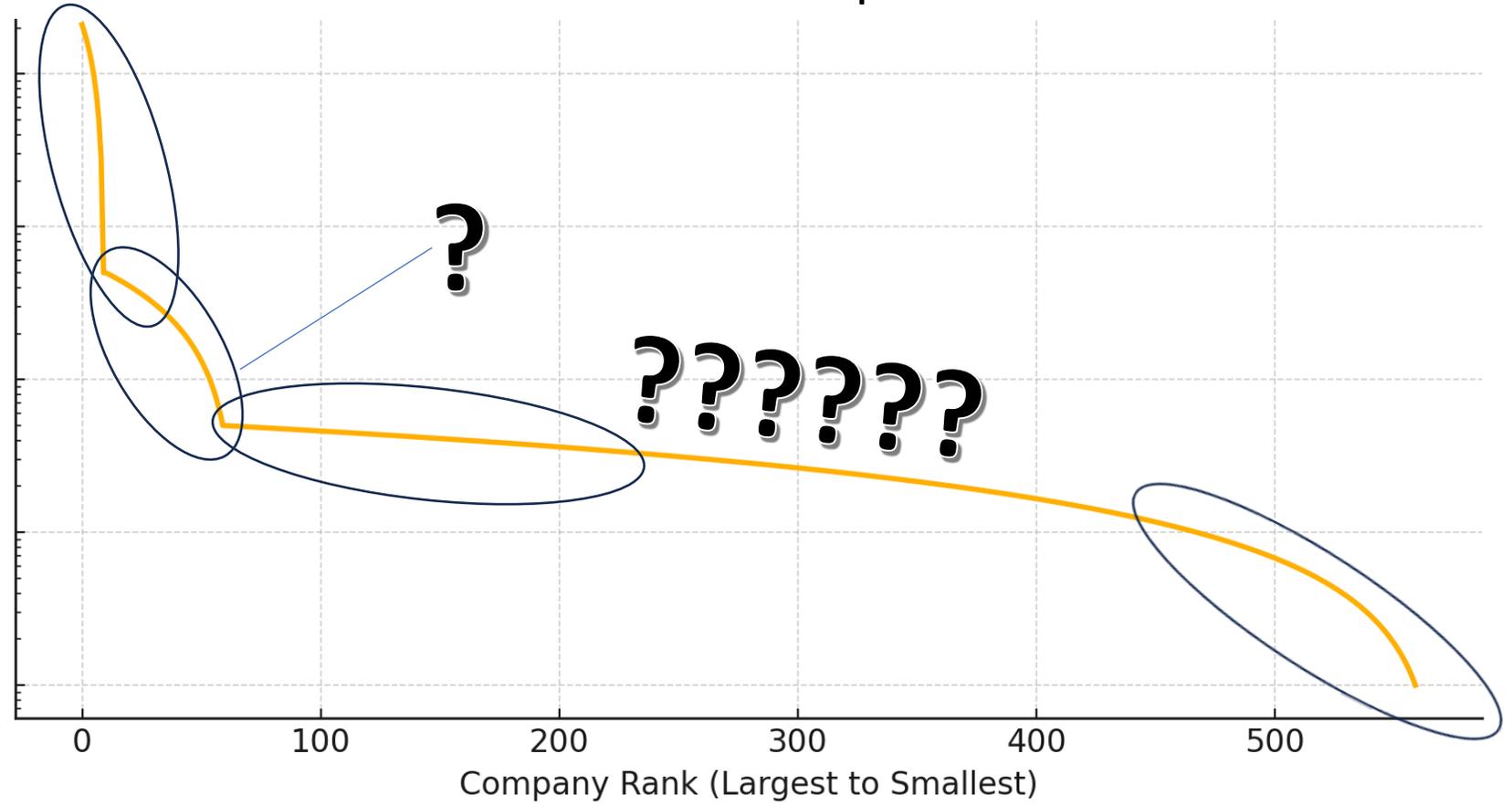
How much does that cost?

# 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



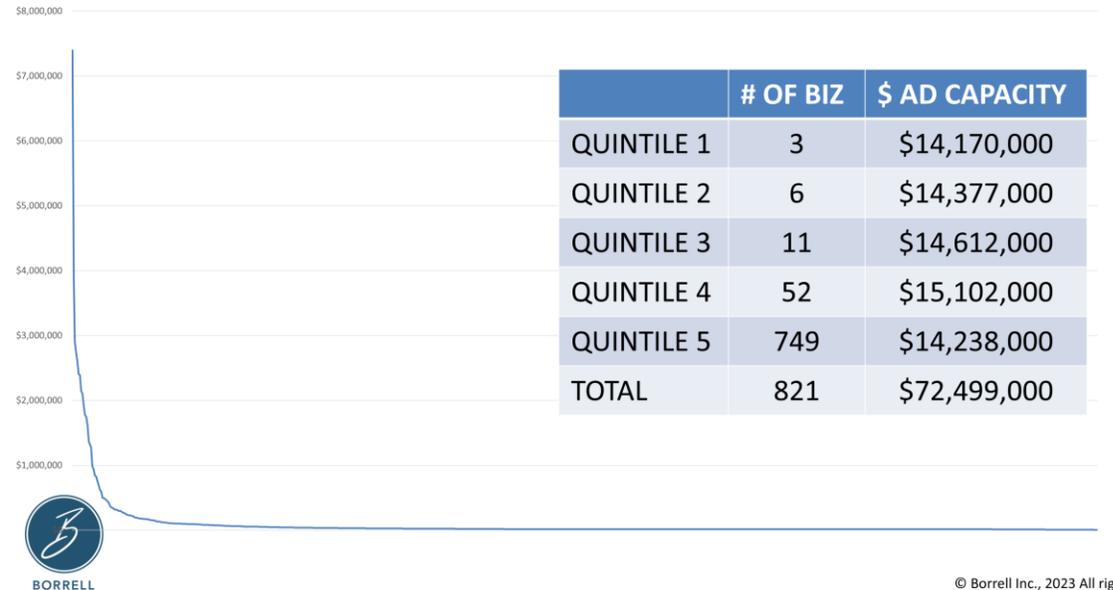
AD CAPACITY	Other Home Furnishings	Nursery & Garden Centers	Floor Coverings	Plumbing /HVAC	Furniture Stores	Electronics & Appliances	Resd. Building/Const/ Remodeling	Landscaping Services	Home Centers	TOTAL	SHARE
Under \$20k	476	127	717	293	533	1672	8558	2280	384	17677	89.9%
\$20k to \$39k	28	9	62	38	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%		

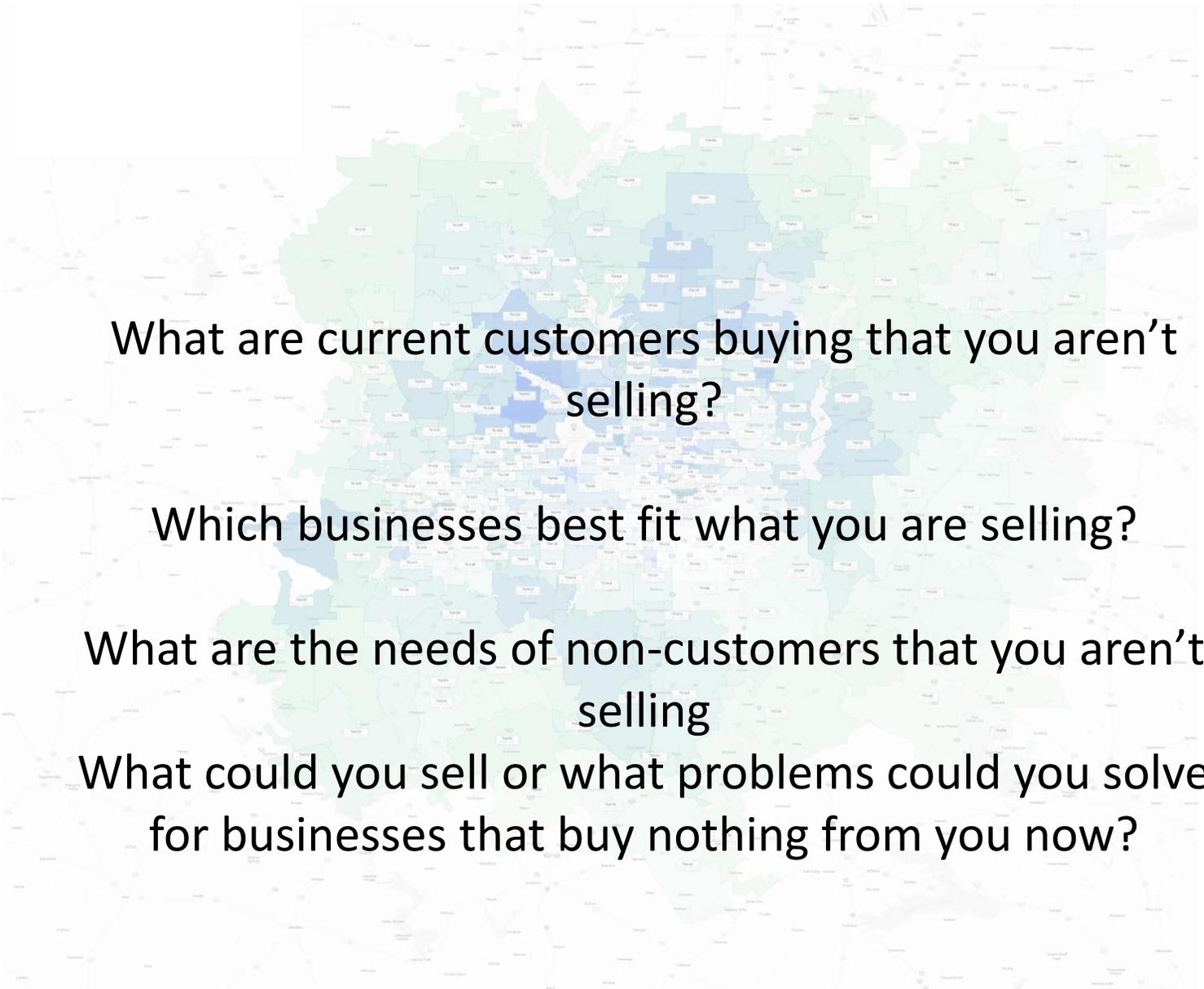
# FURNITURE STORES

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





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

v



## 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**

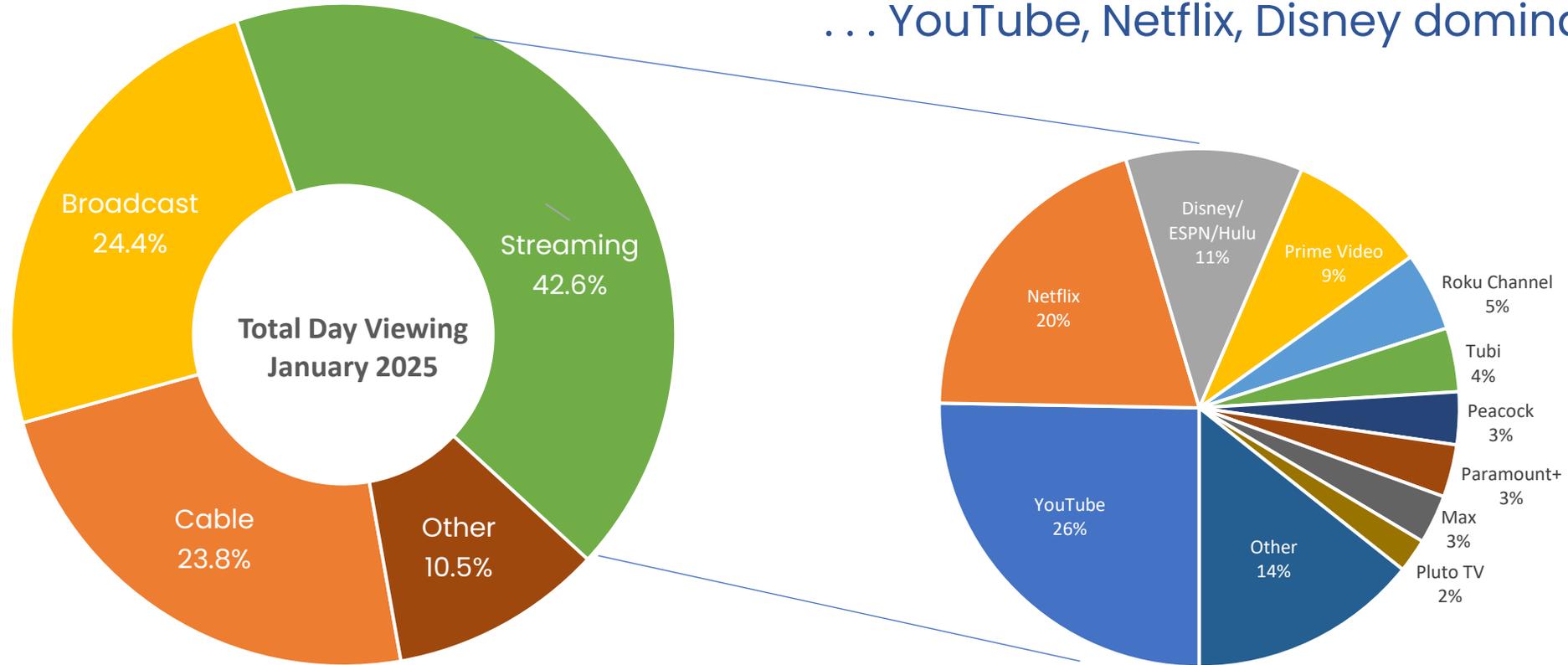
# Q & A

# Bonus Content:

## Musings on OTT/CTV

# 42% of Video Viewing is Streaming ...

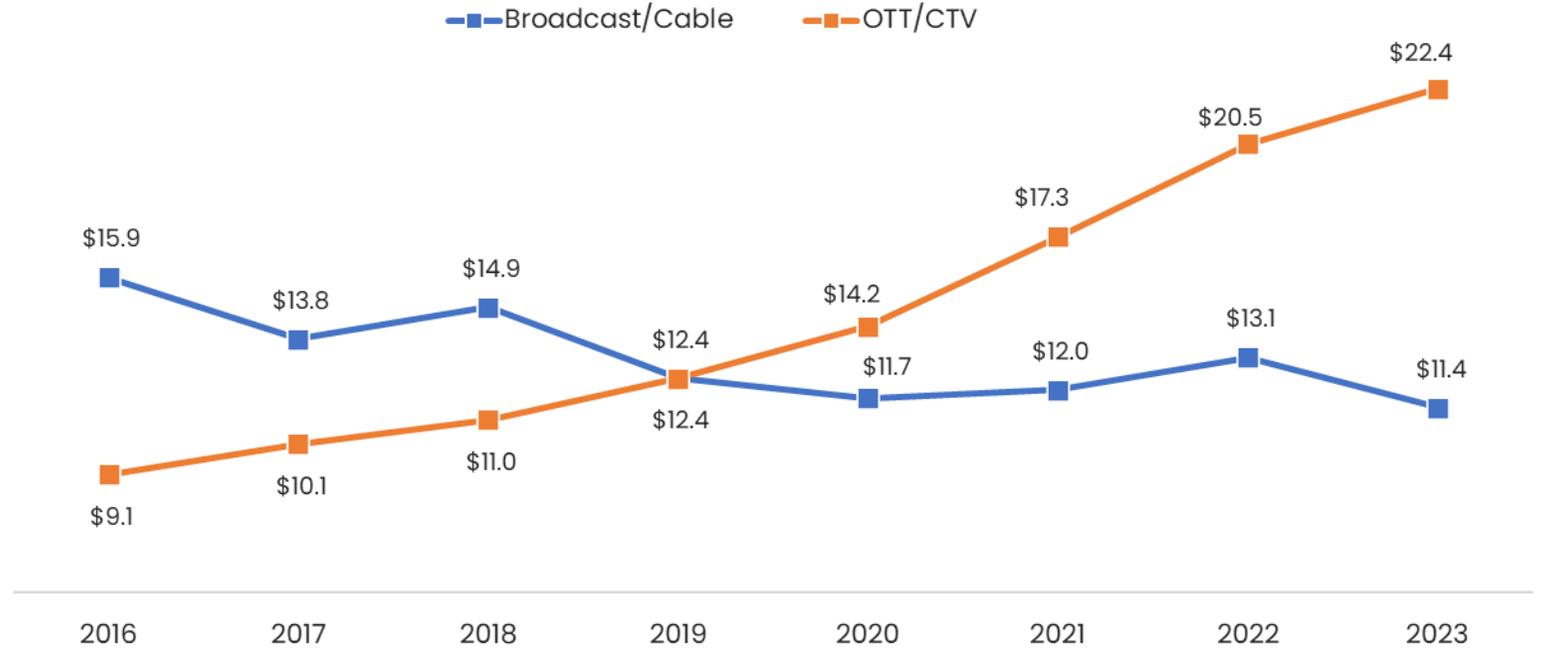
... YouTube, Netflix, Disney dominate platforms



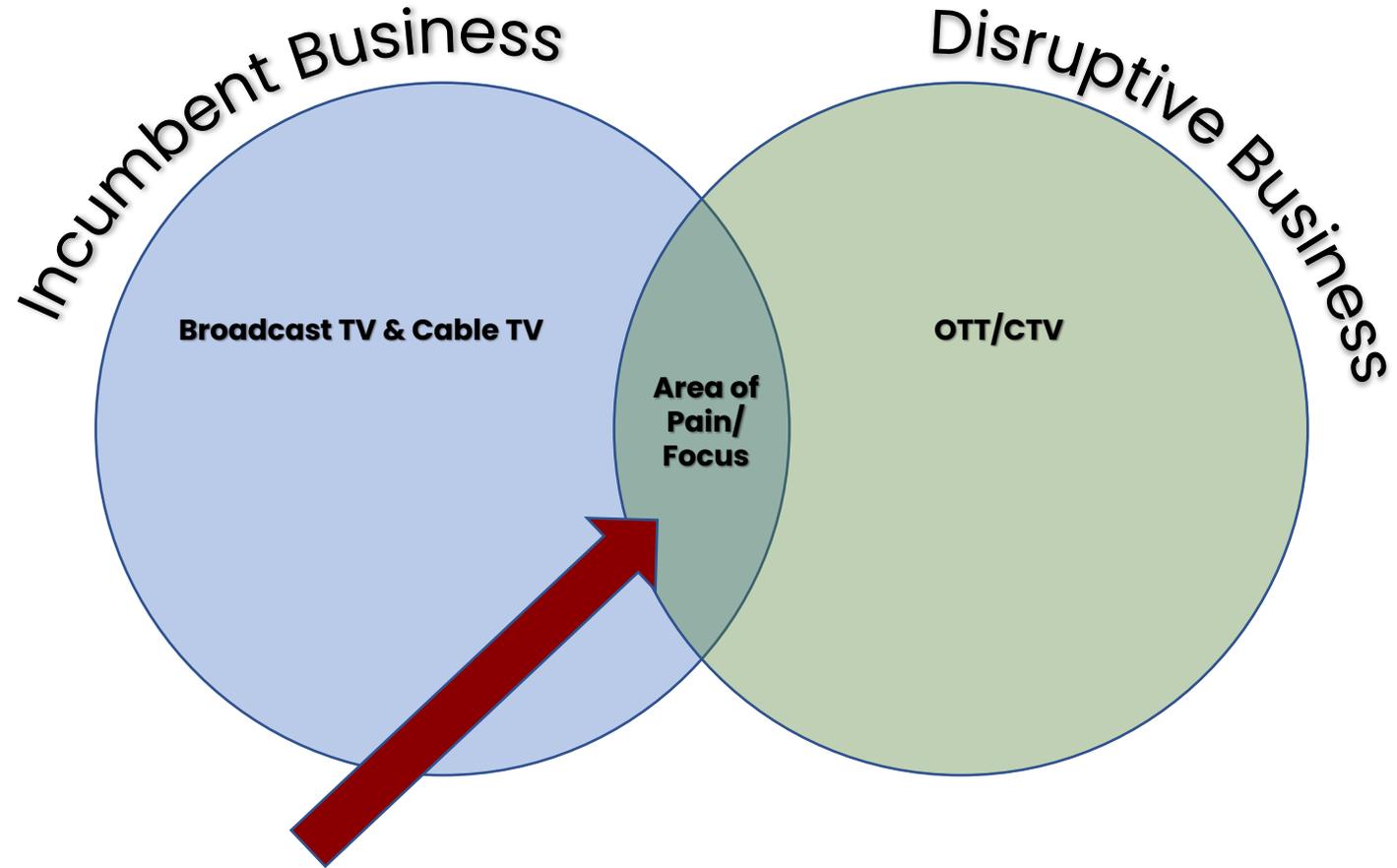
# Insights on CTV/OTT

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

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



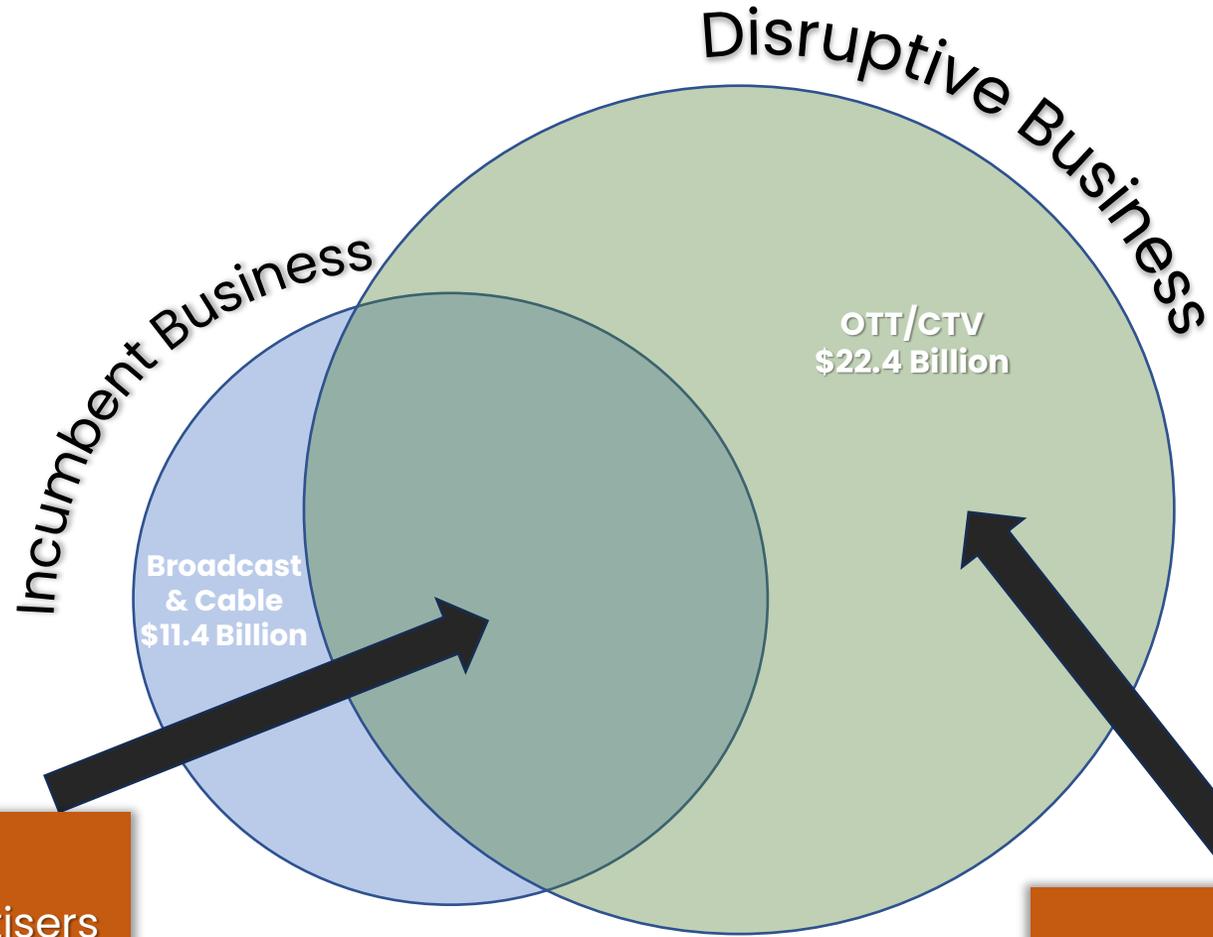
# Disruptive Innovation



*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

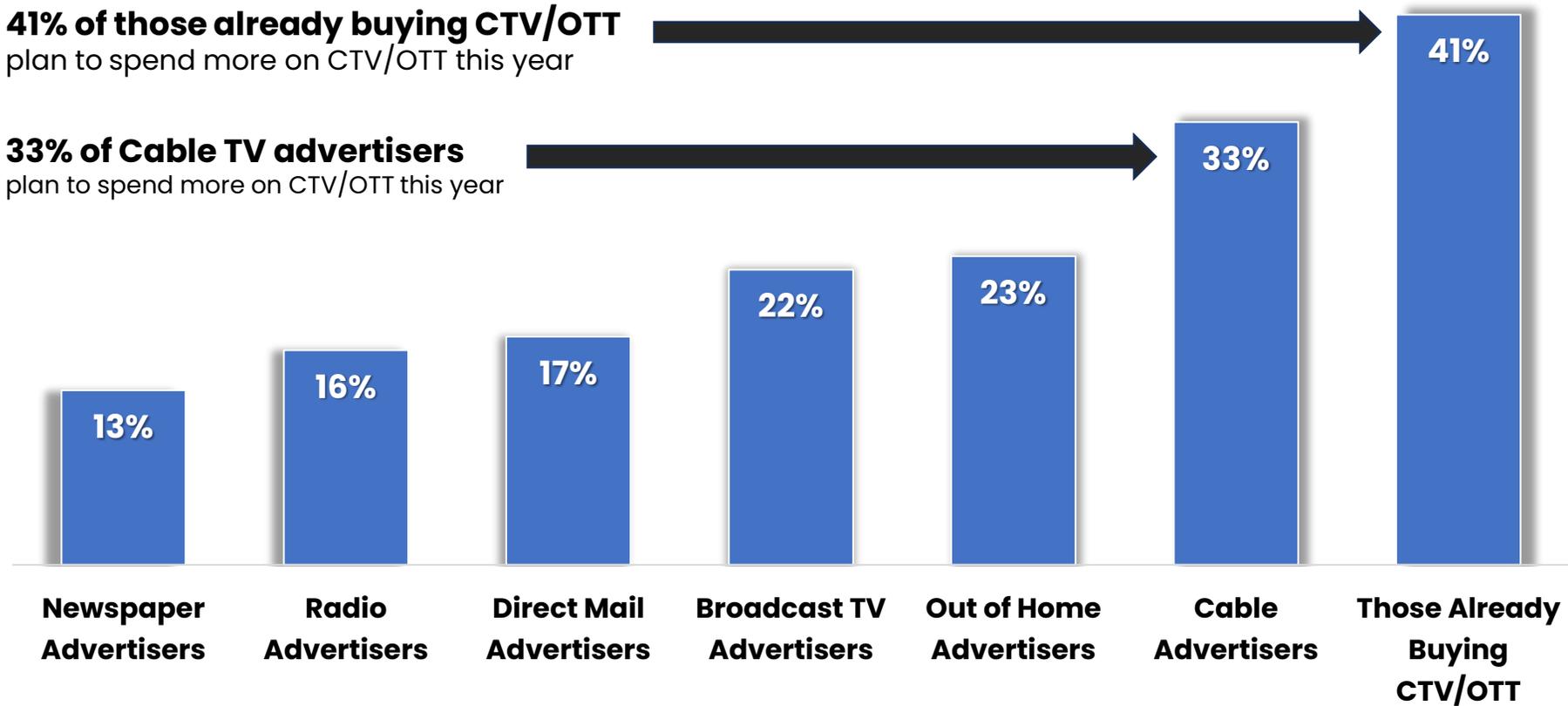
**50%**  
of OTT/CTV buyers are  
not also buying  
Broadcast TV/Cable



# Where to Find the Best Prospects for CTV/OTT

**41% of those already buying CTV/OTT**  
plan to spend more on CTV/OTT this year

**33% of Cable TV advertisers**  
plan to spend more on CTV/OTT this year

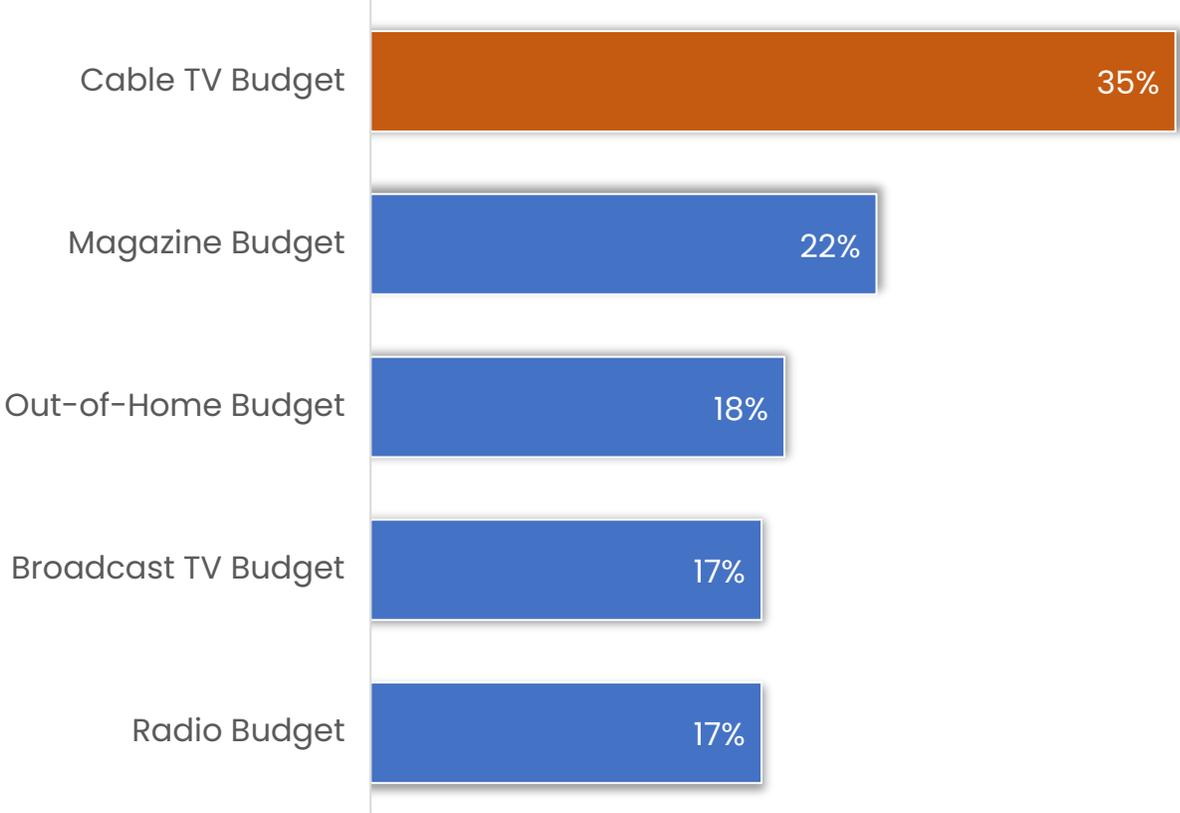


Source: Borrell's Q4 2024 survey of 1,130 local advertisers

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# Top 5 Things Cable Buyers Plan to Cut in 2025

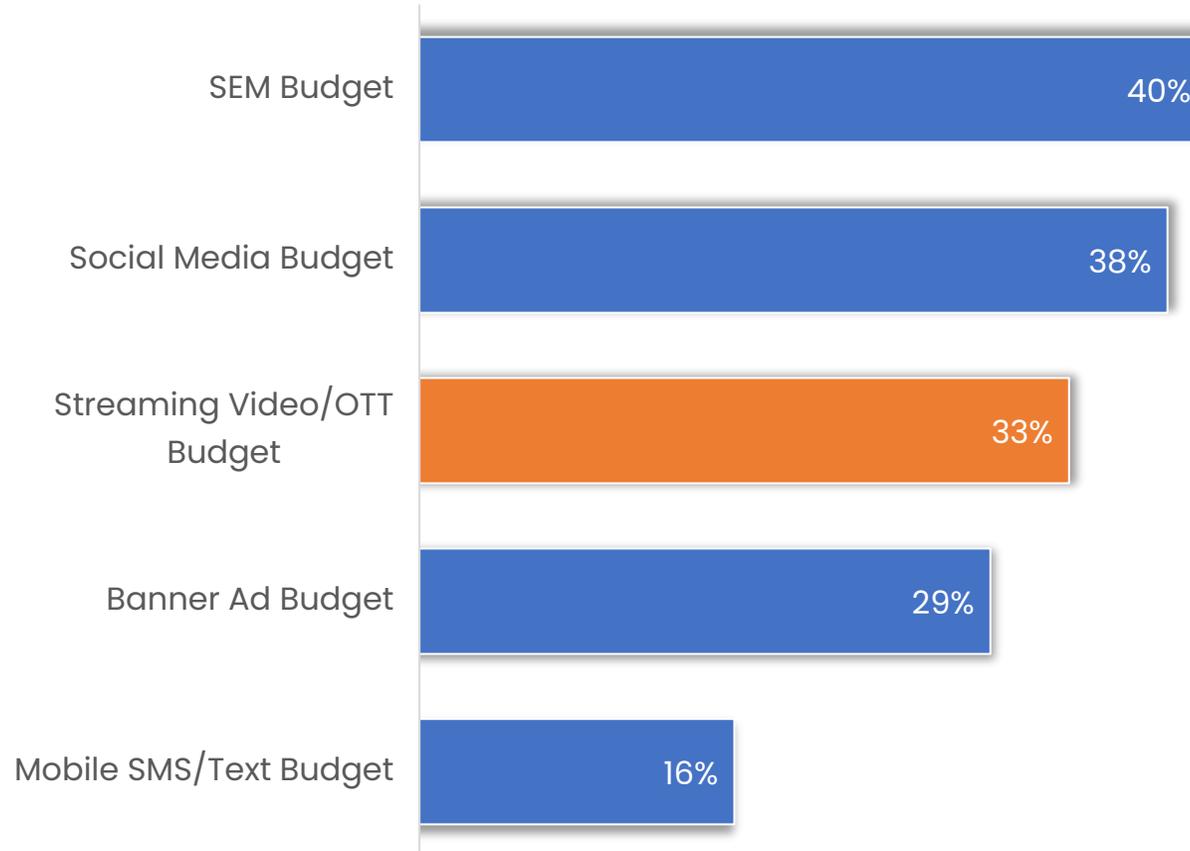


Source: Borrell's Q4 2024 survey of 1,130 local advertisers; n=101 cable buyers



# Top 5 Things Cable Buyers Plan to Increase in 2025

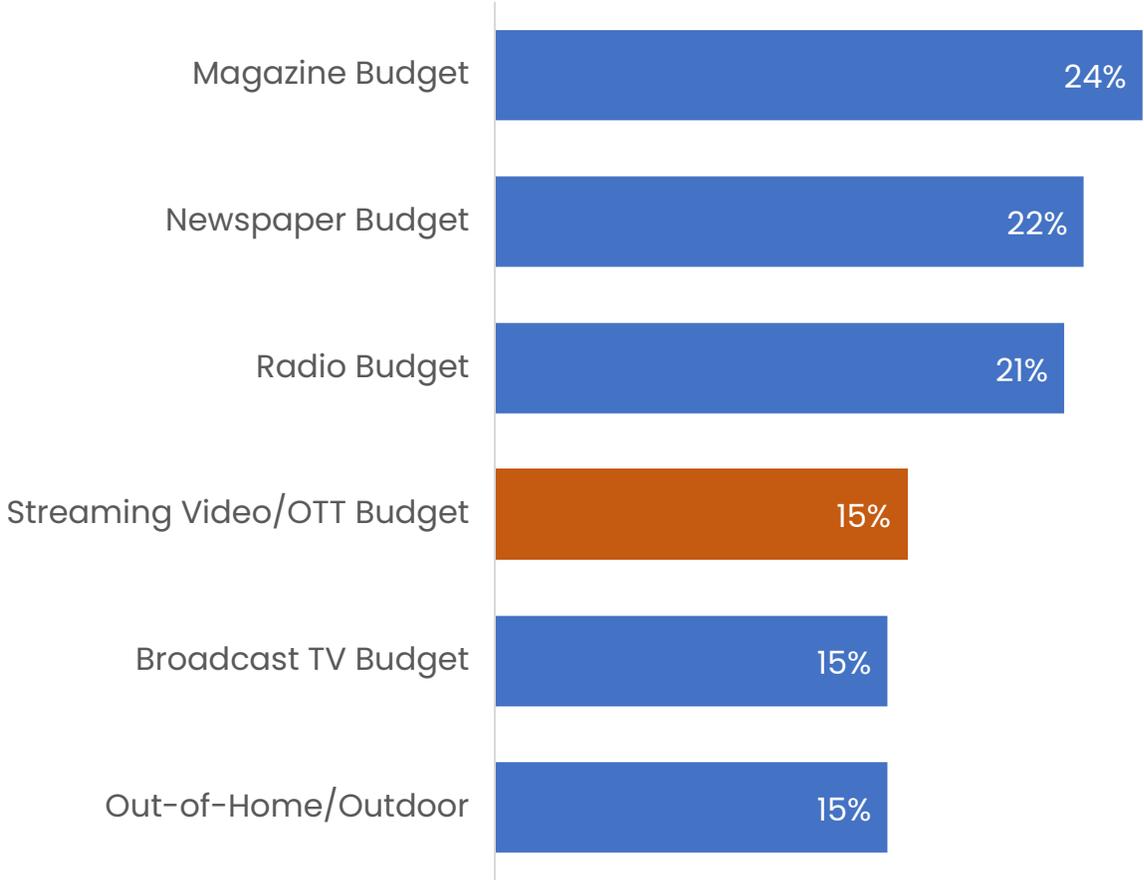
Top 5 Things Cable Buyers Plan to Cut in 2025



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



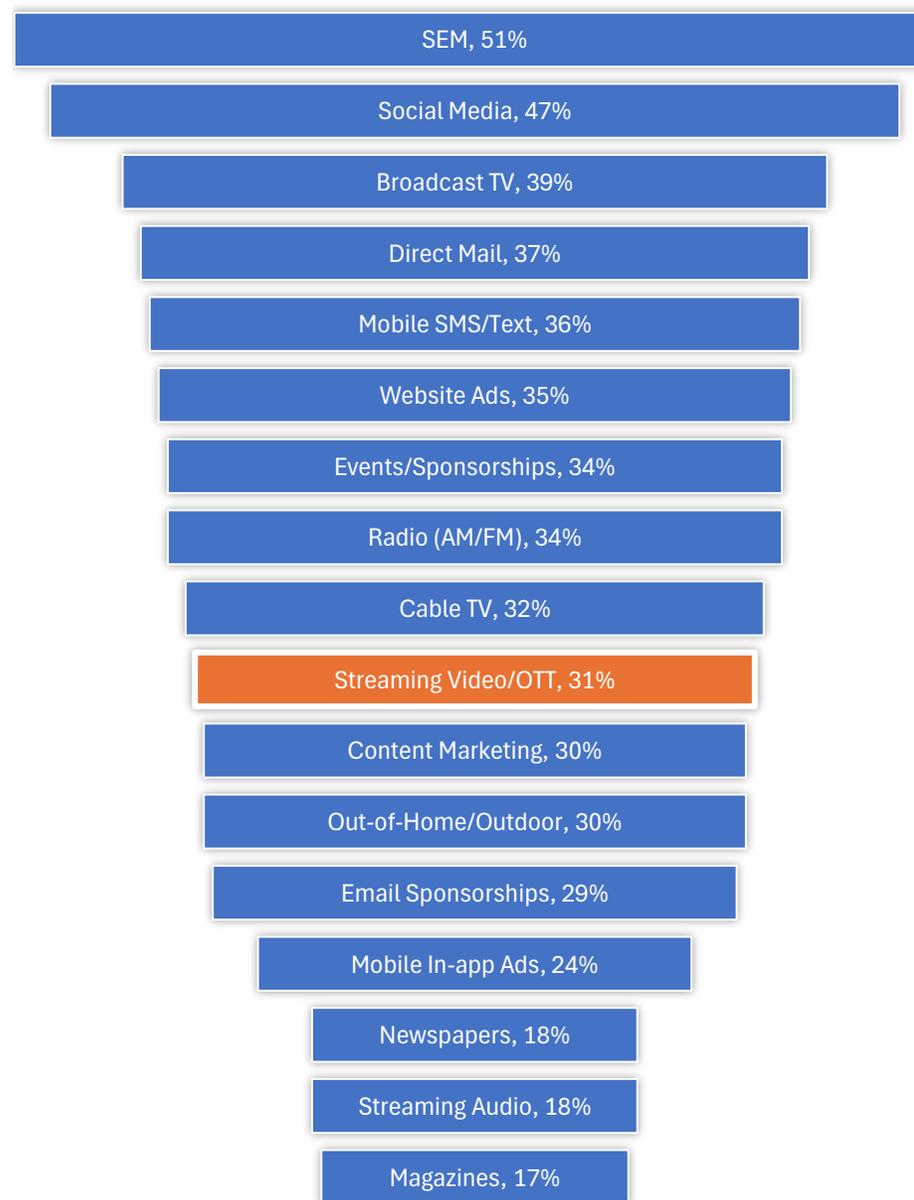
# Top 5 Things OTT/CTV Buyers Plan to Cut in 2025



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



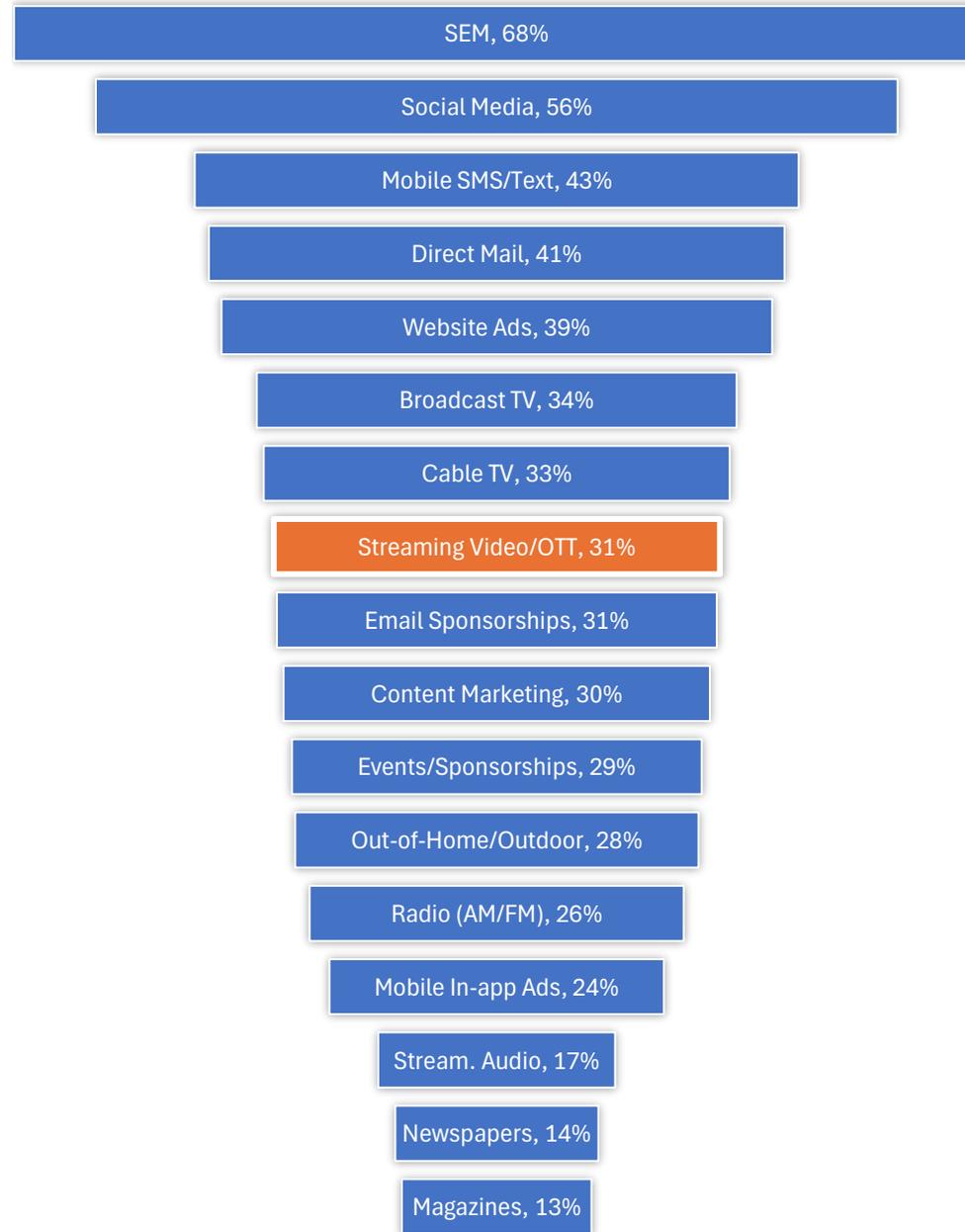
# % of Local Advertisers Rating Each 'Very' to 'Extremely' Effective



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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