

The New iPod Nano Gives Radio a Second Chance among Younger Listeners

Two-thirds (66%) of Americans aged 18-34 show an active interest in the pause-and-rewind feature of the new FM tuner.

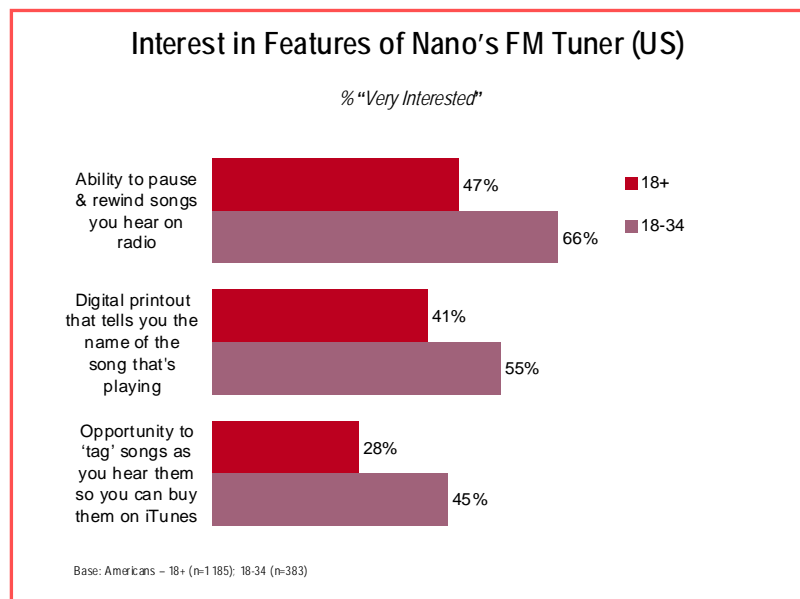
The interactive features of the FM tuner in Apple's new iPod Nano show potential to energize interest among younger demographics who are the heaviest users of mp3 players.

This is one of the main findings of an online survey of 1,185 American adults conducted by the Radio Research division of Vision Critical Communications. Parallel surveys were also conducted among Canadian and British adults showing similar results.

Key Findings

- **The interactive features of the FM tuner generate considerable interest—particularly among 18-34 year-olds.** When presented with the specific features of the FM tuner:

- 47% of Americans aged 18 and older say they are “very interested” in the ability to pause and rewind songs they hear on the radio. This rises to 66% among 18-34 year-olds.



- The opportunity to see the name of the song using the Nano's RDS display also has strong appeal. In all, 41% of Americans and 55% of 18-34 year-olds express an active interest in this feature.
- Consumers show somewhat less interest in the ability to “tag” songs for future purchase. Twenty-eight percent (28%) of Americans aged 18 and older are “very interested” in this feature, but this increases to 45% of 18-34 year olds.

- **Of the five features from the new iPod Nano that were presented in the survey, American adults rank an FM tuner #3 in terms of overall interest.** American adults in general show greater active interest in the Nano's larger display screen (with 46% indicating they are "very" interested) and the new video camera (45% "very" interested) than in an FM tuner (34%) when the tuner is presented on its own prior to mentioning its specific features. Interest in an FM tuner is however well above the active interest expressed in the voice recorder (21%) and the pedometer (17%).
 - Interest in and usage of mp3 players and the iPod Nano are highest among 18-34 year-olds.
 - Thirty-two percent (32%) of 18-34 year-olds report listening "daily" to mp3s. This compares to only 14% of all Americans aged 18 and older.
 - Fifteen percent (15%) of 18-34 year-olds say they currently use an iPod Nano, vs. 8% of American adults in general.

What Does This Mean for Radio?

- **The new Nano will put FM radio into the hands of more people in more places.** Most important, it puts FM radios into the hands of younger demographics where radio's distribution advantage is already fading (just ask a few Gen Ys you know what they use to wake up in the morning, and note how many will say their mobile phone and how few will mention a clock radio.)
- **Being able to receive FM by no means guarantees tuning.** Though many potential buyers of the new Nano are interested in an FM tuner, others will see it as just another add-on feature to what is essentially a device for listening to their personal music collection. Results from the parallel UK survey reinforce the limited impact on tuning when an FM tuner on its own is just one of many features—though 50% of British adults report having a mobile or smartphone that plays FM stations, only 4% of those with FM-enabled mobile phones say they listen to FM daily on their phone.
- **The interactive features will be most beneficial to stations that play to FM radio's 'discovery' advantage.** The pause and rewind, song display, and song tagging features all will be most effective for stations that focus on playing new or otherwise undiscovered music, especially if they target younger demos.

Full survey results by demographic category and country are available on request [here](#).

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About the Survey:

From September 10 to 13, 2009 Vision Critical Communications conducted an online survey among a representative sample of 2,768 adults in the US, the UK and Canada. Our three-country studies are done with representative national samples selected from the Angus Reid Forum (Canada), Springboard America and Springboard UK. The three panels are made of respondents recruited in each country exclusively by Vision Critical with the highest industry standards to ensure the most accurate results.

This survey was funded independently by Vision Critical to inject consumer insight into the industry conversation surrounding the addition of an FM tuner to Apple's new iPod Nano announced by Steve Jobs on September 9, 2009.

About Vision Critical Group:

Vision Critical Group is an integrated research and technology company. It operates globally, with local offices in New York, Chicago, London, San Francisco, Vancouver, Toronto, Montreal, Calgary and Sydney, Australia. Vision Critical Group leverages the world's most advanced online research technology to create interactive surveys, custom panels, private communities and virtual retail environments. Its team of specialists provides solutions across every type and sector of research, and currently serves more than 250 international clients.