



## **Inside Radio questions for Kevin Garrity**

### **1. What makes your rep firm unique in the national radio arena?**

GenMedia Partners is built on heritage rep firms McGavren Guild Media and Local Focus, a combination that has made us the largest independently owned rep firm in radio. Our specialty is representing Independent General Market and Hispanic radio broadcasters. Our strategy is to partner with our broadcasters to understand their markets and become experts on their stations and bring their individual stories to advertisers. We get to know their markets and become experts on their stations. We have experienced sales teams in 15 offices across the country, including New York and Los Angeles, where half of the national broadcast budgets are planned and placed. Our expertise in selling across national, network, Hispanic, General Market, Urban, unmeasured, and malls is unique, and delivers a holistic approach to advertisers that addresses their needs.

### **2. National business was down for radio in Q1. What advertising headwinds does radio face and how can it address them?**

Local stations impact Main Street every day, and I am a big believer in telling that story. While we've seen account attrition and reduced spending, the good news is that many advertisers are still in radio. The challenges include accounts changing agencies and coming to market later than usual, and agencies placing buys through trade shops for efficiency. Radio is still the #1 reach medium and with a strong local presence. No matter how national a product is, it needs to motivate the consumer locally, and there is no better vehicle for that than radio.

### **4. How is business pacing for Q2 and Q3? How are you feeling about the rest of the year?**

Second quarter has been soft, and pacing for the second half of the year is skewed because advertisers have been placing their campaigns closer to air date and many accounts, including some high-profile ones, have switched agencies. We need to allow for a certain amount of ramping-up time, as agencies settle in with these new accounts. While we don't have clear indicators of what the budgets will be, I do see many of the accounts that switched agencies beginning to look at placing business again in the 3<sup>rd</sup> and 4<sup>th</sup> quarters.

### **5. What categories are picking up and which ones are challenged?**

In terms of categories, it's been a mixed bag. But there is some growth. We see soft drinks significantly up and already surpassing last year. Movies and fitness have increased. In the automotive category, we've seen different spending levels, whether corporate or dealer, vary by region. Gas, broadcast TV, insurance, telecoms, and restaurants are down. After a strong start, banking and auto-aftermarket have slowed. Cable is holding its own... on average, across the country, it's flat.

### **6. What differences are you seeing between general market radio and Hispanic radio in terms of national business trends?**

The lines continue to blur between General Market and Hispanic. The US Hispanic population continues to grow and evolve to include more US-born Hispanics. In response to that trend, broadcasters are tweaking their formats to mirror the markets which they serve, while still holding true to the cultural relevance that the US Hispanic market regards dearly. There's much discussion in the ad community of the acculturation of millennials and their impact on both General Market and Hispanic. As the rep firm with one of the most powerful Hispanic platforms in the marketplace, we, better than most, understand how cultural relevance impacts behavior and can help advertisers engage the US Hispanic market in a new, more all-encompassing manner.



### **7. What is your firm doing to bring new business to radio?**

We are uncovering new agencies and new media outlets and bringing them radio's story. Everyone on our team is accountable for new business, and we apply metrics to hold them accountable. The avail bell is a melting ice cube, and our sellers are becoming more well-rounded in selling national radio with OOH, network, events, and more, to bring holistic opportunities to agencies. We have the systems, technology, and sales expertise to represent stations in markets of all sizes, including unmeasured. We work closely with our stations to learn what categories are emerging in their markets, and we stay abreast of what is going on in their communities, including grand openings, concerts, local sports, special events, and more. Our prospecting and CRM tools help uncover and qualify prospective leads and keep every seller updated with current account information, contacts, notes, and next steps.

### **8. What are you doing to reach beyond traditional broadcast agencies to expand the scope of advertisers for your radio clients?**

We have enhanced the new-agency initiative that we implemented last year and are going beyond the traditional top broadcast shops to call on promotional, experiential, regional, and multi-cultural agencies. Since we inaugurated the program in 2016, we have targeted over 900 new agencies and successfully secured contacts with 400 new decision-makers. Our partnership with mall media/OOH company MG Malls has opened doors into shops and with marketers that have had no radio plans. And we are at it, every day.

### **9. How is the use of data changing how national marketers buy radio and other media?**

Advertisers continue to look for metrics that will educate them on how to best target their consumers on whatever platform they can reach them. The big talk in the industry now is programmatic, for both metrics and ease-of-buying. How that will pan out, in terms of bringing new advertisers to radio, is yet to be seen or proven. But radio is not only a numbers game... ask any of our stations that put on a concert or an event how many people show up just from promoting it on the air and via their other assets... there is no better metric than that!

### **10. What are you doing to better demonstrate radio's ROI to marketers?**

Because our focus and attention is on the Independent General Market and Hispanic broadcaster, our sellers know each station's story and can bring it to life for the advertiser. We build value for partner stations in any market size by crafting their best stories. Success stories that spotlight radio's power to motivate can help a client understand the impact on listeners in the local community.

### **11. How do you position local radio against Pandora and Spotify?**

Our sales pitches already position local radio's attributes against Pandora, and we have an arsenal of research about why radio specifically should play center stage in national advertisers' media plans. Local radio provides a touchpoint in the communities they serve, and that is something that Pandora and Spotify cannot deliver.

### **12. With marketers questioning and in some cases pulling back their digital spend, do you see an opportunity for radio to bring back advertisers that left the medium?**

There is always opportunity to grow business, and radio has a history of resiliency. Digital advertising has proven to be imperfect, and it has not delivered on its false promise of total transparency and accuracy. Advertisers are starting to re-think some of their digital budget and are looking again to heritage reach media. Radio is both a national reach medium and a local engagement platform. National advertisers want that local connection, and the local activation that Independent General Market and Hispanic radio broadcasters deliver will sustain —and grow — our medium, even as the advertising landscape continues to expand.