



RadioWorks for Holidays

1. Summary
2. Observations
3. Introduction
4. Radio Advertising
5. The Travel / Holiday Market
6. Radio Advertising for Holidays
7. Summary
8. Observations
9. Source Information
10. Appendix

1. Summary

The travel and transport industry, which includes Holidays, spent over £605million during 2007 (*Nielson, Ad Dynamix 2008*). The Holiday advertising market is a large segment of this spending around £400million in the same period. This report explores the reasons why radio advertising should be considered as part of that spend.

The holiday market is largely split between package holidays and independent holidays, with the popularity of independent holidays growing in recent years to hold a larger percentage than package deals. It is widely believed that the internet has been responsible for a vast amount of the growth in independent holidays. Through using the internet consumers can gain greater confidence and knowledge of destinations, source cheap flights from low cost airlines and find hotels on broker sites. As using the internet is important to the consumers, radio advertising can be helpful for the advertisers, reaching those that are listening to the radio while online.

2. Observations

- Radio Advertising can reach people while they are at their computers, information gathering and looking to book a holiday online
- Radio can be used to paint a picture of a holiday destination
- Holidays are an important part of family spending
- Short breaks abroad are popular amongst UK tourists, Paris currently being the most popular destination
- New holiday destinations (such as the Middle East) and new holiday experiences (such as Cycling) are becoming increasingly popular
- Radio Advertising can work well alongside other media such as press and online
- Radio can provide many creative angles for holidays, not just within spot adverts but also promotional and sponsorship activity – such as broadcasting live from a hotel



3. Introduction

This report has been written to provide the reader with top line information on radio advertising and how it can work well for holiday or travel clients.

The report provides a list of ten of radio's strengths, briefly reviews the holiday / travel marketplace and then goes on to look at how radio can continue to work for holiday and travel clients moving forward.

Radio advertising provides the opportunity to reach people who are looking to purchase a holiday as well as those that are not actively in the market.

4. Radio Advertising

Listed below are ten reasons why radio advertising should be considered.

4.1 Efficient targeting

Commercial radio offers the opportunity for advertisers to target different audiences. Whether it be... more mature people looking for cruises while listening to Classic FM, or younger people getting ready to go to Ibiza listening to Kiss. Commercial radio can be used to efficiently target audiences.

4.2 Reaches people at relevant times and places

Consumers listen to the radio in many different environments, times and locations. As the travel and holiday industries are becoming more and more reliant on the internet the following is an important stat...

"At any given time, 20% of web users are also listening to the radio" (*Using Radio with Online, RAB / IAB*)

4.3 First for Information

47.2% choose radio as their most important source of information (*Bauer, The Inside 2006*). Consumers tune to the radio for information, there is a trust for the medium and an immediacy that clients can benefit from being associated with.

4.4 Breaks through in an ad avoidance world

Those that are not specifically looking for a holiday will find it easy to avoid the offers at the back of a newspaper and would have no need to visit a travel website. One of radio's strengths is that it can break through the clutter. The nature of listening to the radio means that it is rare for people to 'turn over' when the commercials come on and a strong commercial can gain attention.



4.5 Creates a large 'share of mind' for a brand

Radio, being the 'frequency medium', helps a brand build awareness and share in the consumers mind. Travel destinations and companies have in the past used radio to build a strong brand message amongst listeners, good examples include British Airways running a promotion on the Capital breakfast show and the high frequency EBookers.com campaign that used 'blipverts' (*case studies available in the appendix*).

4.6 Radio drives response especially online

With the vast majority of travel companies now providing information and offers online the benefit of radio to push listeners to websites is an important one. More details are in section 6.2

4.7 Immediate and flexible

If a travel provider needs to react to market changes quickly radio can move just as fast. In many marketplaces it is possible to get a commercial to air within 48 hours. As travel and holiday companies can be reliant on market fluctuations such as the price of fuel, being able to get new (cheaper) prices to the market first can be a strong advantage.

4.8 Measurable results

By using response mechanisms such as text numbers or bespoke URLs it is possible for travel and holiday companies to measure the response levels from the radio commercial. Texting for more information can provide exact response times which can be measured alongside the times the commercial was aired.

4.9 Innovative solutions to reach your target market

As a medium the radio industry is always moving forward and looking for new solutions, whether it's in the form of online, mobile, on air or a completely different solution. In the past whole radio shows have been presented from a beach, live broadcasts from the top of the Eiffel Tower and DJs have been sent off on cruises to report back.

4.10 Radio is a friend

Family and friends are still an important source of information when purchasing a holiday (TGI 2008). Radio has been spoken about as a friend due to its ability to speak to listeners on their level, provide companionship and a trusted voice. Radio as a friend can provide that helpful advice to potential consumers.



5. The Travel / Holiday Market

5.1 The Market

It is possible to break the travel market into different sections, the main element that we will consider here is travel for holidays. However, it should also be mentioned that travel for work is also a very large market in its own right.

Holidays appear to be very important to UK residents. According to research from NVision (*NVision, UK Holiday & Tourism, 2008*) 70 million holiday visits abroad were made by UK residents in 2006, with Spain and France ranked as the most popular destinations. The report also goes on to say 'Nearly a quarter of consumers make a holiday their first or second reason for saving'. The Family Spending Survey of 2006 agrees with this as they also found that 7.2% of total household spend now goes on holidays and hotels.

The above facts point to the sheer size of the holiday industry but what do people like to do while on holiday? According to the NVision research British tourists are interested in engaging in a number of activities while on holiday ranging from Eating out to Reading and Shopping to Understanding the Local Culture. The variation of activities is also reflected in the types of holiday that are available.

The popularity of short breaks abroad has grown with the influx of low-cost airlines and cheaper travel. In 2007, 7.5 million short breaks were taken by UK residents with Paris being the most popular destination (*Mintel, Short Breaks 2008*). Over 60% of people choose a short break destination because it is somewhere they have not been before. The Cultural attractions and good food and drink are also strong factors for over 30% of people (*Mintel, Short Breaks 2008*).

The Luxury Holiday, largely defined by warm weather, comfort and costing at least £2,500 (for two sharing), is often taken outside of Europe – 79.5% where non-European destinations in 2007. The Caribbean (including the West Indies) along with New Zealand are the joint most popular destinations (*Mintel, Luxury Holidays 2008*). When booking a Luxury holiday it is more likely to be face to face or over the phone as the consumer looks to gain information and opinion from an expert.

While luxury holidays are likely to be part of an organised package, consumers in the general market are moving away from package deals. Independent holidays now hold (2008) a 59% share of the overseas holiday market (*Mintel, Package v Independent 2008*). The effect of the internet is one of the key reasons behind the decline of package holidays along with low cost airlines and websites offering budget accommodation. As consumers travel more and more they have greater confidence in organising the holidays themselves. North Africa has now gone above the United States as the leading package holiday destination outside of Europe (*Mintel, Package v Independent 2008*) this is likely to be as a result of greater confidence in being able to book a holiday in the US independently.



While the trend is currently towards independent holidays the current financial market place has lead Peter Long, Chief Executive of TUI Travel (owners of First Choice and Thompson Holidays) to say... "We are going to see a number of customers who traditionally book and make their own arrangements going back to tour operators." (*Financial Times, 30 Sept 08*).

The popularity of independent holidays may not necessarily mean the end for package holiday providers, however they may need to consider the services that they provide. Holidays in locations where the consumer does not feel comfortable in choosing and organising themselves are likely to require extra experience. There has been a number of emerging tourist destinations such as Africa and the Middle East, and 46% of consumers visit a new holiday destination every year (*NVision, UK Holiday & Tourism, 2007*) opening up opportunities for tour operators. There are also further opportunities available for experiences outside the conventional holiday such as cycling or hiking holidays. Growth in non-standard holidays and destinations are likely to provide good opportunities for tour operators moving forward.



6. Radio Advertising for Holidays

Holiday and travel operators have used radio advertising in the past for a number of options from last minute deals to building awareness. Radio's ability to deliver high levels of frequency for a client has helped build strong brands within the travel industry, such as Travelocity.co.uk (*you can listen to one of the commercials here... www.RadioWorks.co.uk/Reports-and-Studies and a case study is available via the appendix*). Tourist boards have also been using radio to raise awareness; in particular the countries culture and alternative attractions are often mentioned. An example of an advertorial in association with the Jamaican Tourist Board is available on our website www.RadioWorks.co.uk/Reports-and-Studies

The travel and holiday industry has been one of the first to embrace the Internet and use its capabilities and has also been known to use press advertising. This section highlights the compatibility of radio advertising alongside both these mediums and also points to the strengths of radio as a stand alone medium.

6.2 Radio and Online

A previous *RadioWork's review of radio and online* provided the below key facts each of which indicate how the use of radio and online combine well together...

- Online provides access to 'My World' while Radio provides access to 'My Wider World'
- In a one week period, 48% of people will have listened to the radio while being online
- At any given time, 20% of web users are listening to the radio
- Listening to the radio makes an online session longer as people are more relaxed
- Radio can push listeners to the pull of the internet
- Radio can provide a trusted voice to encourage people to broaden their repertoire of sites
- 57% of those who listen to the radio while online say that they have 'checked out things on the internet after just hearing about them'
- Hearing a brand on the radio can increase the likelihood of brand specific search by three times

The above facts and figures can point to the benefits of using radio and online together. For travel and holiday companies the Internet has for some time been an important factor. According to Hitwise there are now more than 12,000 travel websites aimed at the UK consumer. In the last quarter of 2007 Mintel Research showed that 16% of people had purchased holidays or travel via the Internet. (*Mintel, Holidays on the Internet 2008*). The same Mintel report also points to the cost savings that can be made when booking via the internet by stating that 'holidays booked via the net are around one-third lower than the overall average'.



The Radio Advertising Bureau has recently conducted a study into using radio with online and their findings are even more powerful than Mintels... When researching how radio and online worked together they found that 74% of internet users used the internet to research travel arrangements, and 61% actually purchased via the internet (*RAB, Using Radio with Online*). The internet can provide consumers with a wealth of information and a fast and easy means to book holidays. Having access to this information consumers can be more discerning and search for better prices or offers meaning that holiday advertisers may have to focus more on their services and deals rather than the holidays they offer (unless they are bespoke holidays).

Radio commercials have the ability to get through to people even when they are not specifically in the market. Hearing the commercial on air can then push the listener to the internet to find more information. And the internet advertising or web search works best by pulling the consumers in to the relevant material. One in five people are listening to the radio while online (*RAB, Using Radio with Online*) and a radio commercial can push the listener to your website rather than a competitors.

Radio’s strength is in providing the consumer with something to search for.

6.1 Radio and Press

While radio and press are both high reaching and habitual, they predominantly offer different strengths. The below table from the RAB’s guide to *Using Radio with Newspapers* helpfully labels the differences.

Radio offers:

- real-time communication
- high frequency of impacts
- reaches out-of-market consumers

Newspapers offer:

- room for detail
- “keepability”
- well-segmented editorial environments

Radio seen as:

- personal
- human
- “at my level”

Newspapers characterised by:

- public
- stature
- authority

Radio is a “push” medium:

- all ads reach all listeners regardless of relevance

Newspapers are a “pull” medium:

- readers select according to interest or relevance



Just from considering these differences it is possible to see how a press campaign can be added to by also using radio. Travel operators often use press to list the holidays available and to show pictures of exotic locations to spark the consumer's imagination. While radio cannot show pictures it can paint pictures in the mind using sound (click on the audio titled 'beach' on this link www.RadioWorks.co.uk/Reports-and-Studies to be transported to a beach in the Caribbean all via the power of sound). Another point of difference for radio is the ability to reach people on a human level, TGI data shows that the internet and friends / family are the most popular sources of information on holidays. As we have already discussed radio's nature of being a friend can benefit an advertiser by acting as if a friend is telling them about a holiday location, while the press advertising can achieve an authoritative message that can be taken away to discuss at a later time.



6.3 Radio and Radio

Radio advertising works well as part of the media mix but there is more to radio advertising than simply supporting other mediums. For travel clients radio has a number of uses some of which are listed below...

Radio Promotions – These normally take the form of a competition where the station gives away a prize in association with an advertiser. Radio stations like to give away holidays in association with an advertiser as it is often a very desirable prize. To add to the give away stations can possibly broadcast live from the location, as in the case of British Airways (a case study on this is linked to via the appendix).

Radio Sponsorships – Are normally long-term (minimum of three months) and work by bringing a brand closer to the stations programming. Sponsorships work hardest when there is a close fit between the brand and the programme being sponsored, i.e. a travel website sponsoring a travel show, such as Simon Calder's Travel Clinic on LBC. However, it is also possible to think outside of the box a little more with possibilities to sponsor weather or traffic and travel, using tag lines like 'get guaranteed hot weather...' or 'get out of your car and get on a plane...'

Radio Advertorials – Are another way for a client to get involved with the fabric of the station. An advertorial will involve a voice from the station providing listeners with information that the advertiser has requested in the style of a mini-programme. Advertorials are a great way to deliver a large amount of information to listeners while also benefiting from having the listener's friend (the station) talking directly to their potential consumers. An example from the Jamaican Tourist Board is available at www.RadioWorks.co.uk/Reports-and-Studies

Radio Events – Radio stations can be involved in many events from festivals to store openings. Road Team activity could help drive traffic to a travel agent store opening or event. Normally it consists of a team from the radio station giving out merchandise on site while also being talked up on air, driving consumers to the site.

Broadcast PR – This allows the client to get into the fabric of the radio station. If the travel company has a news worthy story to tell, possibly off the back of some research, it could provide a spokesperson with the opportunity to discuss it on a station within programming. For example, if a holiday destination was found to be the fastest growing in terms of popularity it may be possible to get a spokesperson from the country's tourist board or from a tour operator serving that country to talk as an expert, answering questions and explaining the reasons behind its popularity.

Podcasts – It is possible to produce podcasts that provide further information to consumers, hosted on station websites, iTunes and client websites. For holidays and travel clients podcasts can provide a great platform for reviews and a more in-depth look at what a destination has to offer. The podcast could lead to a point of difference and establish the operator as an expert.



Station Websites – Banner ads, interactive games, competitions, reviews and VIP newsletters are all areas available to advertisers. It is often easier and cheaper to create and sponsor a be-spoke section of a station's website, such as Travel Pages, that will then be talked up on air by the presenter.

Text Response – Can provide an effective response method for a campaign. 'Text for further details' and 'Text to be updated with last minute deals' are just a couple of ways in which texting could be used for travel operators.

Creative Spot Advertising – All advertisers can benefit from creative spot advertising such as being first in break, using longer/shorter ads, top and tail ads, placing solus spots, blipverts (as Ebookers.com did), etc. Holiday advertisers can also take advantage of this, one possibility being to place commercials around traffic and travel during drive time – tagged "why not escape the traffic for a week or two with a holiday from..." for example. The Enhancing Your Airtime section of the RadioWorks website provides further opportunities (Click the following link to view the page www.radioworks.co.uk/enhancing-your-airtime)

Creative Commercials – A truly creative commercial can really help a client to stand out and the creatives at Maple Street Studios (www.MapleStreetStudios.co.uk) are there to help. Radio creative is discussed further in the following section.

Last Minute Spot Advertising – On occasions it is necessary to place a campaign at the last minute and take advantage of potentially reduced rates. It is possible this may also prove useful for travel clients that are looking to get last minute deals to air. This can be arranged via www.Bid4Spots.co.uk

Radio Creative

"An effective commercial gives the listener what they want to hear" (RAB.co.uk).

A travel operator may have a range of holidays for sale but selling the holidays within the same creative execution may make the commercial sound complicated and irrelevant. Better instead to run a number of commercials each with individual offers targeting listeners individually. After all, it is unlikely that a consumer looking for a skiing holiday will also be interested in a beach holiday. The radio commercial can be an opportunity for the advertiser to give the listener a good reason to consider their brand, or go to their shop or website over the competition.

If a particular travel provider is currently offering a high number of deals to Africa, a radio commercial could be used to create a 'Holidays to Africa' event. The commercial would work to build the brand of the operator / provider rather than the specific destination. It may also serve as a point of differentiation from other providers.



7. Summary

The travel and transport industry, which includes Holidays, spent over £605million during 2007 (*Nielson, Ad Dynamix 2008*). The Holiday advertising market is a large segment of this spending around £400million in the same period. This report explores the reasons why radio advertising should be considered as part of that spend.

The holiday market is largely split between package holidays and independent holidays, with the popularity of independent holidays growing in recent years to hold a larger percentage than package deals. It is widely believed that the internet has been responsible for a vast amount of the growth in independent holidays. Through using the internet consumers can gain greater confidence and knowledge of destinations, source cheap flights from low cost airlines and find hotels on broker sites. As using the internet is important to the consumers, radio advertising can be helpful for the advertisers, reaching those that are listening to the radio while online.

8. Observations

- Radio Advertising can reach people while they are at their computers, information gathering and looking to book a holiday online
- Radio can be used to paint a picture of a holiday destination
- Holidays are an important part of family spending
- Short breaks abroad are popular amongst UK tourists, Paris currently being the most popular destination
- New holiday destinations (such as the Middle East) and new holiday experiences (such as Cycling) are becoming increasingly popular
- Radio Advertising can work well alongside other media such as press and online
- Radio can provide many creative angles for holidays, not just within spot adverts but also promotional and sponsorship activity – such as broadcasting live from a hotel



9. Source Information:

Nielson, Ad Dynamix 2008

Nielson Media Research – Travel and Transport 1st Jan 07 – 31st Dec 08

RAB / IAB Joint Study – Using Radio with Online, 2007 (www.RAB.co.uk)

➤ Above also known as Other Lines of Enquiry/Navigator Study

Bauer Advertising – Inside Panel

The Inside on Information Sources, April 2006

nVision; Prospects for the UK Holiday and Tourism Industry, UK, 2008

nVision; Family Spending Survey, UK, 2006

Mintel, Short Breaks

Mintel Insight + Impact, July 2008

Mintel, Luxury Holidays

Mintel Insight + Impact, May 2008

Mintel, Package vs Independent Holidays

Mintel Insight + Impact, July 2008

Financial Times, 30th September 2008

Big Two Holiday Groups Look Set To Dominate, By Roger Blitz

<http://www.ft.com/cms/s/0/51916d20-8e86-11dd-9b46-0000779fd18c.html>

RadioWorks, Radio and Online Overview

An overview created in April 08 – www.RadioWorks.co.uk/Reports-and-studies

Mintel, Holidays on the Internet

Mintel Insight + Impact, January 2008

RAB, Using Radio with Online; <http://www.rab.co.uk/rab2006/showContent.aspx?id=1271>

RAB's guide to *Using Radio with Newspapers* ;<http://www.rab.co.uk/rab2006/showContent.aspx?id=1200>

TGI 2008 Q3; Base: Holidays / Short breaks: sources of information

10. Appendix

British Airways - <http://www.rab.co.uk/rab2006/showContent.aspx?id=632>

Travelocity.co.uk - <http://www.rab.co.uk/rab2006/showContent.aspx?id=1191>

Ebookers.com - <http://www.rab.co.uk/rab2006/showContent.aspx?id=662>

Thomson Cruises - <http://www.rab.co.uk/rab2006/showContent.aspx?id=1573#Thomson>

Visit London - http://www.rab.co.uk/rab2006/sandpDetail.aspx?sandp_id=484

Eurostar - http://www.rab.co.uk/rab2006/case_study.aspx?Study_id=242

Disneyland Paris - <http://www.rab.co.uk/rab2006/showContent.aspx?id=655>

Lufthansa - <http://www.rab.co.uk/rab2006/showContent.aspx?id=682>