To Stream or Not to Stream

Exploring the evolving role of broadcast radio amid advancements in car connectivity

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Who Am I?   Roger C. Lanctot

- CEO/Founder of StrategiaNow
- Connected car strategy and business development
- Member of TU-Auto Hall of Fame
- LinkedIn influencer – 190K followers/21K connections
- Frequent blogger, speaker, advisor, consultant
- President of the Mobile Satellite Users Association
- Dartmouth College graduate
- First class troublemaker, truth teller

What Dashboards Used to Look Like

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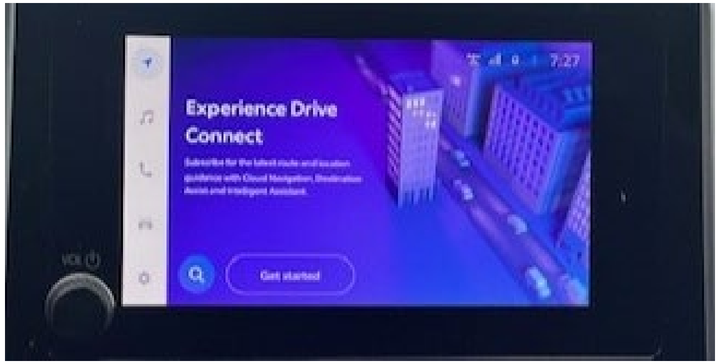
What They Look Like Today

Car makers are lost?
Overwhelmed?
They need "our" help!



...not to be confused with the Chinese – more on that later.

It All Starts with Connectivity

A. We connected cars for safety – crash response
B. But we did so with “added value” services in mind
C. Then we got excited about monetizing data
D. Vehicle diagnostics and service scheduling
E. Selling Wi-Fi, streaming content, subscriptions

EVs Bring New Business Model

A. For ICE vehicles – 10% aftermarket/80% of profit
B. For Evs – 0% aftermarket/Profit?
C. Connectivity becomes product life-cycle management
D. Software updates = Subscriptions
E. Car makers have yet to come to grips with this new business model

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Safety

A. Safety – no longer about surviving the crash
B. Safety = crash avoidance
C. New demand on screen access for “alerts”
D. Lane keeping, blind spot detection, pedestrians, road hazards
E. Speed limits, traffic lights, construction, wrong-way drivers

SAFETY CLOUD®
POWERED BY HAAS ALERT

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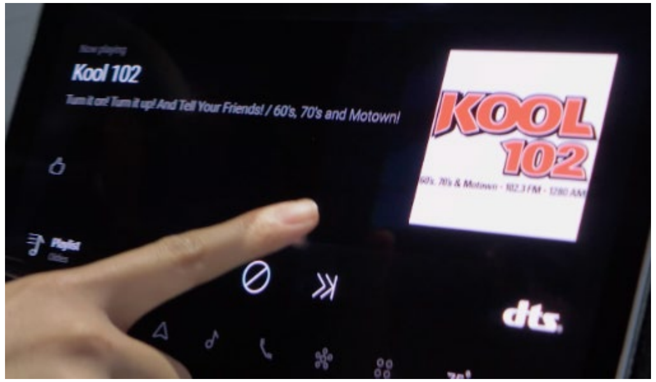
Contextual Marketing/Advertising

A. Advertising based on context, history, location, destination, etc.
B. Platform-based
C. New consent models, opt-in – and/or pay/subscribe for no ads
D. Generative AI/Voice-based search
E. Independent of broadcast sources? – OR – Enhanced by broadcast sources?
F. Interactive!



Auto Maker Ownership

A. Car companies taking control of connectivity
B. Own SIM, Carrier independence, Bill customer directly
C. Own the user interface
D. Focus on streaming
E. Desire for independence from Google, Apple – more control overall

Platforms

A. Apple, Google, SiriusXM, Radioplayer, Radioline, Xperi DTS AutoStage
B. Contextual marketing
C. Recommendation engines
D. Content management
E. Advertising
F. +Video
G. Which can/will integrate radio?

Subscription Focus

A. Software update requirement – 10-15 years – will drive shift to subscription model
B. Built into cost of vehicle (limited time); pay per use; weekly/monthly/annual
C. Access to Google Automotive Services; Full- or Partial-Self-Driving
D. In-vehicle or vehicle-based payments
E. Sponsored content; sponsored features; pay for subscription-free

DON'T MISS ANOTHER SECOND OF EXCLUSIVE CONTENT IN YOUR PORSCHE BOXSTER.

icon

400+ channels, including 155+ in your vehicle and even more on the SiriusXM app

Ad-free music, plus talk, sports, comedy, news and more

OFFER DETAILS: Activate a Music & Entertainment subscription plan and pay $2.99/month plus fees and taxes for 36 months (a savings of 84% off the current monthly rate of $18.99), plus get free activation (an additional $15 value). A credit card is required on this offer. **Your subscription will AUTOMATICALLY RENEW each month for your first 36 months. Upon completion of your 36th month, your subscription will end unless you decide to subscribe to a new plan. Please see our Customer Agreement at www.siriusxm.com for complete terms and how to cancel, which includes online methods or calling us at 1-866-635-2349.** All fees, content and features are subject to change. This offer cannot be combined with any other and may be modified or terminated at any time. Offer good only on currently inactive radio identified in this communication. Channel lineup varies by package. Offer good only on currently inactive radio identified in this communication.

Autonomous

A. Autonomous arrives in steps
B. Level 2/2+ - (happening now) eyes on road hands off wheel
C. Level 3 – (happening now at low speeds) eyes off the road, hands off wheel – may enable some video viewing
D. Level 4/5 – (5 years from now) – Full autonomy, full video consumption + games, social media, video conferencing

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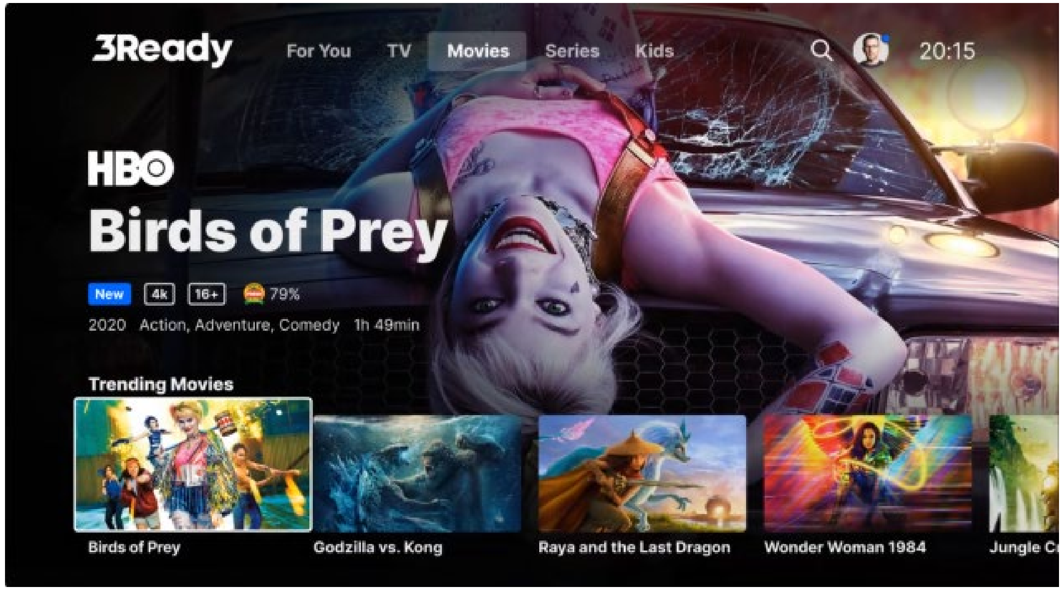
The Arrival of Video

A. Video arriving in the dash from all directions
B. Entering cars based on the need for "something to do" while charging an EV
C. Justification for massive screens
D. Front seat access for Level 3 vehicle envisioned
E. Going wide!

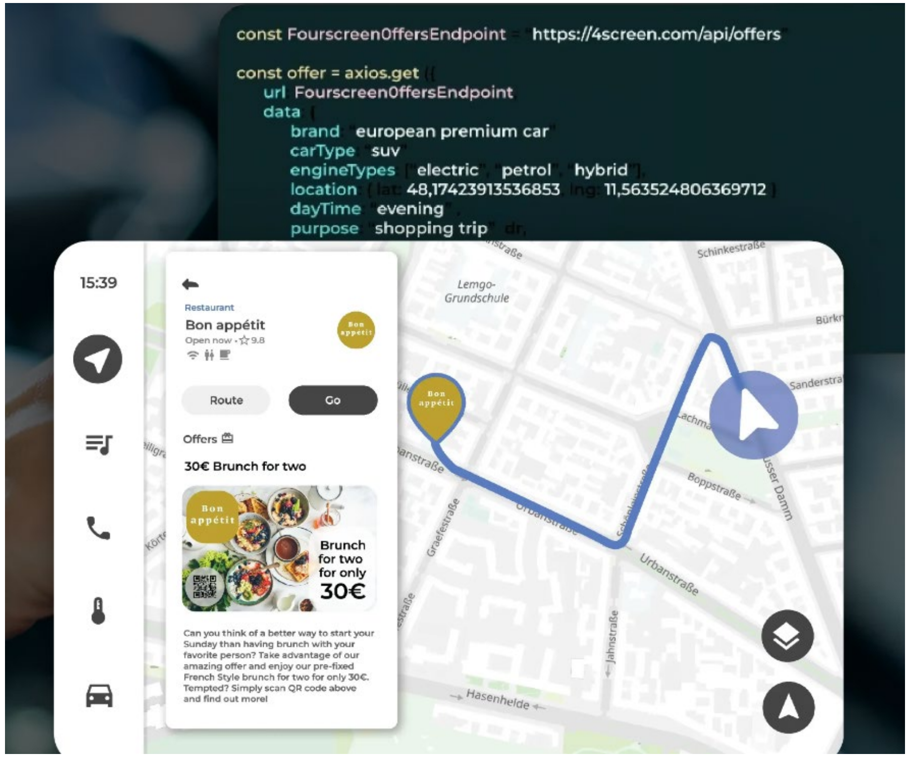
3 Screen Solutions – 3Ready

- 30 content partners
- 400+ entertainment projects
- 200+ video experts
- 5 automotive projects
- Customized experience across multiple screens/devices
- Just one of multiple video-centric automotive offerings



4Screen

- Enhanced driving experience
- Tailored and easy integration into existing UI
- Direct leverage of data points
- Easy API integration
- Charging, parking, reservations, orders, v-commerce, advertising



We All Scream – Go Big or Go Home!

48" Byton screen

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The OEM Challenge

A. Monetize connectivity
B. Own the customer experience
C. Redefine the in-dash experience – with ingredients such as sensor inputs, AI, access to cloud resources
D. Brand definition, value creation, content management, recommendation engines
E. New advertising paradigm, new measurement tools, search-based foundation

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What Can Broadcasters Do?

A. Leverage digital radio for wide screen – interactive experiences
B. Re-imagine radio as a visual experience
C. Enhance location relevance
D. Enable in-vehicle commerce
E. Educate – show what digital can do
F. Show car makers what is possible and prove that radio is ready for its digital future

Any Questions?

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