

"A GOAL IS A DREAM
WITH A DEADLINE"

ANONYMOUS

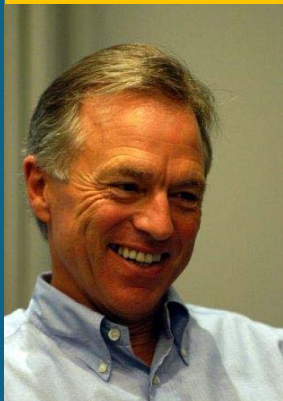
BP&R BROADCAST PROGRAMMING & RESEARCH

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SNAPSHOTS

In this edition of the BP&R newsletter Peter Don continues his series on key steps and considerations in building a successful morning show.



You will find Peter's article on page 3.

CONFIDENTIAL

BP&R has received a lot of requests for an article about the detail of developing a research plan. In response Bill Clemens will be revealing in a future newsletter what he considers to be the essential considerations and ingredients.

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Radio Does Not Have An Audience Problem

By Wayne Clouten

Commercial radio does not have an audience problem as much as it has an advertiser problem.

It is not the inability of radio stations to get listeners that has held back radio as a business and most importantly, it's future prospects; but the inability of radio stations to effectively convert those listeners into revenue. Like a lamb to the slaughter radio has been lead down the path of commoditisation since anyone can remember. It's all

about being No 1, having the biggest listener head count with scant regard for relative consumer spending power, product relevance or dare I even say it – interest in and engagement with the radio commercials actually heard! Adding insult to injury, too many commercial radio stations around the world still treat the radio commercial as a malignant growth, to be boxed away and apologised for. Some stations still actively position-

ing commercials as a negative – "40 minutes of music commercial free". Not only is this statement one of the most irrelevant things you can possibly say in the era of the Ipod, it is also completely at odds with the primary goal of a commercial radio station making a profit from the sale of radio commercials, which in turn relies on advertisers getting a return on their advertising investment with your radio station.

"too many commercial radio stations around the world still treat the radio commercial as a malignant growth..."

Writing this article reminded me of the days I worked sales in regional Australian radio, when there were no official ratings or statistics to use in marketing and local advertisers bought radio predominately on the strength of the success of the previous campaign. The radio advertising campaign worked or it didn't work and the fortunes of the radio station rode on that out-

come. Gaining new advertisers was largely driven by written endorsements from businesses who had successfully used the radio station (still the most powerful marketing credentials a station can offer). There was a simple, bottom line honesty of focus in this approach to the business of commercial radio and a sober appreciation of the importance of broadcasting radio commercials that

were noticed, remembered and responded to by listeners.



Do you have some news, a tip, suggestion or question?

Email wayne.clouten@bprworld.com

This reflection of mine may be quaint, but there is a very powerful message in the story: The critical importance to the radio business of selling radio commercials that sell. To be clear, this means the right message or offer at the right time to the right people.

Of course radio's commoditisation is fuelled by the "reach and frequency" paradigm driven by advertising agencies, media buyers and indeed the way radio sells itself. To be fair, if the great proportion of your revenue base is derived from advertising agencies and media buying houses then digging yourself out of the commodity market is very challenging but that should not be an excuse for stations and more importantly, radio networks not to seek strategies to reduce their exposure to the sale of their advertising airtime as a commodity.

I have sometimes heard General Managers or Sales Directors say "I can't sell that demographic" or "I can't sell that format". Generally speaking demographics outside of 25-49 are considered by many as "hard to sell". Yes, I agree with that statement to a certain degree, it takes a great deal of talent, enthusiasm, energy, analytic ability and leadership to sell under 24's and over 50's but it can be done, you just have to think outside the square, possess a positive mental attitude and be a little bold. There are great rewards for radio stations who can find ways to market themselves "outside of the square". I know of a 50+ radio station that made twice the revenue of a 25-39 radio station that had twice the cume. I know a No 4 radio station that made twice the gross profit of the No 1 station. What both these stations had in common was a sales strategy based on thinking outside

the square and doing things differently.

One thing a station must be prepared to do if it wants to break out of the commodity marketplace, is go direct to advertisers. This is the tough pill to swallow. I have a simple and effective rule: If you believe you can make a difference to an advertiser and after failing 3 times to get a fair hearing from the advertising agency concerned – create direct dialogue with the advertiser and build a relationship based on your knowledge of how their business works and their knowledge of how radio could work for them. I cannot stress the importance of creating dialogue with advertisers before trying to sell them something. Make it your goal to understand your customer's, customer.

How do you start to leverage higher returns from your sales department?

“Make it your goal to understand your customer’s, customer”

Differentiate yourself:

a. Know more about your listeners and what they like and don't like than anyone else on the face of the planet. Use this information to create a point of difference.

b. Don't just sell radio commercial packages or "spots", sell a campaign and creative strategy based on your knowledge of how best you can introduce and promote the particular message of the advertiser to your listeners.

c. Think of your listeners/audience as consumers. To you they are listeners but to an advertiser they are consumers. Describe your audience in consumer terms as well as listening terms.

The long road to digging your station out of the commodity marketplace starts with knowing some fundamental things and from that knowledge building a strategy. I doubt a station can necessarily remove itself completely from the commodity marketplace but it is possible to remove at least half

your advertising inventory from the commodity marketplace.

Do you know what your listening audience is specifically interested in purchasing?

Do you know how many listeners actually hear the commercials and if not, why not?

Do you know the types of commercials your listeners like and don't like?

Do you have a sales strategy which is researched, reviewed, and managed with as much interest, passion, creativity and resources as your programming strategy?

Do you know as much about the consumer behaviour and needs of your listeners as you know about their listening behaviour and needs?

Do you have a precise idea (list) of the types of products and services which are most likely to be successfully advertised on your radio station and at what optimal times of the day?

Have you conducted an audit of your marketplace capturing a list of all of the potential advertisers available to your radio station? (as a general rule it will be 3 times larger than you think it is)

Do you track advertiser satisfaction with your radio station independent of your sales department?

The critical question station owners should be asking themselves is:

"how could I make the same revenue I make today with half the cume?" What would we need to know?, what would need to happen?, what paradigms (objections) would we need to free ourselves from?, what talents would we need to foster?, what skills would we need to gain?

The radio glass is half full, not half empty. The future is very bright for those broadcasters who can remove themselves from the commodity paradigm. For further information about how to utilise market research in building or supporting a revenue strategy contact: wayne.clouten@bprworld.com

What Makes A Compelling Morning Show

By Peter Don

In this edition of the BP&R Newsletter we present part 2 in the series by Peter Don on developing your station's morning show (breakfast show).

What does television know about creating interesting characters for TV shows? TV sit com shows are based around 'real' people experiencing relatable situations, at least that is usually the objective. The success of these shows may be based on their environment (office/home/apartment) but then they are developed largely through the identity and relationships between the characters.

As these shows develop, we 'learn' more about the individuals in the group, and occasionally relate to one or other of these. The concept of having a 'favourite' character in a show (or in a band) is nothing new. The point is whether these individual characters are interesting and/or entertaining in a 'believable' kind of way. The question of believability is a flexible one however as we will see from some of the examples later.

Successful television shows also have a secret ingredient that most radio shows lack, and that's great writing. The great lines that give a show impact and memorability but the format for TV is different than

radio in one significant way, TV needs to grab attention for 30 minutes a week and that means that there's no time to waste on superfluous garbage that doesn't support the plot, or help develop the character's identity. Great TV is based on well developed relatable characters, good content (story lines), impact (delivery) and topicality...**but wait a minute, doesn't that apply to radio just as much as TV?**

Great breakfast shows should deliver all of those things. Let's also remember that not all TV shows work, the ones that fail usually don't deliver well enough on the basic concepts detailed earlier.

"What are the lessons for radio here?"

Let's take a fresh look at how radio and television go about getting to (more or less) the same point

One of the most successful TV sitcoms of the past few years was Seinfeld. The self confessed 'Show about Nothing'. What they did have was great characters, good lines and topical and relatable subjects. The show's subjects are still topical and it has been in syndication more than ten years after the last episode was made.

- ◆ Each of the characters were well defined. They were characters that could be relatively easily described to someone who had never seen the show.
- ◆ The interaction of the characters was based on the perspective that were in keeping with their personalities.
- ◆ The characters have an element of caricature, some of their features are exaggerated for impact and comic effect.

The parallel with radio is obvious although not especially flattering.

Radio is not usually as well thought out, and generally doesn't plan for the development of the characters within the lifecycle of the show.

- ◆ Television may create the basic 'scenario' and then hire the characters.
- ◆ Radio hires the people and then decides how they might work together.

One media builds from the concept, the other creates the show from the talent. This isn't necessarily a bad thing, however this also needs to be done against the backdrop of:

- ◆ What does the audience want?
- ◆ How can we deliver this in an interesting and entertaining way?

The team dynamics then become critical. While the objective is to create 'real' characters, the use of caricatures and contrast helps to bring these into focus. A good example of this is in the TV show 'Boston Legal', the seemingly 'normal' characters

reveal their darker/quirky sides. The show itself introduces interesting but flawed characters to add both visual and personality contrast. The Dwarf girlfriend/lawyer, the cross-dressing assistant, the recurring use of various judges with more than their share of personality flaws.

A show based on a cast of characters that are totally 'normal' would simply pass by unnoticed.

Where are the lessons for radio here?

- ◆ Are each of the characters in your show well defined? What are the 'word pictures' that describe them to someone who has never listened?
- ◆ Do these characters fulfil the expectation of their role within the team and within the show?
- ◆ Is the overall show compelling to listen to (the quirky and unexpected)?
- ◆ Are these characters being developed?

But that is not the end of the story. You also need:

- ◆ Strong support staff to help make the talent shine.
- ◆ Hosts that know radio formats and know the city or area you are broadcasting to.
- ◆ A strong Producer, the 'Programme Director' of the breakfast show.
- ◆ The right news content (anchor) is essential for adult formats and can add dimension for more contemporary formats.
- ◆ Sports coverage can generate passion. Does the show reflect that?

In smaller markets the talent pool is often more limited but there are still ways to create a radio show with entertainment depth and interest appeal.

- ◆ Find one talented person as the "main character".
- ◆ Make listeners the other "cast members" of the show. Make the show phone intensive (but remember they need to add dimension and entertainment).
- ◆ Consider using a talent coach to help develop available talent.



Finally, remember that caricatures highlight existing characteristics of an individual, or situation:

The Problem With Relationship Marketing In Radio

By Wayne Clouten

"We tried database marketing but it didn't work" is something we have heard numerous times. This response is actually a metaphor for stations simply not having the right plan.

It has become disturbingly clear that radio stations have an enormous capacity not to grasp the opportunity that relationship marketing presents to the business of radio—despite all the talk.

In fact our observation, is that radio is largely "de-evolving" itself from the online/multi-media opportunity rather than embracing it.

One of the key problems is the "newsletter paradigm".

Let us make it very clear. Sending a generic station newsletter to a database of listeners was a very cool thing to do 8 years ago. It was an expected thing to do 4 years ago. In 2008 it is boring and little more than spamming.

For most stations, particularly broad appeal AC stations, a generic station newsletter is more than likely doing more harm than good.

It is important to understand that internet usage is very dynamic. Never before has usage influenced design or design influenced usage. Internet users are becoming more discerning, filtering out the boring junk and scam websites, rejecting time wasting spam and are more conscious of Trojans and other invasive software tactics to take control of your PC and steal your personal information.

Technological enabled people are becoming more discerning about what they want to receive in email and who they want to receive it from.

"Tell me about stuff I'm interested in and give it to me when I want it" people scream but most of the marketing world appears deaf.

Personalisation of communication and customisation of content is the key.

"What's personalisation?"

Personalisation is more than just putting a person's first name in the email. It's recognition of the listeners last interaction with the radio station or male and female versions of the newsletter. A simple personal-

isation tactic is allowing the listener to nominate from which of their favourite DJ's they want to receive their communication from.

Customisation of content is allowing listeners to opt in to the specific stuff they want to receive from the radio station or have access to and via what channel (website/email/sms/print).

The message is that radio must be more targeted in its approach to relationship marketing if it is to make a difference, focussing on individual listener passion – particularly in an AC station. Capture point, communication chain and value proposition all must be aligned to listener passion (primary motivating interest), which can generally be broken into 4 or 5 key listener profiles.

The potential for relationship marketing to create non traditional revenue and enhance the listening experience is enormous but it won't be realised by out of date tactics such as the "newsletter paradigm". The good news is that a targeted approach is much more cost effective, accountable and effective than a generalist plan. As for the specifics of how to do it, call us.