



AUDIENCE 98

Public Service, Public Support



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**A project of Audience Research Analysis
Funded by the Corporation for Public Broadcasting
Leslie Peters, Editor**

AUDIENCE 98 Core Team

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*“Everything should be made
as simple as possible,
but not simpler.”*

- Albert Einstein

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Foreword

Sometimes research changes **what** we think. Other times it changes **how** we think.

AUDIENCE 98 will change **both**, but not right away, and not unless we recommit ourselves to the highest standards of public service.

As with AUDIENCE 88, we'll need five-to-10 years to realize its full impact and value. It takes time to incorporate new thinking into our daily decisions. And it takes time to see the results.

Today, AUDIENCE 98's findings may seem more conceptual than pragmatic. But so did "core," "fringe," "affinity" and "appeal" 10 years ago. Their utility will become obvious as we harness their power. If past is prologue, we'll internalize them so fully that they'll seem to have always existed. They'll feel so natural that we'll forget where we first read about:

- Public Service, Public Support
- The Value of Programming
- The Stairway to Given
- Personal Importance
- Reliance
- A Sense of Community
- A Community of Interests
- Underwriting Anxiety
- Pledge Drive Resentment
- The Strategy to Transcend

These ideas aren't new. AUDIENCE 98 has merely renamed old phenomena and relationships as it has clarified our thinking about them.

These ideas aren't old hat either. They explain the reactions caused by our actions. They show how we can become more effective at what we do.

Most important, these ideas focus our thinking on the public – and on the **public service mission** of public radio.

Our public service mission can be easily forgotten as we increase our reliance on public support. Getting more listeners is easy if that's **all** we want to do. Getting more money from listeners and underwriters is easy too – if we don't care what we're really selling.

If we forget our history of public service, we depreciate the value of what we now do. And if we ignore the ethics of public service, we undermine the foundation of what we **can** do.

Our core listeners believe that **public radio is the best radio**. So do I. That's the reason I accepted the challenge of AUDIENCE 98.

I count on you to do the same. And I look forward to working with you as together we advance our public service. No single study or person can fulfill public radio's immense promise alone.

David Giovannoni
February 29, 1999

Acknowledgments

Many people have worked on AUDIENCE 98. The combined vision and persistence of two, in particular, have made it work:

David Giovannoni, its chief architect and thinker, brought a quarter-century of leadership in audience research to the project.

Rick Madden, CPB's Vice President for Radio and the system's prime mover, brought a reluctant Giovannoni.

Major contributions also came from AUDIENCE 98's Core Team:

Leslie Peters approached the project as a personal, 18-month quest to advance the industry by fitting right-brain data to public radio's left lobe.

Jay Youngclaus assumed primary responsibility for AUDIENCE 98's statistical analyses and graphic presentations, and offered many ideas from the refreshing perspective of a public radio newcomer.

Industry professionals also helped. In a unique experiment, AUDIENCE 98 offered non-researchers the chance to set its agenda and present its results.

Dozens of programming and development professionals submitted nearly 100 proposals to its competitive Associates Program. Although 1998 was too short to pursue all of their ideas, the front line views of the following individuals kept the study focused on practical, actionable information:

Michael Arnold, Ellen Burch, Jay Clayton, Peter Dominowski, David Freedman, Kim Grehn, Jeff Hansen, Don Hein, Ingrid Lakey, Steve Martin, Carol Pierson, Israel Smith, Vicki Staudte, and Frank Tavares.

Thanks go to the AUDIENCE 98 Advisory Panel: **Tom Thomas** and **Terry Clifford** of the Station Resource Group; CPB Research Director **Janice Jones**; SoundPrint Media Center President **Moira Rankin**; and public station programmers **Arthur Cohen** of WETA and **Steve Martin** of WAMU.

The project has drawn from other deep wells of knowledge and experience. **George Bailey** and **John Sutton** have unselfishly offered constant streams of ideas. Their collaboration on the AUDIENCE 98 seminars, with the indefatigable **Barbara Appleby** and **Marcia Alvar**, proved that researchers, marketers, programmers and managers can work together to make public radio a stronger, smarter public service.

AUDIENCE 98 has also been assisted along the way by **Karen Akerson, Matthew Alshab, Steve Behrens, Anna Maria de Frietas, Deb Giovannoni, Carla Henry, Kent Kroeger, Chris Mandra, Chris Montgomery, Craig Oliver, Roberto Quiroga, John Riggan, Lisa Nackerud Ryan and Kay Tuttle.**



1.

The Essential Findings of AUDIENCE 98

Distilled and synthesized, two key findings emerge from the thousands of facts generated by AUDIENCE 98. If they seem familiar, it's because they so precisely reflect our time.

Public service begets public support.
Public support focuses public service.

These two ideas powerfully and inextricably connect the **reason** public radio exists and the reason public radio is **able** to exist. They engage the positive feedback of the quid pro quo – of doing well by doing good.

Ten years ago, AUDIENCE **88** developed the “**programming causes audience**” fundamentals of public service – the focus of our activities back then. Today, as listener-sensitive income surpasses all other revenues combined, AUDIENCE **98** focuses – necessarily – on the “**programming causes support**” fundamentals of public service.

Like the programming basics of the last decade, these financial essentials will have currency for years to come. This first chapter offers a summary.

Public Service, Public Support

Twenty years ago, pioneer researcher Tom Church observed: “Nobody can buy a **public radio**.” He was right. His brilliantly pithy point – that public radio is subject to the same competitive rules as commercial radio – is as true now as it was then.

Today, however, the rules are getting tougher. Commercial station mega-groups are setting up multiple services in our markets. New technologies are opening up new information and entertainment possibilities. Audience targets for all media have become narrower. Competition for people’s time and attention has become as fierce as the stakes are high.

This year Arbitron begins offering information about listeners’ education in its basic subscriber report, putting our upscale, college-educated audience in easy aim.

These developments point in one direction. **Listeners soon may be able to buy a public radio – or something very much like it – from someone other than us.**

In fact, it’s inevitable. The only question is **when**. Our response lies in our two strengths: the **public service** we provide, and the **public support** that results.

Back when Church was being a wit, public radio could count on comfortable amounts of governmental and institutional support. Network programming was cheap. People were debating whether having a sizable audience was a worthwhile goal. We could afford that debate: listener support was a negligible entry in the ledgers of most public radio stations.

Today listener support is our largest single revenue source. And our reliance on those contributions is growing.

That’s put enormous pressure on public radio development professionals. They’ve responded heroically, in the best way they know how, with a barrage of professional training, improved data management and creative fundraising techniques, fueled by CPB’s Radio Future Fund.

But the most powerful force affecting giving is not in their control. **Programming not only causes audience, it also causes audience support.** Fundraising is always about programming. That’s the indisputable fact of 15 years of research, reconfirmed by AUDIENCE 98.

If more than half of our audience still sits out pledge drives, ignores telemarketing and tosses away mail appeals, it’s mostly because **our programming service is not yet the best it can be.** That leaves us wide open to competition. The new rules make it much easier for us to lose.

For the moment, we have an edge on commercial interests, with a reputation, a history and the loyalty of millions of listeners. But we can’t afford to take any of that for granted.

Our other chief asset is information. Right now, we understand more than any competitor about what draws listeners to our service, and inspires them to give. We can use that knowledge to strengthen our hand – station-by-station, program-by-program – and fortify the public service that primes public support. In fact, our future depends on it.

Information alone can’t assure our success, but information applied is an auspicious start. In these next pages, AUDIENCE 98 helps show the way.

Leslie Peters
March 25, 1999

Fundamentals in Brief

Public service begets public support.

- Listeners send money to public radio when they rely upon its service and consider it important in their lives.
- They are also more inclined to send money when they believe their support is essential and government and institutional funding is minimal.
- Listeners who have more money can give more money; however, their reliance on public radio and its importance in their lives exert greater influence over the size of their gifts.
- Public service and public support are linked so tightly that listener support can be used as a proxy for the public service that causes it.
- Public support, like public service, is the product of two factors: the **value** listeners place on the programming, and the **amount of listening** done to the programming.
- *Morning Edition* and *All Things Considered* are both **highly valued** and **widely heard** by listeners. Consequently, they generate almost a third of all listener support.
- Local classical music is widely heard but not as highly valued. While it generates almost a quarter of the listening to public radio, it produces a fifth of all listener support.
- The value that listeners place on programming is based more on its importance in their lives than on their incomes.
- Listeners generally value news over music, entertainment over news.
- Listeners generally place higher value on network programming than on local programming.

Public service causes giving; fundraising efforts trigger it.

- The most powerful way to increase public support is to improve public service.
- Giving is the product of two programming factors (the **value** listeners place on the programming and the **amount of listening** done to it) and one development factor (the **efficiency** with which fundraising efforts turn this into financial support).
- Effective fundraising activities can **raise** giving and gift amounts **above** public service predictions.
- Fundraising practices can **lower** giving and gift amounts **below** public service predictions when they attenuate or otherwise interfere with public radio's service to listeners:
- The vast majority of listeners say that pledge drives are becoming more prevalent and harder to listen to. Half say they tune out or listen less during drives.
- Many are concerned that underwriting has become more prevalent and annoying, and that it may eventually force changes in programming.
- Some say they are less likely to contribute to public radio as more businesses support it.

Public radio transcends simple demographics to speak to listeners' interests, values, and beliefs.

- People listen to public radio programming because it resonates with their interests, values, and beliefs. This **appeal** generally cuts across age, sex and race.
- Appeal can also cut across program genres and format types. Different programs and

formats may appeal to the same kind of listener as long as they stay focused on that listener's interests, values, and beliefs.

- Changes in the sound and sensibility of programming can alter its appeal. When programming appeal changes, so does the kind of listener it attracts.
- Public radio's primary appeal most strongly attracts Americans with college or advanced degrees.
- They are younger and older, women and men of many racial and ethnic backgrounds,

present in numbers that reflect the level of college education in their respective demographic groups.

- For most public radio stations, increasing public service – and public support – means better serving the needs of college-educated Americans.
- But the principle of appeal allows us to serve well any kind of listener we choose, as long as the programming we air **consistently** reflects the interests, values and beliefs of that listener.



2.

Programming Causes Audience

“Programming causes audience” is public radio’s shorthand for the direct relationship between the programming decisions we make and the listeners we have. It reminds us that our audience is no accident, and that its size and composition are always under our control.

Programming is a lot like bait. What we catch depends on what we set out. Honey draws bees, worms lure fish, and a hunk of liver will bring stray cats to your door. But the liver won’t do much for the bees or the fish, and the cats won’t come around for honey or worms.

In the same way, certain kinds of listeners are attracted to certain kinds of programming. So when we choose what we air, we select who will listen – and also who won’t.

Of course, listeners aren’t prey, but we do want to capture their attention and loyalty. We can do that best when we understand as much as possible about their interests and qualities.

In this first chapter, AUDIENCE 98 offers key characteristics of public radio’s listeners and demonstrates how different programming causes different audiences.

A Community of Characters

The VALS of Public Radio's Audience

Public radio is like any community: it depends on a core group of citizens to give it life and support.

We've known for some time that listeners with certain characteristics – VALS Actualizers and Fulfilleds – are well represented in our community. Together they form the foundation of our public service and support. **They account for 72% of all listening and over 80% of all listener income.**

Now AUDIENCE 98 adds a third dimension to our understanding:

The confluence of these personality types – a “micro-segment” of Actualizer-Fulfilleds – seems to be at the center of public radio's appeal.

Actualizer-Fulfilleds: Leading Citizens

No more can we say an Actualizer is an Actualizer. In VALS parlance there are two types of Actualizer:

An Actualizer-Fulfilled has the secondary traits of a Fulfilled.

An Actualizer-Other has the secondary traits of some other VALS type.

Actualizer-Fulfilleds are public radio's leading citizens, the heart of our core.

Actualizer-Fulfilleds listen more, give more, and are more likely to have a “sense of community” for public radio than any other listener.

They are served by programming that informs and entertains **educated** listeners. **Seven-in-10 have advanced degrees, and virtually all have graduated from college.**

Actualizer-Fulfilleds amplify the shared characteristics of Actualizers and Fulfilleds, so it's no surprise that their strong sense of civic responsibility makes them the most likely listeners to support their public radio community.

Fully half are current givers, and of these two-thirds contribute at least \$50 per year.

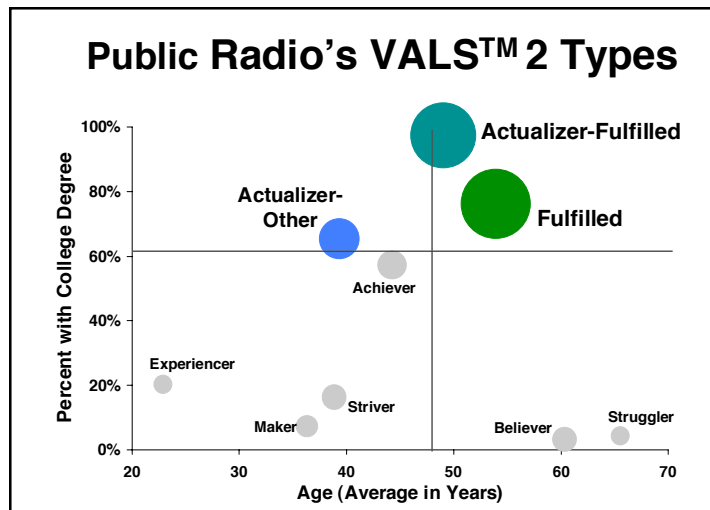
Leading citizens that they are, **Actualizer-Fulfilleds give us two out of every five listener dollars.** They can afford it: These middle-aged listeners (average age: 50) have an average annual household income over \$100,000.

Every time we open a mike, they're one-in-three listening.

The extraordinary educational attainment of public radio's primary VALS types is shown above. The size of each circle represents the amount of listening done by each type of listener. The crosshairs mark the average across the entire public radio system.

Actualizer-Others: Reliable Residents

Public radio's other Actualizers are actually a group of assorted VALS “micro-segments”, all with the primary identification of Actualizer and a variety of secondary types.



Actualizer-Others don't listen as much as Actualizer-Fulfilleds, but **they consider public radio nearly as important in their lives.** These are solid, dependable citizens. They may not frequent the community center as much as Actualizer-Fulfilleds but they certainly appreciate the need for it.

Their strong sense of social commitment leads one-in-three to contribute.

Ten years younger than Actualizer-Fulfilleds, with somewhat fewer resources, Actualizer-Others are still more loyal and responsive than many other listeners.

We don't know for sure, but many seem on their ways to becoming Actualizer-Fulfilleds. Give them a few years to earn their advanced degrees and good salaries and they'll have the resources to move into the Actualizer-Fulfilleds' neighborhoods.

Fulfilleds: Active Community Participants

Although they're **more than three out of every 10 listening** at this moment, Fulfilleds seem to be the least known and appreciated VALS type.

Maybe it's because they're a little older and earn less money than either kind of Actualizer. Maybe it's because their gifts to public radio are smaller. But **one-in-three gives, and their gifts represent almost a third of all listener income.**

Fulfilleds are active participants in public radio's community. **They listen nearly 10 hours a week** – two-and-a-half hours more than listeners outside the dominant VALS types. Half are in our core.

One of their chief characteristics is their lifelong thirst for knowledge; our programming feeds their keen interests in world events, social issues and the arts. **One of their most satisfying pastimes is listening to classical music.**

Many Fulfilleds are retired – which accounts for their smaller incomes. They are public radio's elders – vibrant, involved seniors who lend maturity and balance to our community.

On the Outskirts of Town

The rest of public radio's listeners are scattered among six other VALS types, none of which exceeds 6% of the audience. Together, they do slightly more than a quarter of the listening; one-in-five contributes. But on average they listen less each week than any of the three dominant VALS types.

They live in our community and we'd be poorer without them. But because of their small numbers the force of their personalities is virtually nonexistent.

– Leslie Peters
– Jay Youngclaus
– David Giovannoni

A Community of Characters

Comparing VALS Types

The differences among these segments of society are in sharp focus when viewed through the lens of our Stairway to Given.

Actualizer-Fulfilleds know the route best.

– Jay Youngclaus

Public radio’s three prevailing VALS types are the most likely to travel up the Stairway.

Note: *The Stairway to Given is explained in detail on pages 115-116.*

Stairway to Given

(For most-listened-to Public Radio Station)

		Actualizer-Fulfilled	Actualizer-Other	Fulfilled	Others
	Percent of Listeners	24	11	30	36
	Percent of Listening	29	11	32	28
	Percent of Givers	35	11	32	22
	Percent of Giving	39	13	30	19
Steps 1&2 Reliance on Public Radio	Percent in Core	61	48	51	36
	Loyalty	51	38	42	30
	Years Listening to Station	11	8	11	8
	Percent with “Strong” Reliance on Public Radio	61	47	50	33
	Percent who listen both Weekdays and Weekends	62	50	57	42
	Occasions (per week)	10	8	8	6
	TSL (HR:MN per week)	10:54	9:34	9:48	7:14
Step 3 Personal Importance	Percent who agree Public Radio Station is Personally Important	94	92	91	83
	Percent with “Strong” Sense of Community	72	65	58	40
Step 4 Funding Beliefs	Percent with Beliefs Associated with Giving to Public Radio	36	35	37	34
Step 5 Ability to Afford	Average Annual Household Income	\$102,000	\$74,000	\$58,000	\$41,000

A Community of Characters

Fulfilled's Other Flavor

Just as public radio's Actualizers come in two flavors, so do public radio's Fulfilled listeners.

Close kin to Actualizer-Fulfilleds are Fulfilled-Actualizers, a VALS micro-segment similar in age, beliefs and interests — but with fewer resources.

While Fulfilled-Others are likely to be older, primarily classical music listeners,

any broad characterization of Fulfilleds as 60+ classical music listeners who avoid news would be wrong.

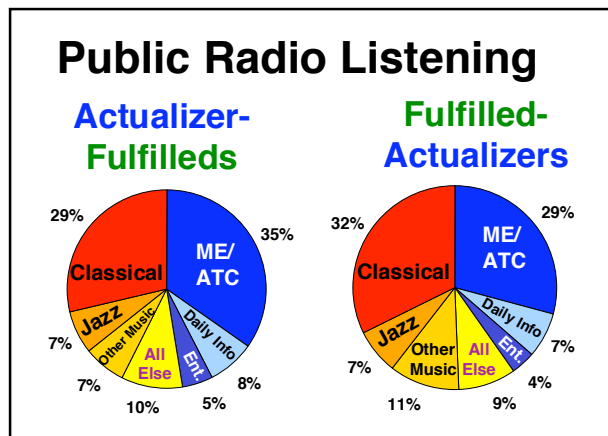
In fact, the listening choices of both Actualizer-Fulfilleds and Fulfilled-Actualizers are virtually identical: **They each spend about a third of their public radio listening time to NPR newsmagazines, and about a third listening to classical music.**

Fulfilled-Actualizers are less apt to have advanced degrees than Actualizer-Fulfilleds; they also earn a little less. But in the ways that count to public radio — listening and giving behavior — they are more like Actualizer-Fulfilleds than they are like Fulfilled-Others.

Confused? Don't be.

VALS is more nuanced than it first appears, but that's also the source of its great value. Understanding that two respective flavors of Actualizer and Fulfilled share the nexus of public radio's appeal is a powerful piece of knowledge.

AUDIENCE 98's data about public radio's important VALS segments can help focus programming and fundraising efforts more effectively. The more detailed the information, the sharper the focus — and the more it can help.



— Leslie Peters

A Community of Characters

Appeal, Affinity, And Other Programming Considerations

Every minute of radio programming offers an attraction for a certain type of person. This attraction – the quality that brings listeners to it – is called **appeal**.

People listen to programming because it appeals to them. They choose one station over others because it is the most appealing at that time.

As a verb, to appeal means to provide a service that attracts certain types of listeners more than others; as a noun, appeal is the intangible attribute of the service that attracts these listeners.

The appeal of a program is inseparable from those who listen. The program creates the audience, and the characteristics of that audience define the program's appeal.

Programs that serve very similar audiences – i.e., programs with highly congruent appeals – work better in combination. The degree to which the appeals are congruent is called **affinity**.

Programs that serve the same audiences have high affinity. Programs that serve moderately different audiences have only moderate affinity. Programs that serve different audiences have no affinity.

Appeal and affinity can inform the decisions of programmers faced with many programming options. This knowledge can lead to improved public service.

Program Type

A common mistake is to equate appeal with a program's type or genre: talk or music, news or entertainment, serious or whimsical, jazz or classical.

Program type and appeal are not the same. A program's appeal, and subsequently its affinity with other programs, is determined by the qualities of listeners it attracts, not the type or

genre of the program itself.

There's no guarantee that any two programs of the same type or genre will have high affinity and work well together. Indeed, the appeals of programs **of the same type** can differ dramatically.

This is evident even at public radio's "all news" and "all classical" stations, where programs that are "in format" don't serve core listeners as well as other programs. The example from AUDIENCE 88 was opera – one type of classical music with precious little affinity with most other classical music.

Similarly, programs of wildly different types attract and serve the same people. *A Prairie Home Companion* and *Car Talk* entertain the NPR news audience; their appeals are the same as *Morning Edition's* and *All Things Considered's*.

Variety

In the study of appeal and affinity, it's critical to distinguish between two types of variety.

Program variety is the contrast in the types of programming on a station. *All Things Considered*, *Marketplace*, and *Car Talk* are different programs; they offer programmatic variety.

Audience variety is the contrast in the types of **persons** served by each type of programming on a station. Programs that appeal to younger persons are different than those that appeal to older persons.

Program variety has to do with program type or genre. **Audience variety** has to do with the types of listeners caused by various programs.

Audience variety weakens a station's public service. Changing focus for short periods of time results in serving few, if any, listeners.

Program variety can enhance public service.

Indeed, the more program variety a person hears on a public station, the more value he places on the service; the more important it is in his life; the more likely he is to support the station.

However, **program variety is often at odds with consistency of appeal.** Program variety contributes to public service **only when varied programs appeal to the same listeners.**

This suggests a hierarchy of scheduling strategies.

- High affinity (consistent and congruent appeal) among diverse program types constitutes a highly effective and highly valued service.
- High affinity without program variety also constitutes a highly effective service, but one that is less valued.
- Low affinity among programs offers the weakest public service, regardless of any consistency among program types.

Power

A program's **power** is its ability to draw listeners to the station. It is a measure of quantity, of strength.

Appeal is a **quality**, not a quantity. It tells **who** is listening, not **how many** are listening. It is not a measure of strength.

Even when two programs have identical appeals and therefore perfect affinity, the power of each may not necessarily be equal. One may exert a stronger draw than the other; if so, it has more power.

Assorted statistics reflect various facets of power. Cume rating indicates the force with which a station reaches into the population; share shows the strength with which it competes in the market; and loyalty is its ability to serve its own cume.

Together, appeal, affinity, and power determine the composition and size of the audience that is – or that may be – served by a combination of programming options. As such, they inform decisions that can lead to stronger public service.

– David Giovannoni

A Community of Characters

The Psychographic Consequences of Station Format

*And you may ask yourself —
Well...how did I get here?
— David Byrne*

Sometimes station managers make truly strategic format decisions. Now that we have VALS information from AUDIENCE 98, we can clearly see the **psychographic consequences** of certain decisions.

Several years ago San Francisco's KQED dropped classical music to go all news, while KUSC in Los Angeles quit NPR for all classical. Philadelphia's WXPN made a more unusual move towards adult alternative music.

Those decisions were made on the basis of market competition, demographic targeting, and rough projections of the potential for listener support. VALS did not enter into the equation; nonetheless VALS figures significantly in the results.

Psychographic Territory

The chart shows the VALS AQH composition of the audiences for 30 public radio stations. The horizontal axis is the contribution to aver-

age audience by listeners whose primary VALS type is Actualizer. The vertical axis is the composition by primary Fulfilleds.

Reading The Chart

- At the top of the chart is KUSC with psychographic coordinates at 56% Fulfilleds and 27% Actualizers.
- Stations like KUSC in the upper left quadrant appeal to Fulfilleds more than Actualizers.

Directly opposite KUSC is WXPN with psychographic coordinates at 16% Fulfilleds and 55% Actualizers.

- Stations like WXPN in the lower right quadrant appeal to Actualizers more than Fulfilleds.

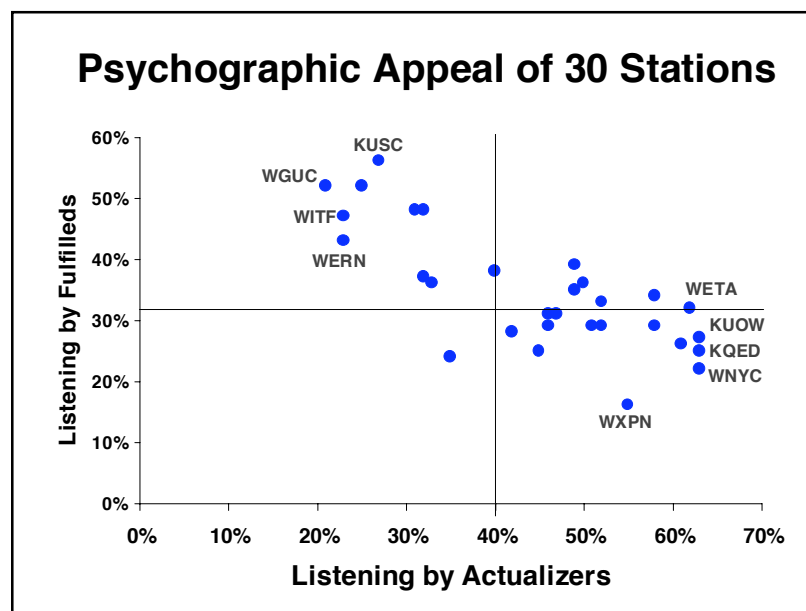
To show the relationship between programming and psychographic appeal, we identified a few outlying cases:

High Fulfilleds/Low Actualizers

KUSC	56% - 27%
WGUC	52% - 21%
WITF	47% - 23%

Low Fulfilleds/High Actualizers

KQED	25% - 63%
KUOW	27% - 63%
WNYC	22% - 63%



Going All News

It was not the motive at the time, but stations that focused mostly on news – KUOW, KQED, WBUR, WHYH – were really focusing mostly on Actualizers. By emphasizing network news and information, they effectively narrowed their psychographic appeal.

You may be surprised to see that WXPB did the same. Blowing off the Fulfilleds, WXPB plays contemporary music for Actualizers.

Going All Classical

KUSC's mostly classical format really attracts the Fulfilleds. But aside from *Marketplace* and Garrison Keillor, there's not much in the format for Actualizers.

WGUC carries *All Things Considered* but not *Morning Edition*. The station has a strong heritage in classical music.

Mixed Formats

What about WERN in Madison, WETA in our nation's capital, and WNYC-FM in New York? Each offers a mix of news, entertainment, and classical music.

Heritage commercial classical stations offer Fulfilleds another place to go in both the New York and Washington markets. In Madison there is no classical competition, which is why WERN has a higher level of Fulfilleds than WETA or WNYC.

A larger concentration of Fulfilleds requires, by definition, a smaller concentration of Actualizers.

Among the system's major stations, WETA and WNYC have the highest concentrations of Actualizer-Fulfilleds – public radio's key VALS micro-segment. This suggests that a mix of programs and formats can serve an Actualizer-Fulfilled audience.

Zoom In – Zoom Out

Of course, if you want to see the psychographic positioning of public radio stations from the larger perspective of commercial radio, stick this chart on the wall and back up about 100 feet. All of the data points will converge into one fuzzy mark at the center.

The distances between public stations would become insignificant on a map of commercial radio formats like country, rap, hard rock or CHR. They drive away the Actualizers and Fulfilleds while serving listeners in the other six (less educated) VALS types.

Where Do You Want To Be?

Given the attractive economics of station consolidation, public station managers have tended to think in terms of a news and information station linked to an all-classical.

Imagine two consolidated stations that would be targeted psychographically – one aimed at Actualizers, the other Fulfilleds.

Car Talk, for example, would go on the Actualizer channel along with some appropriate music, perhaps like WXPB's.

Certain informational programs appealing to Fulfilleds, who read avidly to gain knowledge, could fit on the other channel along with classical music.

The **macro**-formatics of program selection aren't the only way to determine appeal. PDs who actively manage their staffs make equally consequential decisions each day on the **micro**-formatic level. Programming causes audience – even if we're only talking about adding a track into rotation or giving direction to a newscaster.

While the psychographic consequences of the stations charted here resulted from format decisions, understanding public radio's dominant VALS types and their programming preferences can give managers and programmers more precise control when deciding where they want to be and whom they want to serve.

– Dr. George Bailey

A Community of Characters

Format Flavors

National programs sound essentially the same no matter what station they're on. Their appeal is constant across stations.

This is not the case with locally produced programs. It is futile to talk about the appeal of "local jazz" or "local classical" when the same genre appeals to an older audience on one station, a younger audience on another, a racially diverse audience on another, and so forth.

There are, in fact, many "flavors" of local jazz and classical programming. For this analysis we have chosen two classical and two jazz flavors based on the VALS2 characteristics of their local audiences.

- **Upstairs Classical** attracts very high concentrations of Actualizer-Fulfilleds (38%) and listeners with advanced college degrees (38%).
- **Downstairs Classical**, in comparison, attracts lower concentrations of these listeners (although at 16% of this VALS type, and 21% with advanced degrees, it is still quite distinct from the American population).
- **Uptown Jazz** is between Upstairs and Downstairs Classical in its attraction to Actualizer-Fulfilleds (30% are of this VALS type and 28% have advanced degrees).
- **Downtown Jazz** attracts very low concentrations of Actualizer-Fulfilleds by public radio standards. Still, at nine percent, this VALS type is more than twice as prevalent in this audience as in the U.S. population.

These names convey no value judgments on the formats or audiences, nor do they reflect music selections or presentation styles. They simply describe format flavors having certain

Up/Down attributes.

What do these flavors sound like? There's no simple answer, other than to listen for clues at the stations that produce them.

Why VALS?

Public radio is off the charts in its appeal to the VALS Actualizer-Fulfilled micro-segment. At the nexus of the Actualizer and Fulfilled personalities, this listener's values and principles strongly reflect the inherent appeal of public radio's programming; they are what set public radio apart.

Actualizer-Fulfilleds seek weekday news programs and several weekend news and entertainment shows. These programs have high affinity with Upstairs Classical, because it too attracts high concentrations of Actualizer-Fulfilleds.

Programmers who move their local classical from Downstairs to Upstairs have a better chance of becoming valued services to these listeners.

The affinities of Uptown Jazz run highest with weekend entertainment shows.

Programmers who air both will have a more difficult time finding national programming with which to anchor the weekdays, as very little else on public radio currently shares the appeal of Uptown Jazz.

The Downtown Jazz audience is so distinct that no other major programming on public radio appeals to it.

Programmers who serve this audience have only each other to turn to for programmatic support.

– David Giovannoni

Technical note: *The number of retirees, eggheads, or other populations under a station's signal can sway the reported flavor of its music. So can the audience brought to the music by other programming on the station. The full mathematical complexity of these issues is treated in the "Radio Intelligence" anthology. The simpler intent here is to apply the VALS typology to advance the concepts of appeal and affinity.*

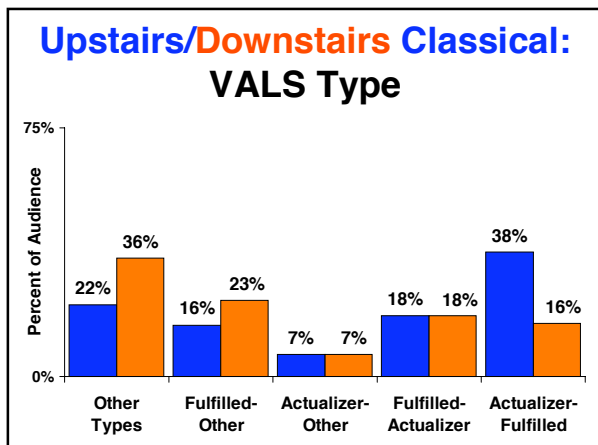
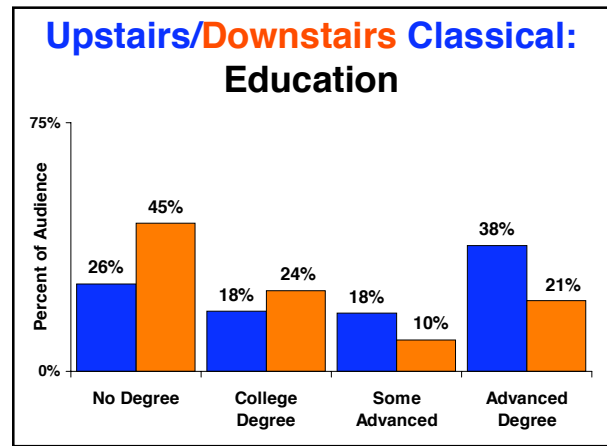
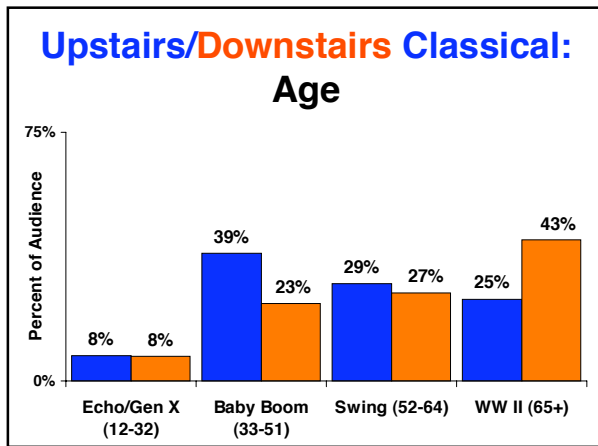
WAMC, WBAA, WCVE, WDAV, WETA, WEVO, WHRO, WKAR, WKNO, WLTR, WMFE, WMHT, WNED, WNYC, WOI, WOSU, WPNE, WRKF, WSHU, WTEB, WUNC, WUOT, WVIA, WVPR, WVTF, WWFM.

Downstairs Classical

The right bars on the graphs below show the appeal of Downstairs Classical. The local classical programming on these stations defines the flavor: KANU, KBAQ, KBYU, KCSC, KHCC, KNPR, KPAC, KSJN, KUAT, KUOP, KVNO, WABE, WAUS, WBJC, WCAL, WCNY, WERN, WFCR, WFDD, WGBH, WGTE, WGUC, WILL, WITF, WKSU, WMEA, WMNR, WMPN, WMUK, WPKT, WPLN, WQCS, WQED, WSCL, WSFP, WSMC, WUFT, WUSF, WWNO, WXXI.

Upstairs Classical

The left bars on the graphs below show the appeal of Upstairs Classical. The local classical programming on these stations defines the flavor: KBPS, KCFR, KUHF, KUSC, KVPR, KWAX, KXPR,

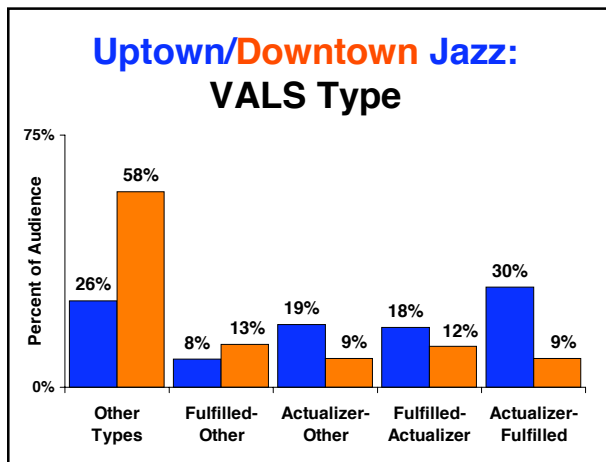
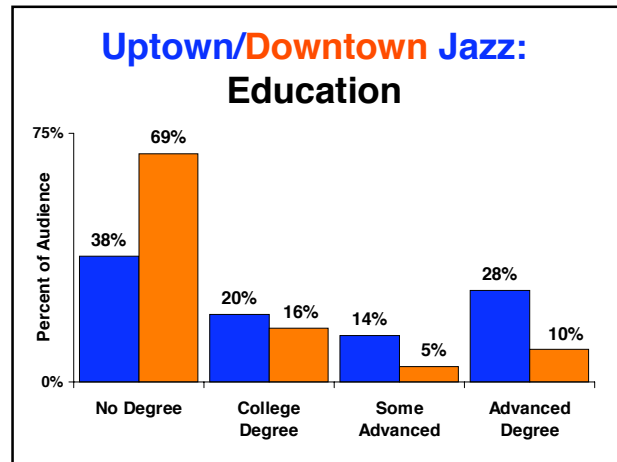
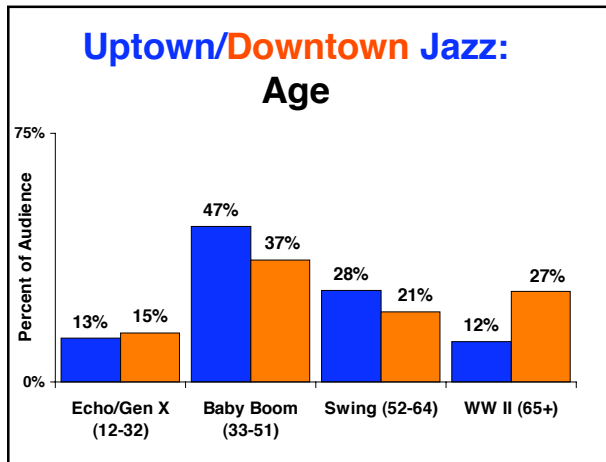


Uptown Jazz

The left bars on the graphs below show the appeal of Uptown Jazz. The local jazz programming on these stations defines the flavor: KBEM, KCSM, KLON, KMHD, KPLU, KUVU, KXJZ, WCVE, WDET, WGBH, WJAB, WWOZ.

Downtown Jazz

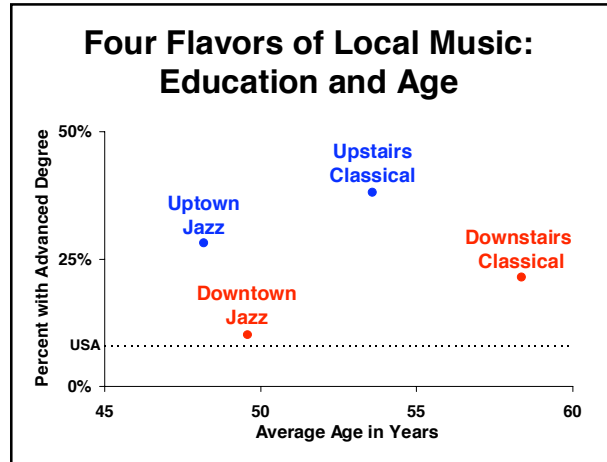
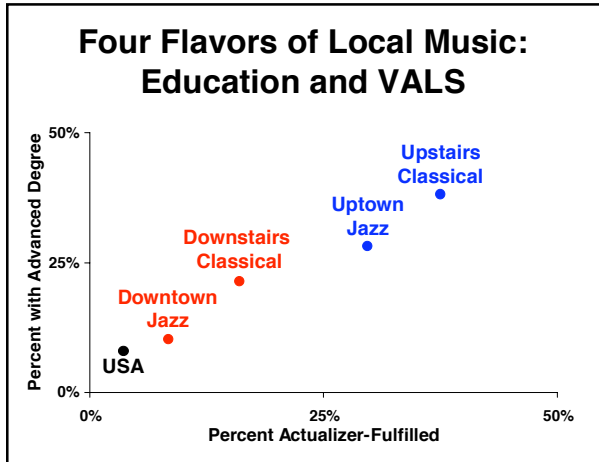
The right bars on the graphs below show the appeal of Downtown Jazz. The local jazz programming on these stations defines the flavor: WBEZ, WBGO, WBRH, WDUQ, WLRN, WRTI, WSIE.



This graph shows the relationship among **Upstairs/Downstairs Classical** and **Uptown/Downtown Jazz** with regard to their listeners' education and VALS type, compared to the U.S. population.

This graph shows the relationship among **Upstairs/Downstairs Classical** and **Uptown/Downtown Jazz** with regard to their listeners' education and age, compared to the U.S. population.

– Jay Youngclaus



A Community of Characters

Appeal & Affinity Basics

Appeal

Every radio program is like a magnet. It attracts certain types of people and leaves others unmoved; it may even repulse some.

This attraction is called **appeal**, and like magnetism we can't see it directly – we can only see its effects.

We characterize a program's appeal by the type of people drawn to it. For instance, a program that attracts older listeners has an "older" appeal that's qualitatively different from a program with a "younger" appeal.

Discrete programs have appeal. Format blocks have appeal. Indeed, stations have appeal. In every case, appeal is characterized by the qualities of the listeners who are attracted.

Affinity

Affinity is the degree to which two appeals match. It can be high, non-existent, or somewhere in between.

Programs with extremely similar audiences – that is, with the same appeal – have high affinity. Conversely, programs that appeal to very different types of listeners have no affinity.

Similarly, a program's appeal can be compared to a station's appeal to yield the affinity between the pair – in other words, the degree to which the two audiences will mesh.

The degree of affinity informs the appropriateness of a program decision.

Programs with no affinity serve different audi-

ences and don't work well together. Programs with no affinity with a station's audience do not contribute to the station's public service.

Public Service

Radio stations serve the public best when they focus their appeal on a certain type of listener.

It's the privilege of the licensee and management to choose that listener. But once chosen, the greatest public service focuses like a laser to meet his needs and interests, and the needs and interests of people like him.

Commercial stations focus on the age, sex, and sometimes race of the listener. Public stations typically operate in a fourth dimension of education: their listeners are often the most highly educated in town.

Resolution

Our assessment of appeal is only as fine as the lenses through which we view listeners. Sex, age, and race are usually sufficient to resolve differences in appeals.

AUDIENCE 98 adds the high resolution lenses of education and VALS2. Do programs that look the same under the sex/age/race lens look different when the educational attainment or VALS of their audiences are viewed?

Powerful before, our lens can now resolve even finer traits. The sharply detailed audience portraits that result inform even more appropriate and powerful programming decisions.

– David Giovannoni

A Community of Characters

VALS Notes

Where Are the Soc-Cons?

When AUDIENCE 88 first used VALS to describe our audience 10 years ago, the most prominent listener type to emerge was the Inner-Directed, intellectually curious, iconoclastic, Societally Conscious “Soc-Con.” A secondary group of Outer-Directed, success-driven, status quo defending Achievers was also prevalent.

The VALS of today is actually VALS2, a more market-driven version of the original VALS. Under the new system our prevalent listener personalities are Actualizers and Fulfilleds. Soc-Cons are gone, and today’s Achievers are so substantially redefined that we don’t find many in our audience.

Dual Personalities

Though we’re accustomed to referring to VALS types by one of the eight major category names, everyone has a “dual personality.” It’s a combination of two VALS types – a primary identity modified by a secondary designation. VALS calls this a “micro-segment.” (The primary type alone is called a “macro-segment.”)

While the traits described in each VALS macro-segment are **likely** characteristics of anyone in that category, all may not apply. Micro-segments acknowledge that human beings are far more complex than any single VALS category can report.

One-quarter of our listeners are Actualizer-Fulfilleds – that is, Actualizers with Fulfilled characteristics. In such a combination, the qualities and values shared by Actualizers and Fulfilleds are amplified. For example, social responsibility is a key trait for both. Actualizer-Fulfilleds are

more likely to be committed to social causes than Actualizers with another secondary designation.

Why Use VALS?

The more we know about listeners the better we can serve them, and the more likely we are to earn their loyalty and support.

That’s why VALS is such a powerful tool. It gets us inside listeners’ heads for a look at the values and beliefs that motivate them.

VALS explains why people act as they do as consumers and as social beings. Unlike other segmentation schemes organized by geography, age, or other demographics, VALS is based on human psychology. That’s what makes it powerful.

For instance, as programmers, producers, development professionals, and promotion specialists we craft messages to draw particular responses from listeners. Understanding how they perceive themselves and their world helps us choose the programming, the words, and the appeals that can accomplish our ends more effectively.

Ours to Lose

VALS micro-segments are most useful in “niche” or highly competitive markets such as radio. Indeed, public radio **owns** the Actualizer-Fulfilled radio market.

This micro-segment represents only four percent of the US adult population. But **every day public radio is heard by one-quarter – each week by over one-half – of all Actualizer-Fulfilleds in America.**

What's Your Sign?

Your beliefs about public radio have attracted you to it, just as they have attracted our listeners. You are quite likely an Actualizer, a Fulfilled, or even an Actualizer-Fulfilled if you work in public radio.

You can find out for sure by completing the VALS questionnaire on the Internet at <http://www.future.sri.com>.

It's short, quick, and free.

– Leslie Peters

A Community of Characters

Operative Affinity

The audiences for urban country and NPR news share similar sex, age, and race appeals. Affinity seems high based on these three facets alone.

But examine another facet – education – and the affinity plummets. In this case the education lens reveals the largest difference in appeal; education is the affinity that is most operative.

Operative affinity is the lowest affinity score among all of those calculated. It is our best guess at the true affinity.

Think of it this way: the more lenses we have to look through, the better able we are to see meaningful differences between audiences.

Unfortunately, lenses are not free. AUDIENCE 98 is able to add education and VALS2 to our arsenal of lenses, but one time only. Are they worth it? Should we buy them again in the future?

Let's take each in turn and see how it adds to our ability to improve upon our affinity scores.

Education and VALS

The age, sex, and race of listeners come bundled in Arbitron's basic package of listening data. Recently Arbitron began measuring the educational attainment of listeners. And it's something we should pursue, because **education determines the operative affinity among major programs more than half of the time.**

Gathering VALS information on each listener is an expensive process, requiring a special survey that asks each listener several dozen questions.

VALS does improve the accuracy of our affinity

estimates – but not nearly as often or as much as education.

How We Know This

We know this because we examined the numbers for all major national program combinations tracked by AUDIENCE 98.

We use as baseline affinities those based on age, sex, and race alone. When we add the education lens, we get better affinity estimates 62 percent of the time – very significant improvement.

When the VALS lens is added on top of this, the affinity estimates improve 21 percent of the time. However, most improvements are small, with only five percent changing the category of affinity at all – typically from “very high” to “high”.

These nuances revealed by the VALS lens may be useful, but are they worth it?

Refining Appeal & Affinity Tools

We ask in order to determine how precise our tools need to be in the future, and how much they need to cost.

It is clearly worth pursuing the education data now gathered by Arbitron for ongoing assessments of appeal and affinity.

VALS is another matter. Although it has many potentially powerful applications in public radio, refining affinity estimates does not seem to be one of them. Given its expense, we can continue to compare the appeals of public radio programs quite well without it.

– David Giovannoni

Evaluating VALS

VALS is an enormously useful tool for public radio. It's our chief source of psychological information about our listeners, and the most comprehensive system we have that details their values and interests.

VALS is part of public radio's two major audience research projects – AUDIENCE 88 and AUDIENCE 98. For most in the industry, these two studies have been the only means of accessing VALS – an expensive product that most stations can't afford.

In that way, VALS is analogous to the Arbitron data that were also, at one time, priced beyond the reach of public radio. Not until CPB and later the Radio Research Consortium brokered an affordable deal with Arbitron did public radio know if **anyone** was listening, much less whom.

Though some once thought otherwise, public radio could not have flourished without Arbitron information. Unless we know how we're doing in the most basic way – who's listening – we can't possibly begin to understand how to improve our service.

Yet Arbitron's ratings were invented to sell advertising for its main clients – buyers and sellers of commercial radio time. Public radio's business is public service.

That's why many in our industry look at Arbitron data through a public service lens, using concepts like "loyalty" that appear only in tools created specifically for public radio. Many would agree that the creation of these tools was as important a development for the industry as the Arbitron deal itself.

Public radio could benefit in the same way from **specific public radio applications of VALS**, a sales product also created for commercial clients.

Unlike Arbitron, VALS doesn't gather new information every quarter. It's a system of concepts that doesn't change much over time. Through AUDIENCE 98, CPB is making the current VALS system available to public radio. And AUDIENCE 98, through its findings about VALS and our listeners, already supplies the public radio lens.

Today our industry has a powerful database, ripe with possibilities for VALS-based public radio applications. Though the VALS vendor would gladly sell its array of VALS-based products to us, public radio is too small a market for it to create the special tools that could serve us best. For example:

- Creating and testing a variety of targeted VALS-derived fundraising messages that not only raise money but also reduce pledge drive damage.
- Testing air personalities for their appeal to our dominant VALS listener types.
- Assessing new program concepts in the same way **before** investing in them.

I can hear producers yelping from here: Garrison Keillor would never have happened! *Car Talk* wouldn't exist!

But my long experience with program development, my study of VALS theory, and my familiarity with AUDIENCE 98's data tell me otherwise.

I believe that as a public service, public radio's challenge is to attract significant public support for an intellectually honest, commercially uninfluenced programming product. It's a much trickier business than General Motors' or Nike's. That's why commercial VALS products just won't do.

And that's also why leaving the powerful field of

human psychology undeveloped as a resource for programming and fundraising decisions simply doesn't make sense.

Of all the possibilities for further research that AUDIENCE 98 has raised, applications based on our listeners' values and interests seem to hold the most promise.

We're an industry of highly educated, values-driven professionals who rely on the support of

highly educated, values-driven people. But we were too dumb to invest further in VALS after AUDIENCE 88, and we missed out on its many possible benefits.

In 10 years our listeners have earned graduate degrees by the millions. But have **we** gotten any smarter?

– Leslie Peters



3.

Rounding Up the Usual Suspects

Does public radio appeal to the children of Baby Boomers? Is public radio serving racial and ethnic minorities? Will classical music's older listeners die soon? And if so, will they take classical music with them?

Like *Casablanca's* police prefect Louis Renault, AUDIENCE 98 rounds up these usual suspects, knowing full well they aren't the genuine culprit.

Public radio's audience is a virtual community of **educated** Americans drawn by the values, beliefs and interests of its programming. Age and sex, racial and ethnic background, income and social status – each and every one is a phony suspect – a beard, a shill – subservient to the real mastermind: education. Education lurks behind the answer to every question about the audience.

The usual suspects, however, continue to distract us. Once again, it's time to line them up and expose them.

Public Radio's Minority Audiences

The most important thing to understand about public radio's minority audience is this:

There **is** one.

In fact, **there are many**.

One-in-seven listeners identify themselves as being other than white. That's over three million minority listeners tuning in each week – double the number of 10 years ago.

The second most important thing to understand is what serves these listeners:

Most listen because of their interest in public radio's hallmark programming.

Efforts to “target” minority audiences are not without merit or success. But public radio serves more minority listeners – and generally serves them better – with the news, information, and entertainment programming for which it is best known by **all** of its listeners.

The remaining point to take away is this:

Public radio's minority audience will continue to grow because the college-educated minority population will continue to grow.

In sum: Public radio's service to minority audiences has never been greater. All signs point to even more minority listeners seeking what public radio does best: programming that transcends racial and ethnic differences, programming that embraces the values and attitudes of an educated citizenry.

Two Service Strategies

To address the future, we must understand the two distinct strategies through which public radio attracts and serves minority listeners today.

The first strategy ignores demographic distinctions of age and sex, race and ethnicity. In its

best moments it **transcends** racial and ethnic differences. It focuses on virtual communities of listeners who share the values and attitudes formed by their educational experience.

The second strategy **targets** listeners who share certain racial or ethnic characteristics. It focuses primarily on persons with these characteristics.

The Strategy To Transcend

Thirty years ago, public radio set forth a beacon of public service to advance understanding among people of good will; to unite rather than divide; to include rather than exclude; to transcend races and creeds, origins and situations.

The mission embodied in this strategy holds as self-evident that a person's character, values, and attitudes are more relevant than one's racial or ethnic background. It emphasizes the similarities among people rather than their differences.

Most public radio programming embraces this mission. And it serves minority listeners well. Indeed, most minority listeners are drawn to public radio for its hallmark news, information, music, and entertainment programming.

When measured by their character, public radio's minority listeners have more in common with other public radio listeners than with non-listeners who share their ethnic or racial backgrounds.

Formal education sets them apart.

So do their attitudes and values – most clearly viewed through the VALS 2 personality types.

Indeed, **character, attitudes, and values are at the heart of this transcendent appeal**. As

we move forward with policy and programming initiatives:

- We would be right to accept that most public radio listening is to programming that seeks to transcend. This is as true for minority listeners as it is for others.
- We would be wrong to compromise this programming's appeal by bending it toward the strategy to target. These two strategies are incompatible in the same program stream.
- We would be right to assume that the strategy to transcend is well aligned with powerful demographic trends among America's minority populations.

The Strategy To Target

Other minority listeners are served by a strategy that beckons to people of specific racial or ethnic backgrounds.

Targeted policy and programming initiatives are at the heart of this strategy – adjusted through the years as we've learned how best to implement it:

- We were right to create programming to address the needs and appeal to the values, attitudes, and lifestyles of these listeners.
- We were wrong to broadcast this programming on stations that serve other listeners most of the time (i.e., stations employing the strategy to transcend).

- We were right to encourage full-time services to these listeners – especially in markets with several public stations.

A Powerful Combination – A Powerful Contradiction

In geographic communities where stations seek to serve different audiences, the two strategies offer a viable public service combination. However,

the strategy to transcend racial heritage and the strategy to target it are at direct operational odds.

They serve such vastly different audiences that they **do not** and **cannot** serve the public when implemented on a single station.

The strategy to transcend racial heritage and the strategy to target it are at direct philosophical odds.

The targeting strategy emphasizes **differences in our racial and cultural backgrounds**. The transcendence strategy emphasizes **similarities in our characters**.

Is one strategy **better** than another? AUDIENCE 98 cannot inform this philosophical and political debate.

However, AUDIENCE 98 **can** tell us which strategy is currently **more effective**.

– Frank Tavares
– David Giovannoni

Public Radio's Minority Audiences

Triangulating on Today's Minority Audiences

Measuring minority listening poses a number of challenges, as many Americans are mixtures of race, ethnicity, and cultural heritage.

No two sources agree on an exact number of minority public radio listeners. However, by triangulating on several points, we conclude that **12 to 15 percent of public radio's listeners – about one-in-seven – claim membership in a racial or ethnic minority group.**

Triangulation: Point 1. "Profile 98" – published by National Public Radio and based on Simmons' Spring 1998 "Study of Media and Markets" – estimates that 14.7 percent of public radio's listeners identify themselves as something other than "White."

Triangulation: Point 2. From Arbitron's Fall 1996 survey (upon which AUDIENCE 98 is based):

- At least 8.8 percent of all public radio listeners say they are "Black."
- At least 3.5 percent of all public radio listeners say they are "Hispanic."

Source: Public Radio Recontact Survey, starting sample.

These numbers are **minimums**. Arbitron measures and reports all listening by all people, but it does not ascertain every listener's race or ethnicity. Therefore, some radio listening by

Black/African American and Hispanic/Latino listeners, and all listening by Asian/Pacific Islander and Native American/Indian listeners, is recorded but simply not tagged as such.

Triangulation: Point 3. The Public Radio Recontact Survey (upon which AUDIENCE 98 is based) finds many people defined as "Black" or "Hispanic" in the Arbitron survey **refine their self-identification** as "Other/ Mixed." Across this wide and representative sample,

- Five percent identify themselves as "Black/African American"
- Two percent identify themselves as "Hispanic/Latino"
- Two percent identify themselves as "Asian/Pacific Islander"
- Less than one percent identify themselves as "Native American/Indian"
- Three percent identify themselves as "Other/Mixed"

Source: Public Radio Recontact Survey, responding sample.

These independent measures triangulate on a 12-to-15 percent range of public radio listeners who identify themselves as something other than "White/Caucasian."

– Jay Youngclaus
– David Giovannoni

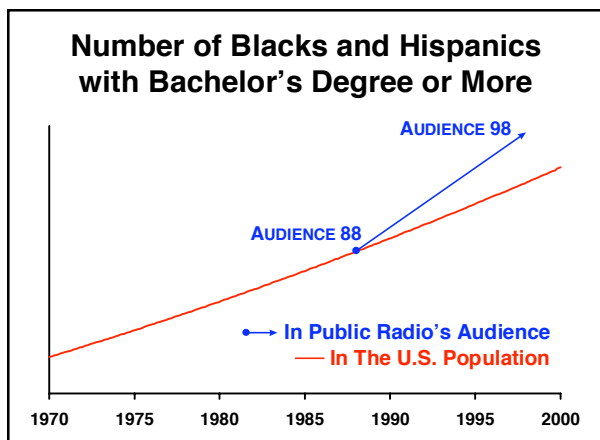
Public Radio's Minority Audiences

Populations Trends

Driven by the strategy to transcend, the single most defining characteristic of public radio's audience today is its college education. If it remains so into the future, **public radio can expect to serve even more minority listeners tomorrow.**

As the number of well-educated minority citizens grows, so grows public radio's minority audience.

The graph below shows the number of black and Hispanic Americans who have earned at least a bachelor's degree – a number that has increased nearly **six-fold** in the last 30 years.



The upward trend is evident, and demographers expect it to continue.

The growth in public radio's black and Hispanic audience over the last 10 years is calibrated to the population line (AUDIENCE 98 compared to AUDIENCE 88).

Clearly, public radio's service to black and Hispanic audiences is growing even faster than the

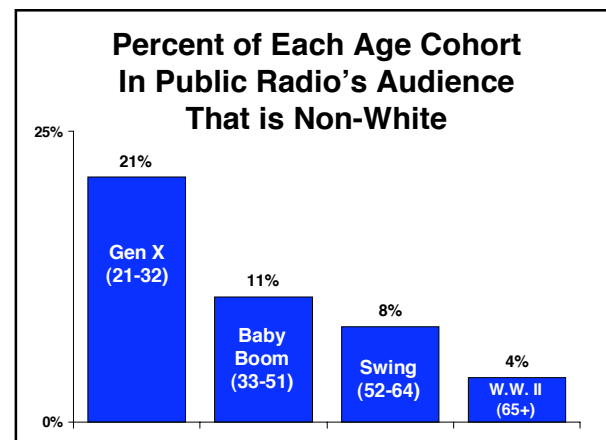
college-educated minority population.

The conclusions are obvious.

- Powerful population trends are certainly contributing to public radio's minority service, and there is every indication that they will continue to do so.
- Public radio has gotten better and more readily available in the last 10 years, thereby causing a **rate of growth in minority service that outstrips even the most powerful demographic trends.**

Whether we continue investing in these improvements and enhancements is up to us. The cost of riding the demographic trend is free.

The graph below shows the combined impact of these forces in a snapshot of today's audience. Younger listeners, like younger Americans, are most likely to claim membership in a racial or ethnic minority group.



– Jay Youngclaus
– David Giovannoni

Public Radio's Minority Audiences

You Get Who You Play For

It's true. Programming causes minority audiences the same way it causes people of any kind to become listeners.

People who visit public radio seek the values imbued in its programming. This is every bit as true for **public radio's minority listeners – who are more like other listeners than their families and friends who don't listen.**

That's a significant statement. Because it reminds us that **listeners are best understood by what draws them to us – and not by where they come from.**

Two distinct programming, distribution, and policy strategies draw them to us – the strategy to **transcend** distinctions of racial and ethnic heritage, and the strategy to **target** them.

Today the strategy to **transcend** serves more minority Americans than does the strategy to **target**. However, the success of each strategy must be assessed in its own terms.

The Strategy to Transcend

College education is the single most defining characteristic of public radio's audience. We often forget, ignore, or misinterpret this fact when we assess our public service to minority listeners.

Do minority listeners use public radio? Yes, they do. Like American citizens in the majority, those who have been to college are far more likely than others to listen to public radio's dominant program services.

Are minority listeners represented in the same proportions that they exist in the general population? No, they aren't. Radio doesn't work that way. Each radio station must serve a demographic segment of society – a niche – if it is to compete in the highly fragmented medium. So by definition, no station's audience can

or should "represent" the entire population.

Do we expect minority listeners to be under-represented? Yes we do. When gauged against the general population, minority listening to public radio reflects long-standing educational inequities that are still being overcome. But these disparities diminish significantly when minority listening is gauged against the college educated minority population.

Is this what we want? Well, it's what we set out to do 30 years ago – to provide a beacon of public service that places character over color.

The character of this beacon is **transcendent**. It transcends geography with a "sense of community" engendered across vast physical distance. It transcends age and sex. And by operating in the enlightened dimension of education's values and attitudes, it transcends color through its very indifference to it.

The Strategy to Target

Most public radio stations employ the strategy to transcend. But some of the more than 600 stations seek to serve minority listeners by opening additional doors to them.

Far from transcending racial and ethnic distinctions, these stations target them directly by defining their service, their niche, and their audience in terms of race, ethnicity, and/or languages other than English.

Do minority listeners use these stations? Yes, in great concentrations – albeit not always in great numbers.

Are minority listeners represented in the same proportions as in the general population? No, they're **over**-represented, for reasons already stated.

Do we expect minority listeners to be over-represented? We would certainly hope so; they are, after all, the types of people these stations strive to serve.

Is this what we want? Well, it's what we set out to do – to serve even more minority listeners with our programming.

– Frank Tavares
– David Giovannoni

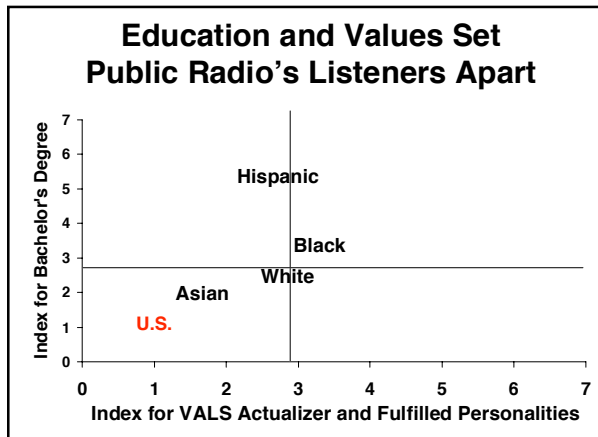
The more education one has, the more likely one is to listen to public radio.

But it's more than that. Public radio's listeners seek and reflect the values imbued in its programming. The best known system for identifying these values is VALS – specifically, the Actualizer and Fulfilled personalities.

The graph below indexes public radio listeners against the U.S. population (“U.S.”) to demonstrate that listeners of **all types** distinguish

themselves from their non-listening peers. The cross-hair shows the average for all public radio listeners. Segments of the audience are shown individually.

- Asian/Pacific Islanders who listen to public radio are nearly **twice** as likely to have college degrees than their non-listening peers. They are also twice as likely to have Actualizer or Fulfilled personalities.
- Public radio's Black/African American listeners are more than **three times** as likely as their non-listening peers to have Actualizer or Fulfilled personalities and to have earned a bachelor's degree.
- Hispanic/Latino listeners are nearly **five times** as likely to have college degrees than their non-listening peers.



The levels of education, and the concentrations of Actualizer and Fulfilled VALS types in public radio's audience, are incomparable to any other mass electronic broadcast channel in American society today. These attributes define public radio's position on the media landscape.

Public Radio's Minority Audiences

Transcendence Is An Unmet Need, Too

As a means of cultivating minority listening, public radio's strategy to transcend has gone virtually unnoticed within our industry.

In fact, public radio's college-educated minority audience is an untold success story to be celebrated.

The Unmet Needs Of Unserved Audiences

The desire to serve the "unmet needs" of "unserved audiences" resonates strongly in public radio's collective conscience and mission.

It is an explicit objective of many services now targeting listeners on the basis of their racial and ethnic characteristics.

But a survey of commercial radio begs the question, "What about the needs of the college-educated population – particularly those of the college-educated **minority** population?"

The radio needs of college-educated Americans would be virtually unfulfilled were not public radio currently meeting them through its strategy to transcend.

Like their white counterparts, whom they

strongly resemble in interests and values, educated minority listeners rarely find what they're listening for on the right side of the dial, or on the AM band.

They are naturally drawn to public radio in numbers that reflect their percentage of the American population. They are served by hallmark programming that assumes that one's character and beliefs are more relevant than his race or ethnic background.

In this way public radio is truly unique and **successful** in meeting the needs of college-educated minority citizens.

As we seek to address "unserved" audiences, we must recognize that **educated minority citizens are unserved too**, and that their radio needs differ from others in their racial cohorts.

Given the projected boom in the number of minority children going to college, public radio is poised to serve **this** minority community for decades to come.

Just by doing what it does best now.

– Leslie Peters
– David Giovannoni

Public Radio's Minority Audiences

A Glass Half Full and Rising

*When one door closes, another opens.
But we often look so regretfully upon the closed
door that we don't see the one which
has opened for us.*

– Alexander Graham Bell

Public radio reaches more Americans – white and non-white – than ever. And minority listeners are a larger portion of this audience than ever.

Our success is a direct result of our programming – programming that causes audience.

To appreciate how far we've come, we have only to revisit the years immediately following the Carnegie Commission Report and Public Broadcasting Act of 1967.

Few of us understood at the time what that report presaged. Indeed, many of us radio types working in those heady days had no concept of “public” radio.

Any questions we asked about the audience had anecdotal answers. We imagined hundreds – if not thousands – of disenfranchised radio users from dozens of different ethnic and racial groups flocking to our oasis for that 15-minute-a-week block program.

Then about 20 years ago, audience researchers like Larry Lichty, Tom Church, and David Giovannoni hinted that we might be overestimating the effectiveness of our reach.

We ignored them, of course, focusing intently on our own “research” – the letter and the phone call and the note under our windshield wiper.

It took time to realize how very blurry our picture of the audience was. And how unfocused we were in understanding how people use radio – especially those who happen to be Black/

African American, Hispanic/Latino, Asian/Pacific Islander, Native American/Indian, or some undefined mix.

Over time we learned to use the tools our research friends have crafted for us. We learned that listeners – minority and non-minority – will not tune to a radio station unless its programming as a whole appeals to them.

We also learned that not everyone will be attracted to the magnet of public radio programming. It's not that people are white or black or Hispanic or Asian or “other” – but that **public radio's service has an attitude that most Americans simply do not share.**

That's not good or bad.

It's just how radio works.

With these lessons, we have revisited our missions, reassessed our value, and learned to create programming that consistently serves an audience of our choosing. As a result, we have dramatically increased the numbers of listeners among **all** groups regardless of race or ethnic background.

With the bifocals of AUDIENCE 98 helping our aging hindsight, it's easier to see a glass half full. It's easier to appreciate how far we **have** traveled, whom we **do** reach, and the doors through which those listeners – both white and minority – enter public radio.

And we're only 20 years in.

During the next decades the numbers of public radio listeners who identify themselves as other than white will continue to grow. They'll surely grow because the demographics of the American public are moving in our direction. But they'll also grow because we'll continue to apply the

programming lessons and strategies we've learned...and will learn.

The charts, graphs, and paradigms of AUDIENCE 08 and AUDIENCE 18 will reflect that growth – and demonstrate our continued faith as broad-

casters pledged to serve the needs of **all** of our listeners.

A glass half full and rising.

– Frank Tavares

Public Radio's Generation X Audience

When we think of the people best served by public radio's programming, we think first of Baby Boomers – the most highly educated segment of American society today. We also think of older listeners served by public radio's mix of classical music, information, and entertainment.

We often forget that their 21-to-32 year old children and grandchildren are also listening.

There is no shortage of these Generation X listeners in public radio's audience today. Nearly three and one-half million of them listen to public radio each week.

But these are not your stereotypical Gen Xers. They distinguish themselves from their contemporaries in the same way that older listeners distinguish themselves from others in their age cohort.

Gen Xers who listen to public radio are better educated than their peers. They are more than twice as likely to have a college degree.

Most are Actualizers or Fulfilleds – VALS types associated with mature values. Public radio's Gen Xers are three times more likely to be Actualizers and five times more likely to be Fulfilleds than the general Gen X population.

Many have grown up with public radio, and all have grown into it.

In fact, **Gen X listeners have more in common with older public radio listeners than they have with their peers.** The reason, of course, is programming – the service we provide to listeners of all ages.

Two Programming Paths

Public radio's programming embodies certain social and cultural values that distinguish it from other stations on the dial. These characteristics distinguish its listeners from their cohorts who don't listen – whatever their age may be.

That said, **Gen Xers enter public radio through two distinct programming paths.** Each path attracts a different Gen X character.

The first path is paved with programming highly identified with public radio – primarily news and information, and to a lesser extent classical music and jazz.

The vast majority of Gen X listeners arrive via this path of hallmark programming on “mainstream” stations.

Both Gen Xers and older listeners spend half their time with public radio tuned in to music. However, while classical music dominates listening by older persons, other types of music are more attractive to Gen Xers.

In fact, music less commonly associated with public radio offers an alternative pathway for some Gen X listeners.

Stations with high concentrations of Gen Xers typically offer schedules devoid of news and loaded with “alternative” forms of music far from public radio's norm.

Gen Xers tuned into these stations are less likely to have college degrees. They're less apt to be Actualizers; Fulfilleds are nearly nonexistent.

What we see here is just another manifestation of the old maxim: **programming causes audience.** If we play for them and play well, they will come.

Yet the great majority of Gen Xers come to us via our hallmark programming. **Programming differences cause audience differences.**

It is unknown whether these two paths can ever find confluence. It **is** known, however, that doing so on “mainstream” public stations would

have a negative impact on the vast majority of current listeners and givers.

– Jay Youngclaus
– Leslie Peters
– David Giovannoni

Public Radio's Generation X Audience

Basic Principles

I shall never believe that God plays dice with the world. The Lord God is subtle, but malicious he is not.
– Albert Einstein

AUDIENCE 98's Gen X findings are like Einstein's powerful "mind experiments". **Every result follows from basic principles.**

Look at the main findings.

- Our programming currently serves significant numbers of Gen Xers. In fact, they're growing into our audience as fast as their Baby Boom parents did at their age.

We could have predicted that. Education is the primary determinant of public radio listening, and the Gen X cohort is becoming the best-educated in history. Why wouldn't the most basic law of public radio appeal apply to them?

- The Xers who tune to public radio are in tune with its social and cultural values – values that tend to blossom with high levels of formal education.

There's no surprise here. Every station, program, and personality attracts those most in tune with its social and cultural values. The values may be Cokie Roberts' or Don Imus' – each resonates with those who choose to listen.

- The Xers who tune to public radio are different than those who don't – just as Boomers who listen are different than those who don't.

While other stations target a certain age, sex, or race of listener, public radio operates in a different dimension: **education**. We distinguish ourselves from our peers; and so our listeners distinguish themselves from their peers.

- The Xers who enter the audience for music of their young lives are different from those who enter for public radio's hallmark programming.

The most basic of principles: programming causes audience, and different programming causes different audiences.

Today, public stations provide the programming of choice for educated Americans. We dominate this niche. So far we **own** it.

We can build on this strength in preparation for the day our position will be challenged.

Or we can program for Gen Xers.

We can't do both on the same stations without alienating the eight-in-nine listeners who aren't Gen Xers.

This too follows from basic principles. We don't need to conduct the actual experiment to verify the outcome.

Basic Principal

Replace "Gen X" with any other group of people. The results of the mind experiment are the same. When those in our industry proclaim we should serve more Gen Xers, minorities, or whomever, I say, "That's terrific. Go forth and multiply."

- Multiply the number of programs it will take to serve this audience 24 hours a day, 365 days each year.
- Multiply the number of stations it will take to devote one in each market to this audience.
- Multiply the dollars it will take to pay for this programmatic and systematic expansion.
- Multiply the effort, focus, and expertise it will take to own this niche. That's the only way this service will be viable in our highly competitive medium.

Amidst all of this multiplying, we can't forget to subtract resources from stations and programming that might better serve the current audience or strengthen our existing position.

So before we divert resources to focus on Gen Xers or minorities or whomever, let's acknowledge and accept that we already serve the **well-educated** component of each of these cohorts. Strengthening our current service will better serve more people of any well-educated stripe.

In fact, when we say we want a different audience, we're really saying we want an au-

dience that isn't so highly educated. We leave our area of expertise. We may even compromise deeply held ideals and highly esteemed standards.

No value judgment expressed or implied. Just a reminder of basic principles.

– David Giovannoni

Public Radio's Generation X Audience

How Generation X Uses Public Radio

Public radio's Gen Xers are slightly lighter radio users than older listeners, listening about two fewer hours per week. Because they use more stations, Gen X listeners are more radio active while being less radio dependent.

Gen Xers **rely less on public radio than do older listeners**. They tune in less frequently and are less loyal. They are also less likely to listen during both weekdays and weekends

	Occasions per Week	TSL (HR:MM/wk)	Loyalty	Listen Both Weekends and Weekdays
Generation X	5.6	6:18	29%	42%
All Listeners	7.0	8:31	36%	48%

AUDIENCE 98 offers evidence that these listeners are "growing into" public radio.

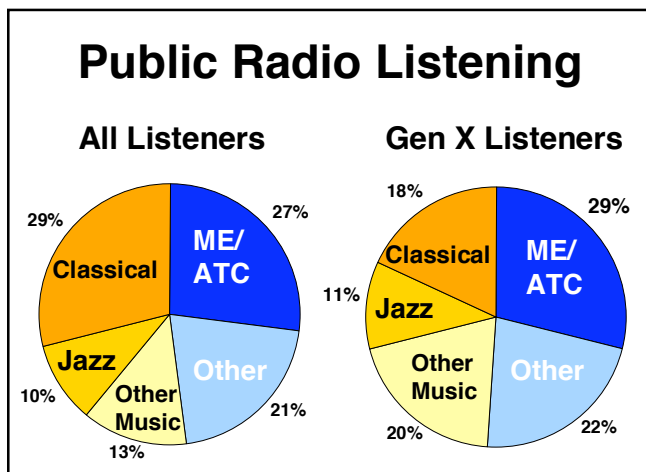
Three-in-four Gen X listeners say they are using public radio more in recent years.

Most public radio listening is to classical music, *Morning Edition*, *All Things Considered*, and jazz. This hallmark programming generates most of the listening by Gen Xers, with one notable exception:

Gen X listeners are not as attracted to classical music as older listeners.

Public radio's Gen Xers spend roughly the same amount of time as other listeners tuned to jazz. The largest block of their public radio music listening is to alternatives such as AAA, blues, rhythm & blues, and rock.

– Jay Youngclaus
– Leslie Peters



Public Radio's Generation X Audience

Cases From the X-Files

The niche market of radio is defined and differentiated by programming. You can't schedule something for everyone and serve anyone well.

Unfortunately, this cardinal truth can vanish mysteriously in public radio's debate about attracting listeners we perceive we don't have now, or don't have in sufficient numbers.

In our industry and elsewhere, Gen Xers have been generalized into one demographic lump. But they are no more all alike than they are space aliens.

AUDIENCE 98 returns to radio's fundamentals by demonstrating that Gen X listeners – like public radio's overall audience – **differ from each other, depending on the appeal of the programming to which they listen.**

X Marks The Spots

In evidence are the cases of stations with the most and the fewest Gen Xers in their weekly audiences.

In the first group are four stations with the **biggest Gen X cumes**, all with NPR-style news and information formats: WBEZ Chicago, WBUR Boston, WAMU Washington, and KQED San Francisco. These stations, with Gen X cumes of 75,000 or more, we dubbed **Big X** stations.

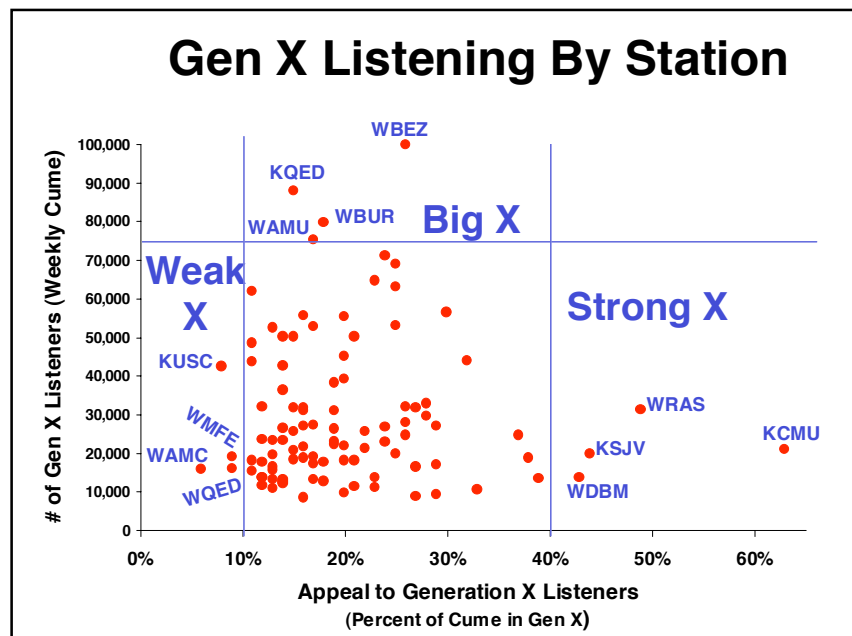
Four stations have **40% or more Gen Xers in their audiences**. As it happens, they are not among the system's largest cume stations: KCMU Seattle, WDBM East Lansing, WRAS Atlanta, and KSJV Fresno. With the exception of bilingual Latino KSJV, these high concentra-

tion Gen X stations broadcast alternatives to alternative rock. All **Strong X** stations carry ethnic music – from salsa to ska.

Four public FM stations have **fewer than 10% Gen Xers in their cumes**. (We ignored AM because that band is a barrier to attracting younger listeners.) That left WMFE Orlando, WQED Pittsburgh, KUSC Los Angeles, and WAMC Albany – the **Weak X** stations.

With one exception, **classical music prevails at the Weak X stations**. WQED and KUSC air mostly classical music, while WMFE's format is NPR news and classical. WAMC – with a pastiche of programming that includes NPR news, classical, other music, local talk, children's programming, and syndicated public affairs – has no dominant format, as well as no appreciable Gen X audience.

One hundred public stations with sizable Gen X Arbitron samples are arrayed above by the number of Gen Xers in their cumes and the concentration of Gen X listeners in their audience.



Big X, Strong X, Weak X

Of the three station groups we studied,

Gen X listeners to Big X stations are the most highly educated. Four-in-10 have advanced college degrees.

Six-in-10 are Actualizers. **Of our three Gen X groups, listeners to Big X stations are also the most likely to be in their public station's core audience.**

At classical-dominated Weak X stations, Gen Xers are mostly college graduates, though they are **less likely to have advanced degrees** than Big X listeners. A third are Actualizers. Another three-in-10 are Experiencers, characterized as young, variety-seeking experimenters who savor the new and abandon it just as quickly. Unsurprisingly then,

Gen X listeners to Weak X stations are the most radio-active and radio-reliant of the three Gen X groups. They use more stations, tune in on more occasions and listen for slightly shorter durations.

They are also the least likely of the Gen X groups to be in their public station's core.

The greatest contrast among Gen X listeners is found at Strong X stations.

Among our three groups, these are the youngest Gen Xers tuned to public radio, and the least educated.

Slightly less than half of the Gen X listeners to Strong X stations are not college graduates.

Slightly over half are Actualizers, with the rest scattered among various VALS 2 types. However, **nine-in-10 agree that the public radio station they listen to reflects their values** – whatever those values may be.

Education, the most powerful predictor of listening to public radio, is once again the prime connection between programming and audience.

Gen X listeners to Strong X stations don't look as much like public radio's overall audience because

the programming aired on Strong X stations doesn't have the same education-level appeal.

It also doesn't **sound** like the programming that most of 21 million public radio listeners tune to each week.

As these cases demonstrate, the number and concentration of Gen Xers tuned to any particular station depend on the programming aired. That's hardly paranormal: **Programming causes audience – whether that audience is Gen Xers, Baby Boomers, or any other group** broadly defined by a single characteristic like age. Each group slices into smaller segments according to programming appeal.

Those who suggest that public radio doesn't draw younger listeners with its current programming are wrong. Public radio, right now, counts millions of Xers **of the educated kind** in its weekly audience. The truth is out there.

– Special Agent Peters

Public Radio's Generation X Audience

I Am Not A Slacker

There are a lot of people interested in my age group, the so-called Generation X. It seems like everyone, from product marketers to demographers to program directors wants to pigeon-hole who we are.

We're supposedly cynical, unresponsive, politically apathetic, vidiots. They say we're leeches who live with and off of our parents; are bored by anything not about us; have an attention span of 30 seconds; and are MTV and Howard Stern junkies. The list goes on and none of it is positive.

This is not me. These are not public radio's Gen X listeners. We are not slackers!

AUDIENCE 98 shows us that **public radio's Gen Xers aren't all that different from our parents or any other generation of listeners.** We too are well-educated and share the same social and cultural values – the two characteristics that predict anyone's attraction to public radio. Okay, so we don't make as much money as Baby Boomers but give us time and we'll get there.

AUDIENCE 98 also tells us that **three-in-four Gen X listeners say they're listening to public radio more in the last few years.** That's what I find among my own friends. Not only are they listening more, they're also referencing public radio in conversations. It's an important information source in their lives.

As supported by AUDIENCE 98's data, the majority of us know that the news on public

radio is unique and we won't find its equal on commercial stations.

Some people in our industry assume that doing more stories about Generation X, or playing the Smashing Pumpkins, will result in an influx of younger listeners.

That's not only flawed thinking, it's pretty insulting too.

I'm just as interested in the General Motors labor struggle and what's happening in Kosovo as your other listeners. I even enjoy the news from Lake Wobegon. And I like my *Morning Edition*, *Marketplace* and *Car Talk* just fine the way they are.

The best way to serve Gen X listeners, as with all listeners, is to give us the best programming possible. Programs created "just for us" effectively tell us that we aren't ready for grown-up radio. And they also tell your other listeners to go away.

Public radio, we love you – so I hope you don't mind a little advice from one satisfied Gen X listener:

- You've already got us – not all of us, but those of us who share the education and values of your older listeners.
- Remember that we tune in now for a service we can't find anywhere else.

Stick with what you're doing and make it even better, and we Gen Xers will stick with you.

– Ingrid Lakey

Public Radio's Generation X Audience

I Want My NPR

Editor's note: We asked this report's Gen Xers – Core Team member Jay Youngclaus and Associate Ingrid Lakey – to tell their stories of how they came to public radio. Coincidentally, a large part of the credit goes to Terry Gross.

Ingrid Lakey, 27

I can't remember a time when public radio wasn't a part of my life. I was born the same week that *All Things Considered* went on the air. The fact that I know this just about says it all.

I grew up in Philadelphia where my father listened to WHYI constantly. It was part of the daily ritual of life. I remember the first time that I understood what this thing called public radio meant to him and would come to mean to me.

We were at the beach; I was 12. My dad was very excited about a program called *Fresh Air* and an interview by Terry Gross with a waitress about what it was like to be a waitress. I didn't understand what was so special about this, and told my dad so. He explained that *Fresh Air* recognized that every job is important and every worker has a story to tell. For him, public

radio was activism. Now it is for me too.

Jay Youngclaus, 29

I credit Terry Gross and *Fresh Air* with making the traditionally unbearable teenage years a little more enjoyable. For several summers during college, my mother and I commuted together to Boston, sharing the confined car space for over an hour each way. It's not what most young men relish.

What format let us to pass the time in peace? Not classic rock or Music of Your Life – but public radio, the perfect medium.

Fresh Air was always part of the afternoon ride. Having Terry Gross and her interesting parade of guests in the car was like having a group of really entertaining friends accompany us home.

While we didn't talk much during those long, hot car rides through rush hour traffic, my mother and I shared a great deal. Without saying a word she imparted her delight in "meeting" articulate people with unique backgrounds and experiences – and the joy of a lifetime relationship with public radio.

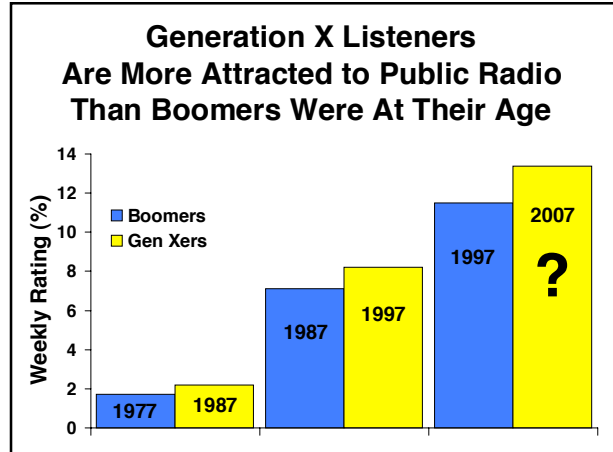
Public Radio's Generation X Audience

Wait 'Til You're Old Enough

Just like certain Boomers before them, certain Gen X listeners "grow into" public radio as they are educated and mature.

In fact, public radio serves Gen X listeners a little better than it served Boomers at the same age. Today more than eight percent of all Gen Xers tune to public radio each week. If the trend continues, public radio's reach into the Gen X population will exceed 10 percent at the turn of the century and approach 14 percent in 10 years

– David Giovannoni



Source: Arbitron Nationwide 1977, 1987, 1997; NPR stations

Public Radio's Older Audience

Many in our industry are quick to take for granted our older listeners. Programming that serves them is dismissed as a dead end, with a presumed life expectancy as limited as its listeners.

Concern is often focused on younger listeners, as though the older audience had already outlived its usefulness.

The fact is, not only is public radio important in the lives of many older listeners, **these listeners are important to the life of public radio.**

They Are Prevalent

When we open our collective mike,

nearly half of our adult listeners were born before or during Franklin Roosevelt's presidency.

These are the "Swing" and "World War II" generations – the parents and grandparents of the Baby Boomers. Nearly one-quarter were born between 1933 and 1945, and one-fifth before 1933.

Together these groups comprise 39 percent of public radio's national adult cume and 44 percent of its AQH audience.

Classical music programmers know them well: **They are the substantial majority of the classical music audience.** One-in-four listeners to a classical piece is between 53 and 65; and one-in-three is 65 or older.

They Are Different

Older listeners distinguish themselves from their contemporaries in the same way younger listeners distinguish themselves from theirs:

They are much better educated.

The education gap between older listeners and their peers is even greater than for younger listeners and their age cohorts.

Fifteen percent of all Americans in the WWII generation have earned at least a bachelor's degree. Compare that to 50 percent of public radio's WWII audience, and 62 percent of its Swing audience.

More pointedly than younger listeners, **older listeners demonstrate the common denominator of public radio's appeal – higher education.**

They Are Loyal

Older listeners rely more on public radio than any other cohort of listeners. They are more loyal, listen longer, and most likely to listen on both weekdays and weekends.

The fact is, older listeners rely heavily on our service. And because they do, **they're as likely to give as Baby Boomers, and more apt to contribute than Generation X listeners.**

Here Today, Here Tomorrow

Older listeners' loyalty and support are assets that aren't about to die away. Actuarial tables tell us that serving this audience will pay off for many years to come.

Half of today's 65 year-olds will live to be older than 82. Half of today's 75 year-olds will live to be older than 86. Given their resources our well-educated listeners are likely to live even longer.

Thought of another way,

In 2015 half of today's listeners over 65 years-old will still be of this world.

It's a little too early to worry about format obso-

lescence through audience attrition. And it's certainly premature to jettison classical music because younger listeners are currently less interested in it – especially since they seem to grow into it with age.

More important, though, is recognizing the primacy of public radio's older listeners. There's

more listening, more loyalty, and more life in this audience than many would assume.

Our older listeners plan to be with us for some time. We can plan on that, too.

– David Giovannoni
– Jay Youngclaus
– Leslie Peters

Public Radio's Older Audience

Willing and Able To Give

Public radio's older generation is not only loyal in listening, it's also dependable in giving. **Age is no barrier to climbing the Stairway to Given.**

In ascending each of the five steps, older listeners keep pace with Baby Boomers, and sometimes leave Generation Xers behind.

Swing generation listeners are at the peak of their earning power, and their gifts equal those of Boomers. WWII listeners, now mostly retired, have lower incomes – closer to those of Gen Xers. Still, they are more apt to give than the youngest listeners, whom they lead substantially in reliance on public radio, and personal importance of the service in their lives.

As a group, WWII listeners give smaller gifts – not a factor of their age but of their ability to afford.

Or it is?

AUDIENCE 98 doesn't measure the net worth or personal financial value of the audience. But other sources tell us that older Americans, especially the best educated, own a large portion of all financial assets – the result of a lifetime of work, earning, and saving that younger groups simply haven't had.

Eventual access to this accumulated wealth is what public radio's nascent planned giving activities strive to gain.

But these efforts can only succeed if our programming continues to serve their interests well.

– Leslie Peters
– David Giovannoni
– Jay Youngclaus

Public Radio's Older Audience

The Old Folks At Home

Help! I've fallen and I can't turn off the opera.
– Public Radio Programmer Humor

I've heard every tasteless senior citizen joke on the planet. I'm even responsible for a few.

But programming to older listeners is serious business. I did it for ten years at WMFE in Orlando. We did fine, with audience and fundraising numbers many in similar-sized markets would envy. But one concern always dogged our success:

Sure, the audience is okay now, but what happens in 10 years when they're dead?

AUDIENCE 98 reminds us how important public radio is to older listeners, how important older listeners are to public radio, and just how much life they have left.

I certainly wouldn't write them off yet.

The parallels between this and the Gen X report are striking – especially the notion that we

can hurt ourselves by the incautious seeking of younger or older listeners.

Older persons who share public radio's values are already attracted to our programming – and it didn't require tributes to Frank Sinatra, nursing home remotes, or canes and walkers as pledge premiums.

The best way to serve listeners **of any age** is to provide the best program service possible. That's because the appeal of public radio programming stems from factors beyond age. Education and values are much stronger predictors of listening. Intellectual curiosity knows no age boundaries.

I'll be a geezer (52) in just seven years! I still plan to be listening then.

That is, if I can still twiddle the Philco at that terribly advanced age.

– Peter Dominowski

Getting to More with the Concept of Core

If you could pick only **one measure** of success - one measure, under your control, that reports your station's public service **and** financial stability - it's the number of core listeners in your audience.

That's why the Public Radio Program Directors Association (PRPD) initiated The Core Project. The project challenges stations to grow their core cume by four percent each year, through the year 2000, by focusing on the appeal of their programming.

What do these savvy programmers know about the value of core cume? AUDIENCE 98 can explain.

Why We Care About Core

Listeners become part of your core audience when they make you their favorite spot on the dial – that is, they spend more time with you than with any other station.

Like any other relationship, spending time together can strengthen ties. Over time, your core listeners become your station's best friends – more apt to stick by you and support you.

The concept of core is closely intertwined with loyalty, the measurement which tells you when and how much listeners in your cume are listening to you.

The size of your core depends on how well your programming appeals to your cume listeners in the hours they use radio.

If you consistently inform and entertain in a way that reflects their beliefs and values, they'll turn to you first whenever they flip on the switch.

What We Know About Core

One way they set themselves apart is the number of days they listen to public radio.

Core listeners use public radio five days a week on average, twice as many days as fringe listeners.

Another prime distinction between core and fringe is the number of tune-in occasions.

On average, core listeners tune in three times more often to public radio each week than the fringe.

The duration of occasion for each group is about the same.

A third, significant way the core defines itself is by listening both weekdays and weekends.

Two-thirds of the core use public radio during both parts of the week. Almost half of all people in the fringe listen to public radio only on weekdays, though they are tuning in to other stations on weekends.

That information supports our industry's focus on improving weekend programming. Getting listeners to tune in again on Saturdays and Sundays is a strategy to strengthen and increase the core.

What else do we know about these listeners?

Almost half of the core are Actualizers, the high income, principle-centered, community activist VALS2 type that makes up about a third of public radio's overall audience.

Perhaps for this reason core listeners are a bit more apt to be imbued with "a sense of community" regarding public radio - that is, slightly more likely than the fringe to consider public radio personally important, unique in its news and music programming, and in harmony with their own social and cultural values.

Significantly more than fringe, core listeners are likely to seek out public radio when they travel or move – signifying it as an important element in their lives.

The personal importance they place on their public radio station, combined with their reliance on its service and their ability to give, make core listeners prime supporters.

Just under half of core listeners are current givers to a public radio station.

But since just over half are **not** giving, core's pledge potential is far from exhausted.

What We Can Do About More Core

Despite their differences, core and fringe still look a lot alike – and that's a big advantage when considering how to convert fringe to core. Useful, too, is the fact that **fringe listeners are heavier users of radio, spending about a third more time listening each week than core listeners.**

If you can serve them better, the fringe may spend more of that time tuned into your public station. They may even make you their favorite. Because you choose the programming on your station, turning fringe into core is something you can strongly influence.

Remember that most fringe listeners tune in to public radio to hear the programming that's most popular with the core – like the NPR newsmagazines, *A Prairie Home Companion*, *Car Talk* and *Marketplace*. That's unsurprising because, as noted, core and fringe have a lot in common.

When you “superserve” your core listeners with

more programming that's highly focused on their beliefs, interests and lifestyles, you create a more powerful schedule that attracts fringe listeners more often. It may also increase TSL and personal importance among the non-giving core - enough to make them supporters.

But don't rely too much on national producers to create those programming magnets. **Half of all listening to public radio is to local programming.**

Eight-in-10 core listeners consider local programming personally important, as do seven out of ten fringe listeners.

Your success at creating more core listeners may be determined by a mix of canny national program choices and skillful leadership of your local announcers and producers.

In many ways core is a proxy measurement for public service. Your ability to serve your station's best friends and most loyalty listeners is reflected in the concept of core.

The more listeners in your core audience, the more effective your public service. The more valued your public service, the more likely your station will attract the financial support that will make you - and public radio - a strong force among media, now and in the future.

– Israel Smith

The Rotten Core

We know that core listeners are much more likely to financially support public radio than are fringe listeners.

And as the Stairway to Given shows, we know why:

- they rely on their public station;
- it is personally important in their lives;
- and they believe that contributing listeners support it.

However, not all core listeners are givers. What's with this "Rotten Core"?

Although a public station is the favorite of all core listeners, those in the Rotten Core do not rely on it as heavily as do those in the Giving Core.

Comparing these core listeners on their steps up the Stairway to Given proves this.

- The Rotten Core tunes in less frequently, listens four and one-half hours less each week, and is significantly less loyal than the Giving Core.
- While both are likely to say that public radio is important in their lives, those in the Rotten Core are much less likely to have a "strong" Sense of Community with public radio.
- The Rotten Core is also less likely to possess the proper combined funding beliefs that are associated with giving to public radio.

Stairway to Given

(For most-listened-to Public Radio Station)

		Giving Core	Rotten Core	Fringe
	Percent of Listeners	23	25	52
	Percent of Listening	43	36	21
	Percent of Givers	68	0	32
	Percent of Giving	74	0	26
Steps 1&2 Reliance on Public Radio	Percent in Core	100	100	0
	Loyalty	77	69	14
	Years Listening to Station	12	9	9
	Percent with “Strong” Reliance on Public Radio	97	89	7
	Percent who listen both Weekdays and Weekends	80	65	30
	Occasions (per week)	14	10	4
	TSL (HR:MN per week)	17:25	12:56	3:34
	Step 3 Personal Importance	Percent who agree Public Radio Station is Personally Important	98	93
Percent with “Strong” Sense of Community		80	59	43
Step 4 Funding Beliefs	Percent who have Beliefs Associated with Giving to Public Radio	41	34	34
Step 5 Ability to Afford	Average Annual Household Income	\$80,000	\$58,000	\$62,000

The lesson here is clear:

Being a person’s favorite radio station is a wonderful gauge of service and a key indicator of one’s propensity to support public radio. **But it is not sufficient to create a giver.**

The importance of the station’s programming in listeners’ lives, and their beliefs about how

the station is financed, remain key steps that must be taken up the stairway to giving.

– David Giovannoni
– Carla Henry
– Jay Youngclaus

Note: *The Stairway to Given is explained in detail on pages 115-116.*

Getting to More with the Concept of Core

A Matter of Choice

One of the most commonly asked questions among programmers is,

How do we turn fringe listeners into core listeners?

The answer is simple:

Become the station they choose most often when they turn on their radios.

The tune-in, or “occasion,” is the basis of all radio listening, and it results from the choices you and your listeners make. The tune-in is the point at which public service begins. It happens when your programming is more compelling than any other station’s. And it happens at the listener’s convenience.

What do tune-ins have to do with core and fringe? Listeners don’t just happen; individuals choose to listen, or not. When they choose your station at least once in a week, they enter your fringe. They enter your core when they choose your station’s programming more than any other’s.

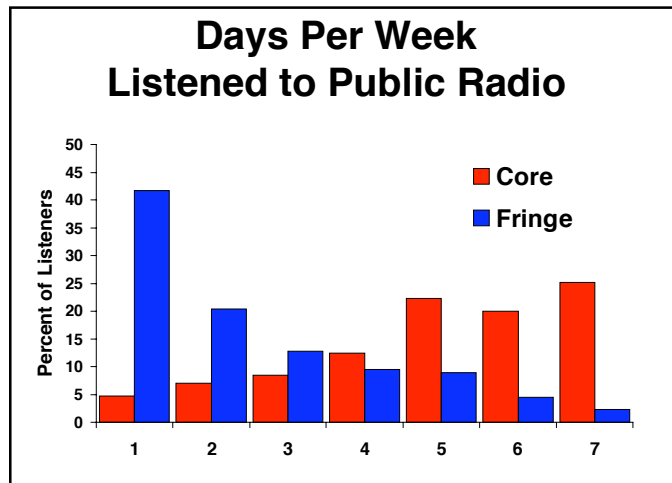
Their choice is made when they turn on their radios. And what they hear is your choice

The below graph shows the extreme behavioral difference between public radio’s core and fringe listeners. Half of all core listeners tune in to pub-

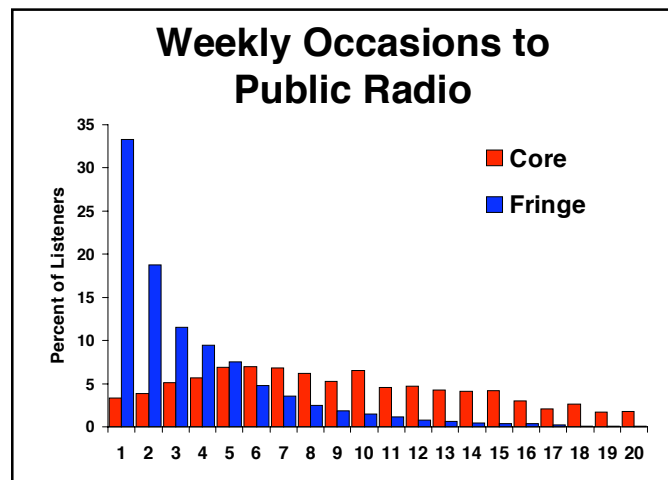
lic radio ten or more times each week. But half of all fringe listeners tune in only once or twice per week.

Occasions turn fringe listeners into core listeners.

It’s the listener’s choice. And your programming decisions directly affect this choice. For instance, you can choose to serve the same listener across the week, or you can choose to serve some listeners only on the weekend.



The above graph suggests the ability of these two programming options to move people into your core and fringe.



Two-thirds (67%) of all core listeners tune into their public radio station five or more days each week. Compare that to the two-thirds of fringe listeners (62%) who listen only one or two days per week.

In sum, **choice is what this core and fringe thing is all about.** You choose the programming; people choose the station. The more appropriate and compelling your choices, the more frequently they listen.

And that’s how to turn fringe into core.

– David Giovannoni



4.

The More Things Change...

It's been 10 years since public radio's last comprehensive national audience study. In media-years that's a lifetime; maybe two or three.

Since AUDIENCE 88, information and entertainment options have multiplied exponentially. Cable television puts 60 video channels within remote reach of the average American. Eight-in-10 own a VCR.

No development has been more astonishing than the Internet. Ten years ago it was an obscure conduit for academic research. Today its growth is phenomenal. In fact, since AUDIENCE 98's data were collected, Internet penetration has doubled. It is such a part of life that it's changing fundamental social concepts.

But the Internet is just the latest in a continuum of communications technologies that annihilate distance and physical boundaries.

Public radio, through its network news programming, has long been the focus of a "virtually community" and has helped redefine "local" among its audience of self-perceived "global citizens." And radio still dwarfs the Internet in audience reach. While half of all households has a computer, the average American home has **seven** radios.

The following three AUDIENCE 98 reports consider some effects of changing media on public radio and its listeners.

A Question of Place

The Carnegie Commission's poetry that defined public radio 30 years ago waxes eloquent about the "bedrock of localism." Yet while all public radio stations are local, all public radio programming is not.

Two questions keep emerging as managers wrestle with local programming investments.

Do listeners appreciate the geographic localness of programming as much as many of us do?

Do listeners consider it important that their public radio stations reflect their geographic communities?

While the answer may vary from station to station, AUDIENCE 98 finds several clues strongly suggesting that

geographic localism is a more compelling concept among many public broadcasters than it is among most listeners.

No single statistic tells us this conclusively. But we do see a number of consistent indicators.

Listening

In terms of sheer hours on the air, local programming dominates the schedules of most public stations across America.

But there's as much listening to network programming as there is to local – principally to NPR news magazines and a short list of major, nationally distributed shows.

Most listening to network programming happens when the available radio audience is at its peak. But placement alone does not account for its over-contribution to listening.

The audience's loyalty to network programming is 32%. Compare this to its loyalty of 26% to local programming.

Public radio's network programming clearly exerts a stronger pull. On the measure of

loyalty it serves our own audience better than our local programming does.

We might guess that this is, at least in part, a function of the higher quality of major network programming. But we don't know for sure.

Personal Importance

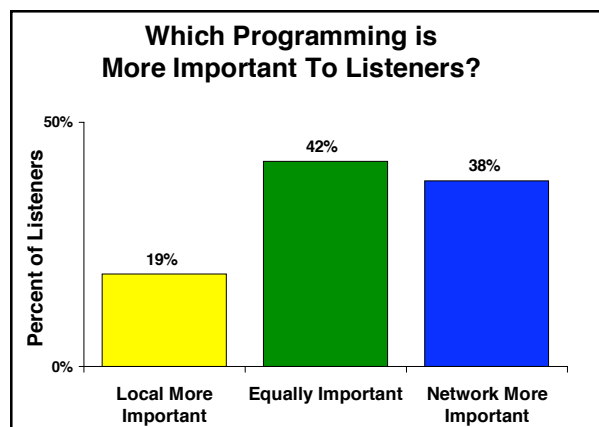
Listeners are more likely to consider network programming more important in their lives than local programming.

For every five public radio listeners,

two consider network programming more personally important than local programming;

one considers local programming more important;

and two rate network and local programming the same.



Individuals' assessments of programming's personal importance are strongly influenced by their listening. For instance, those who don't listen to local programming are unlikely to consider it important in their lives. Similarly, those who listen heavily are much more likely to consider it important.

However, something more than sheer **use** is

involved in a listener's assessment of personal importance.

That something is "uniqueness."

Programming Uniqueness

Listeners who consider network programming more personally important than local programming believe strongly that "public radio's news is unique, not available on commercial stations."

But those who say local programming is more important than network programming are **not** more likely to say "the music on public radio is unique...."

Are listeners telling us that **network news** is unique and **local music** is not? Because the questions were not posed this way, this conclusion is speculative. But it's quite logical, as most listening to network programming is to news, and most listening to local programming is to music.

We do know for sure that

the personal importance listeners attribute to network programming includes a component of "uniqueness," while their assessment of local programming does not.

"Local" Versus "Community"

The definition of what is "local" has changed significantly in 30 years. New communication technologies have created the "global village," bringing the world's news and culture into our homes as a daily reality.

Most of public radio's educated listeners have adapted easily to these changes. They have become, as Bill Siemering once imagined, "citizens of the world."

For them, "community" has transcended geographic boundaries to mean an association of **shared beliefs and interests**.

Listeners with a "sense of community" – a concept introduced in the "Givers" report – feel a strong resonance with public radio's social and cultural values and seek it out when traveling

or moving residence. They are also more likely to be givers.

Given their world view it should come as no surprise that

listeners who say network programming is more important share a stronger "sense of community" than do listeners who prefer local programming.

In other words,

a person's use of local programming does **not** contribute to this sense of community; his or her use of national programming **does**.

Unfortunately, because of how the questions were asked, we do not know from this study whether it is the "news" or the "national" component of network programming that contributes most to this sense of community.

More Questions Ahead

So – do listeners appreciate the geographic localness of programming as much as many of us do? And do they consider it important that their public radio station reflects its geographic community?

Not only is network programming generally a stronger audience draw, it is more important in the lives of many more listeners.

The personal importance people place on network programming transcends their listening. They find it unique, and through it share a virtual community defined by values, beliefs, and interests.

Given the information at its disposal, AUDIENCE 98 can find no evidence that listeners feel this way about programming produced locally.

These findings are clear, but far from the last word. They offer strong guidance for further research and additional thinking.

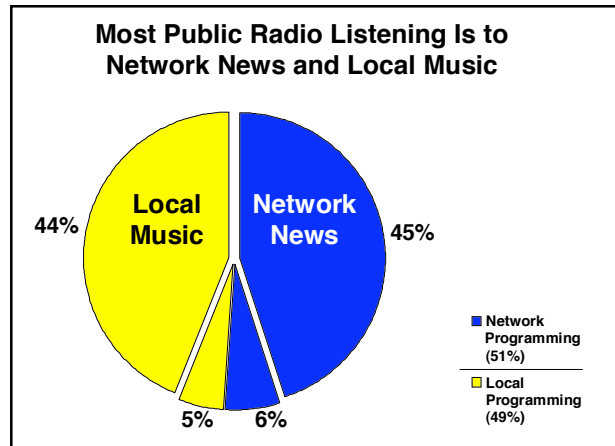
– David Giovannoni
– Jay Youngclaus
– Leslie Peters

A Question of Place

What Do Listeners Think When They Think of “Local” and “National” Programming?

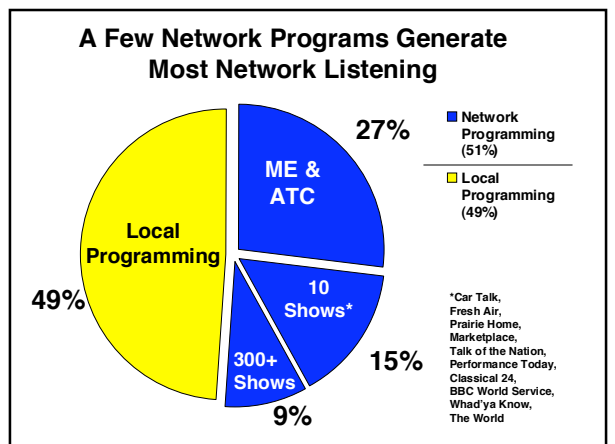
To consider a type of programming important a person must listen to it.

Based on listening, “network” almost inevitably equals “news” while “local” is nearly always associated with “music.”



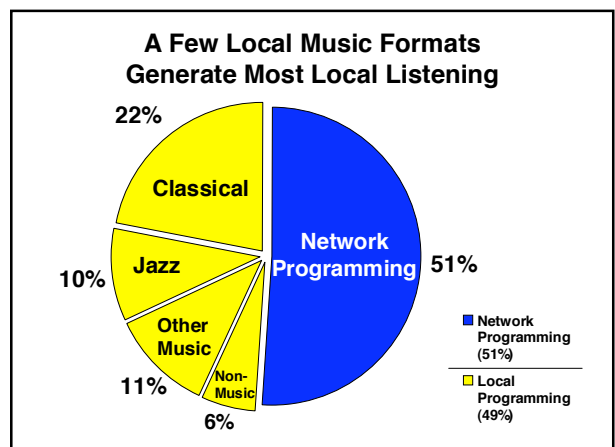
The overriding prevalence and power of *Morning Edition* and *All Things Considered* is shown below.

For many listeners these two programs define not only the network experience, but the public radio experience as well.



Music, primarily classical and jazz, generates most listening to locally-produced programming. Music, not local news, defines the “local” public radio experience for most listeners.

- Jay Youngclaus
- Leslie Peters
- David Giovannoni



A Question of Place

A Place In Question

At 7:32, on an ordinary Thursday morning, tragedy forever transformed the wooded, hillside community of Springfield, Oregon. The shooting deaths of two students and the injuries to another 22 at Thurston High shocked, stunned and eventually renewed a town KLCC calls its local community. The stories that were told would resonate across America and the world. That day the place in question was ours.

The events unfolding then and through the following week amplified the changing role of local service in public radio. While the national press was flying in, our KLCC volunteer reporter was already on the scene. We pre-empted our music programming for a live call-in within four hours of the shooting, to help begin the public process of examination and grief.

To us, this was not just another national tragedy. This is our home, and the people involved are our friends and neighbors.

We like to think we did our best to serve the very pressing and real needs of our audience – that, on this day in May, our local programming was personally important in the lives of our listeners.

Unfortunately, AUDIENCE 98 tells us that, on any other day, our listeners are more likely to find our national programs more important. They engender more loyalty and a stronger “sense of community” than our local programming.

Why don’t our listeners share the value of localism that many of us bring to our jobs? First is a difference in mindset. But second is a failure of priority.

The definition of “local” has changed over the years, both for our listeners and for public radio stations. Listeners are now defining themselves by their shared interests, as signal expansion is extending our services beyond city, county and state lines. Our experience of the world has grown larger, while the corner store, neighbor-

hood tavern and ward politician have diminished in importance.

Under the wider umbrella of our signals listeners who prefer network programming (chiefly news) have found social and cultural values that match their own. The same cannot be said for those who prefer our local programming. AUDIENCE 98 tells us that listeners who do find local programming more important listen mostly to music – and say that music on public radio is not particularly unique.

AUDIENCE 98 did not ask any specific questions about local news, so we still need to ask: What value does local news have in our listeners lives?

That brings us to priorities – the second reason localism may not be as important to our audience as it is to us.

Over almost 30 years the national networks have succeeded in bringing an audience to our radio stations. With resources and efficiencies unmatched by any station they deliver a quality, consistent product that is preferred by our listeners. No wonder that our listeners have formed a community of shared values, beliefs and interests around these programs.

We have failed, for the most part, to develop an equal local franchise to serve that community of interests.

AUDIENCE 98 suggests to me, as a journalist, that I must acknowledge that my news operation may not be up to the network mode. Other program directors can make their own assessment of their own shops.

AUDIENCE 98 also suggests strongly that if our listeners are to find our local service important, we must refine our mission and editorial content to serve their needs and interests at the station level. And spinning discs with personality may not be enough to accomplish that.

If public radio stations are to survive in a future of increasing globalism, digital transmission and converging technologies, we must be willing to invest in local talent to improve the quality and meaning of that which only we can provide – truly local content.

KLCC once considered itself a community radio station because it tried to serve many communities with a checkerboard of programming. AUDIENCE 98 tells we already serve a community of interests in public radio – one audience with many different needs.

When this community searched for the information and support it needed at the time of the Springfield tragedy, I hope they found in KLCC a personally important source. But I also know they relied heavily on NPR, television, cable news, and two local newspapers. If I want my listeners to consider our programming valuable,

my service must always match the quality of theirs.

When your local community needs you will you be prepared to serve it well?

Do you have the staff and programming in place to respond to an incident of high, local impact?

Do we really know what our audience might want if we asked them about local service?

AUDIENCE 98 is not the Holy Grail. It can't tell us whether to add the new network show, or which local program to develop. But it should serve to remind us that **what a program does is more important than where it comes from**. It can grow a community.

– Don Hein
Program Director, KLCC

It Ain't Net-cessarily So

The amazing growth of the Internet has provoked two primary responses in our industry. Will it compete with public radio? And how can we use it to our advantage?

AUDIENCE 98 offers an unequivocal answer:

The Internet has no impact on public radio listening.

Listeners who travel in cyberspace take public radio with them. AUDIENCE 98 finds no evidence that the Internet is supplanting their use of public radio's news, music, and entertainment programming.

True, public radio listeners are twice as likely as the general public to use the Internet or subscribe to an on-line service. More say they'll do so in the future.

Yet even for for public radio's audience,

the Internet is not a universal medium.

In fact, half of public radio's weekly audience does not use the Internet or on-line services at all.

– Michael Arnold
Program Director, WUNC

It Ain't Net-cessarily So

Which Listeners Are Wired?

"The things that you're li'ble to read in the bible."
 – Ira Gershwin

Age and sex are the primary determinants of Internet and on-line use among public radio listeners.

Web surfers tend to be young. Listeners in their 20s and early 30s are the most likely to spend time in cyberspace. Nearly two-thirds are wired.

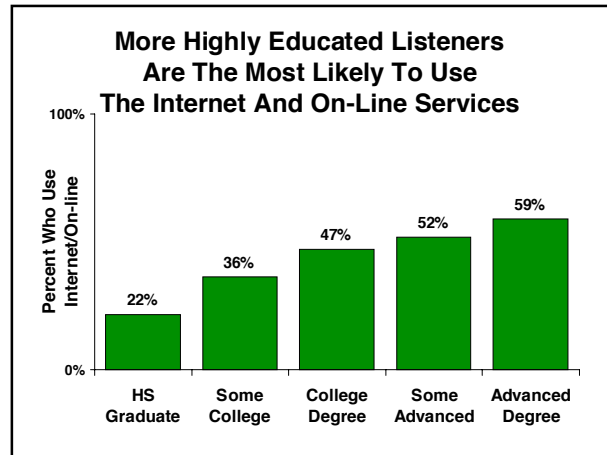
These young, ultra-wired listeners constitute a small portion of most public radio stations' audiences.

Looking for Luddites? Try your older listeners. Listeners born before 1946 steer clear of the information superhighway – especially if they are retired.

These older, non-wired listeners constitute a significant portion of public radio's classical music audience.

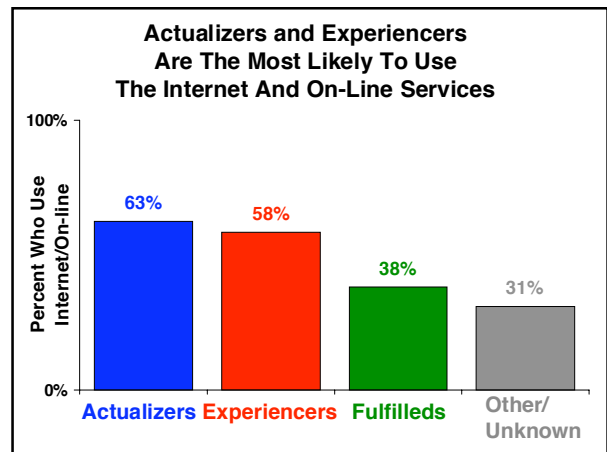
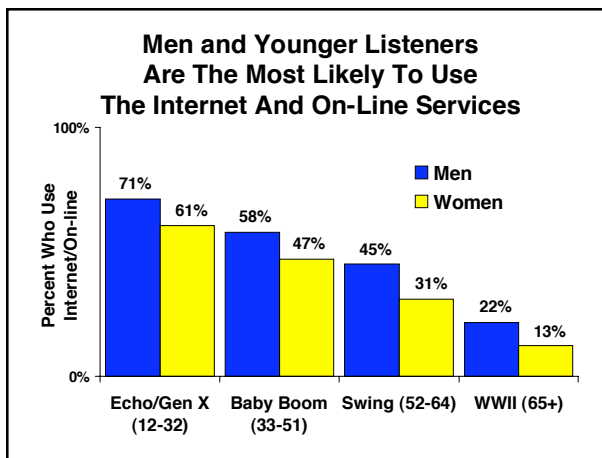
Internet is a guy thing. No matter their age, women are less likely than men to spend time in cyberspace. **Sixty percent of your female listeners don't use Internet or on-line services at all.** In contrast, listening to public radio is split fairly evenly between women and men.

You don't have to be a rocket scientist to use the Internet, but a graduate degree helps. **More than two-thirds of your listeners who use the Internet have a master's degree or more.** Public radio has, on average, a better educated audience than most media. In years of formal schooling, web surfers rank near the top.



Actualizers, the VALS type that constitutes more than a third of all public radio listeners, like Internet the most.

Two-thirds of these well-heeled, take charge, information seekers are on line – compared to one-third of the Fulfilleds, public radio's other dominant VALS group.



Actualizers and Experiencers are the most likely to be surfin' and listenin'. Keep in mind, though, that only five percent of public radio's listeners

are Experiencers, compared to the 35 percent who are Actualizers.

– Michael Arnold

Minding the Old While Mining the New

Human attention has become the most valuable commodity on the planet earth.

—Michael Flaster

The Internet has been likened to the Wild West. Without law or precedent, its settlers are staking their claims while the land is still up for grabs.

It's a weak analogy; the limiting factor is bandwidth, not territory. But it's apt in one sense: any prospector has got to leave the old homestead before he can settle a new one. And therein lies the potential problem.

What Does The 'Net Offer Public Radio?

Public radio's business is public service, and the Internet seems too big an opportunity to ignore. It makes sense to explore how this new medium might enhance your station's or your program's service to the public.

The key questions are:

Can we extend our service to new audiences via the Internet?

Can we augment our services to existing audiences via the Internet?

And if so, at what price and with what effect?

Extending Service

Barriers to entering the new medium are insignificant given its **potential** reach. But as cable television demonstrates, reach does not translate into viewing. Cable offers dozens of channels; the Web allows access to **millions** of pages from all over the world. Competition is fiercer than on any electronic medium.

Even if the Web could deliver your services to new listeners, what is the true cost? What is the true return? And how do its costs and benefits compare to those of your current distribution

medium? In our rush to the 'Net most public broadcasters have yet to answer these questions.

Augmenting Service

AUDIENCE 98 can't tell you **if** or **how** you can win new listeners through the Internet. But it **can** help you decide whether web services for current listeners are worth it.

The Internet is like any other medium. It appeals to certain types of people and not to others. Be sure you understand who's using it. The attached worksheet will help you estimate the number of web-enabled people in **your** audience. The Internet's efficiency at augmenting your on-air service will vary given the age and sex of your listeners.

Internet Economics

How do the economics of supplementing your service via the Internet compare with the economics of running your station or producing your program?

AUDIENCE 98 doesn't have the full answer.

But you do.

The comparisons are easy. Begin with what you know.

Unlike the Internet, radio has a virtually **universal reach**. Radio is quite **effective**: a typical public station serves its core listeners 12-15 hours per week; even its fringe listeners hear three to four hours per week. And radio is extraordinarily **efficient**: the average cost of serving one listener with an hour of programming is only a few pennies.

Ask your webmaster to generate these numbers for your site: How many people are actually using it (cume)? How many are tuned in at any one time (AQH)? What is their average time spent with each page (TSL)? What is the gross

level of consumption in terms of total time spent with the site per week (listener-hours)?

Take these measures and divide them into the full cost of building and maintaining your site.

How efficient is the Internet in serving your listeners?

What would your on-line numbers have to be to match the cost-effectiveness of your station?

Streaming audio? Cool. How many people around the world can you feed it to at one time? What fraction of your station's AQH audience is that?

Taking pledges via your web site? Terrific! Now, divide the cost of that portion of the site into the number of web-based pledges. What's it costing you to bag an electronic buck?

When you have the answers to these questions, you have the information to assess if the Internet is a viable means of improving your public service.

The Future Outlook

No doubt about it: The Internet is booming, and it has the potential to enhance your public service in creative and interesting ways. With half of your listeners wired, you've got the access problem half-solved.

We now know that time spent in cyberspace is not time taken from public radio. That too is good news.

But while the Internet is definitely cool, it doesn't deliver anything like our own medium.

Remember: **No site on the planet provides the level of public service you do every day.** Significant audiences – and significant programming – are yet to approach the standards of public radio. And given the inherent differences in the two media, it's likely to stay that way for a very long time.

The danger lies not in exploring this new territory; it lies in leaving the old homestead unattended.

– David Giovannoni

It Ain't Net-cessarily So

How Many of Your Listeners Are Web-Enabled?

The World Wide Web is an intriguing medium through which you might reach and serve your listeners. And just like any other medium, its ability to serve your listeners can only be assessed if you know how many are web-enabled.

Fill in the blanks below with Arbitron estimates to calculate just how many of your listeners might take advantage of a service provided on the web. You can calculate these numbers for

any daypart, program, or format for your station. All you need are the corresponding Arbitron audience numbers.

The resulting cume number estimates how many listeners to the daypart, program, or format are web enabled. The resulting AQH number estimates how many web-enabled listeners will hear any given on-air reference.

– David Giovannoni

Calculate Web-Enabled Cume

Demographic	Cume Persons Who Listen	Multiplier	Cume Persons Who Are Web-Enabled
Men 12-24	_____	.7227	_____
Men 25-34	_____	.6971	_____
Men 35-44	_____	.5710	_____
Men 45-54	_____	.5664	_____
Men 55-64	_____	.4188	_____
Men 65+	_____	.2098	_____
Women 12-24	_____	.6113	_____
Women 25-34	_____	.5859	_____
Women 35-44	_____	.4615	_____
Women 45-54	_____	.4432	_____
Women 55-64	_____	.2840	_____
Women 65+	_____	.1306	_____
		Total	_____

Calculate Web-Enabled AQH

Demographic	AQH Persons Who Listen	Multiplier	AQH Persons Who Are Web-Enabled
Men 12-24	_____	.7763	_____
Men 25-34	_____	.7197	_____
Men 35-44	_____	.5936	_____
Men 45-54	_____	.5687	_____
Men 55-64	_____	.3870	_____
Men 65+	_____	.2223	_____
Women 12-24	_____	.6531	_____
Women 25-34	_____	.5882	_____
Women 35-44	_____	.5090	_____
Women 45-54	_____	.4929	_____
Women 55-64	_____	.3170	_____
Women 65+	_____	.0951	_____
		Total	_____

What's the Buzz About the Internet?

*"Just because you're paranoid
doesn't mean they're not after you."*

– Observed by many, including Kurt Cobain
shortly before he shot himself.

A few years ago I was talking with a colleague about the Internet. He suggested that increased use of cyberspace is a boon to public radio. He painted a bright picture of listeners giving up television at night to browse the Web, listening to our stations while they surf.

In this scenario the evening dayparts become more important, as public radio's fortunes rise with those of the Internet.

I've heard less optimistic people suggest that the Internet is replacing conventional news sources, like newspapers, TV and radio. And no wonder: that's the idea you get from reports about the Internet, including stories on public radio.

Theories like these can have a significant impact on how we do our jobs. They can lead us to change our programming or our presentation style. They can cause us to ask ourselves questions like "Should I start airing a show called 'Surf Music' at night for Web browsers?" Or "What do I put in my schedule when the Internet steals my news audience?"

It's easy to go too far in this direction, carried away by the paranoia about competition and enthusiasm about new technologies.

While AUDIENCE 98 offers some unique information about Internet and on-line service use by public radio's audience, the fact is, we already have most of the answers. Just take a look at the research.

Using Arbitron data and analytic tools like AudiGraphics and the Q-system and T-system, we can check out periodically whether serious changes in listening habits are taking place

among our listeners.

Is your station gaining audience after 7 PM? Check the persons using radio (PUR) numbers at night and compare them to past books. See any increase you can't attribute to anything but the Internet theory?

Are you losing news listeners? Take a look at your AudiGraphics. Are *Morning Edition* and *All Things Considered* still your schedule's tentpoles? Is your average loyalty line at the same level? These are pretty good indicators of whether things have changed much.

If those data aren't good enough for you, AUDIENCE 98 can add to your information. For example, **your listeners' use of the Internet has not affected the amount of TV they watch.** So you can probably stow that idea about surf music.

AUDIENCE 98 also tells us that your news listeners are more likely to use the Internet than your music audience – but only by a few percentage points. **The important thing to remember is that neither group is listening less to your station because of time spent in cyberspace.**

If you're fretting about the Internet, you're not alone. Media moguls like Rupert Murdoch and Time-Warner's Gerald M. Levin are too. They've spent millions of dollars on web development and still can't find a way to profit from their investments.

As The New York Times reported, many of these big, traditional media companies are "rushing from mass to niche programming," an approach that appears to be "whittling away the economic underpinnings of their business."

Fortunately, public radio has a niche. And happily, we aren't supported by advertising revenue, which Murdoch, Levin and others see draining away as the public is given more media choices.

Our bills are paid by listeners who benefit most and value most highly from our services.

Our best strategy may be to improve these services.

That's a buzz about the Internet we need to get going. And it's an excellent remedy for techno-paranoia.

– Michael Arnold

Listening, More or Less

Having a bad day? Wondering whether all the hard work is worth it?

AUDIENCE 98 has some good news for you. Your listeners appreciate your efforts and they're showing you in a way that counts:

They're listening more.

Six out of every 10 listeners say they're listening more to public radio today than they were a few years ago.

With the next three-in-10 you're earning the same level of listening as in recent years. And just one in that crowd is spending less time with you (only eight percent of your audience, to be precise).

Though they didn't tell us directly **why** they're listening more, it's reasonable to assume that it's something you're doing.

Perhaps it's your more highly-focused format. Or the improvements in your on-air sound. Or maybe the development of hits like *Car Talk* or *Marketplace* are causing people to listen more.

Whatever the reasons, your programming and public service have earned your station a larger role in listeners' lives.

Who's Listening More?

While increased listening comes from nearly all segments of the audience, **Actualizers are more apt to be spending additional time with you.** These active, ambitious, intellectually curious VALS2 personalities make up more than a third of public radio's cume.

Though Actualizers tend to favor news and information over other programming,

those listening more to public radio are listening more to all major formats, including news, classical music and jazz. Every format is benefiting.

Are you ready for some more good news?

Don Imus may talk to Cokie, but he's **not** stealing your audience. Howard Stern may call himself the "King of All Media" but he does **not** rule public radio's listeners.

Sure, there are a few people who are listening less to public radio and more to commercial radio. But

for every one of these listeners, 12 are spending less time with commercial radio and more time with you.

That doesn't mean your listeners aren't checking out Imus, Stern or other commercial personalities. Most public radio listeners – even those in your core – tune in to other stations during the week. Like a spouse or a lover they may favor you the most, but they don't want to spend all their time with you.

So far, worried speculation about wholesale listener defections is just cocktail party talk.

Fears about commercial radio, including mega-groups taking over your market, have yet to be manifest by listener attitudes and behavior.

In fact, if there is a discernable trend, it's that public radio listeners are spending less time with commercial media.

For every listener who says he's listening less to public radio and watching more commercial TV, 30 listeners say they're spending less time with commercial TV and more time with public radio.

If he watches TV, the typical listener tuning more to public radio is doing his viewing with public television.

Who's Listening Less?

Who **is** that one listener in 10 who says he's

been spending less time with you in the past few years?

Those listening less are more likely to be **retired, unemployed, or have no more than a high school education.**

These attributes fit the descriptions of Strugglers and Believers – the VALS types who tend to be listening less. As the name suggests, Strugglers are constantly engaged in a fight to make ends meet. Believers' attitudes and lifestyles make them, in many ways, the opposites of Actualizers.

But this isn't a big deal: these two groups combined comprise less than 10 percent of public radio's cume.

Why Listen Less?

We don't know exactly what causes people to listen less. Previous studies have identified changes in lifestyle as the primary culprit. Perhaps commercial media's news and entertainment are more attractive to a few folks, especially those outside of public radio's well-educated appeal. It may be both lifestyle and competition, or neither, and it may not be under your control.

We do know this:

The only factor AUDIENCE 98 can find that is directly connected to less public radio listening is your on-air fund drives.

People who are listening less these days to public radio are less likely to stay tuned during on-air fund drives and less likely to agree that on-air drives are easier to listen to than in the past.

If on-air fund drives are driving away the audience, what can you do?

Some professionals in our industry are working on the problem right now. You can help by being open to these new ideas and testing them on your air. As AUDIENCE 98 progresses, information about listeners' attitudes and behavior will inform these experiments.

If you're back to having a bad day, you're missing a very important point.

Because you control what you broadcast, you can find a way to give listeners one less reason to listen less to you.

Or one more reason to listen more.

– Michael Arnold

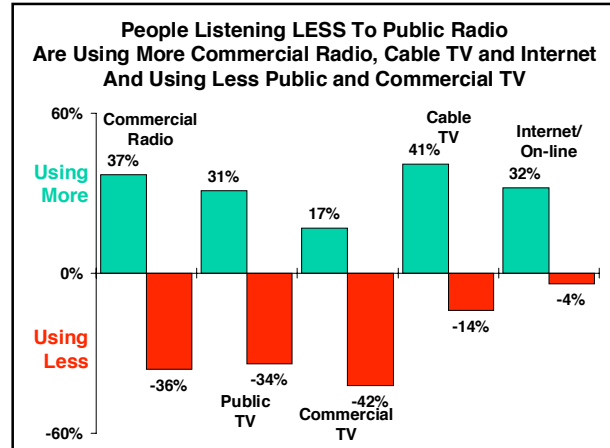
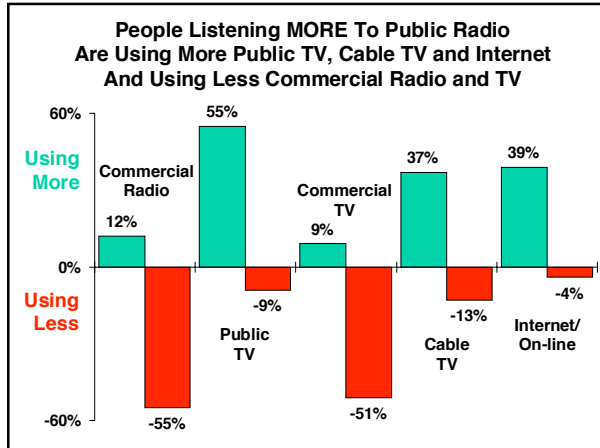
Listening, More or Less

Changes in Electronic Media Use

Persons in public radio's audience who are listening more than a few years ago are using significantly less commercial radio, and more public

television, than persons who are listening less to public radio.

– David Giovannoni



Is Public Radio Getting Too Commercial?

Is public radio getting “too commercial”?

The question has been hovering over our industry for most of its history, usually posed by insiders and media critics. And it arises naturally when trying to understand why a small fraction of the audience is listening less than a few years ago.

AUDIENCE 98 didn’t ask this question. But it did ask about listeners’ perceptions of public radio – and it appears they hear it differently than the insiders and critics.

Actualizers and Fulfilleds, the VALS types who make up the vast majority of our audience, are motivated strongly by their beliefs and ideals. If public radio is betraying its noncommercial principles, it isn’t evident to them.

Eight-in-10 say public radio reflects their social and cultural values.

Even those who are spending less time listening to public radio mostly agree. The secular church has not abandoned its gospel.

But are its hymnals sullied by the taint of advertising – the “creeping commercialism” in underwriting announcements, their increased frequency within programming?

Listeners’ perceptions of underwriting are largely neutral.

Most listeners don’t think that underwriting is becoming more annoying. Those who do aren’t listening less because of it.

This doesn’t mean they are unconcerned about commercialism in public radio. In fact,

half of all listeners who are listening more than a few years ago are wary that businesses supporting public radio may force changes in the programming.

Despite that caution,

two-thirds say they’re tuning less to commercial radio and TV and spending more time with public radio.

Our listeners’ preference for public radio and TV appears to signify the value they place on public service media. Rather than regarding our broadcasts as “too commercial” listeners seem to be using public radio as a refuge from a numbingly commercial world.

– Leslie Peters
– Michael Arnold



5.

...The More They Stay the Same

Community radio is largely philosophically unchanged since the days when its own Johnny Appleseed, Lorenzo Milam, distributed money and advice as grubstakes to undeveloped FM territory.

To Milam, a 60s-style activist, the airwaves were bereft of art, honesty and free speech. He urged like-minded citizens to apply to the FCC and open outlets “available to anyone who might have that dreadful need to communicate.”

And so from the beginning, community radio emphasized the needs of those behind the microphones rather than the needs of the public at large.

Despite that operational paradox, community radio’s pioneers sincerely aimed to offer an alternative to mainstream media, especially for America’s minorities and poor.

Whether, decades later, community radio has achieved its goals is the subject of this AUDIENCE 98 report.

The Importance of Community Radio

For several decades community radio has struggled to survive as an “alternative” to commercial radio and the network-affiliated public radio system that it pre-dates.

Community broadcasters say they offer a different brand of public radio – one largely driven by locally originated programming – that is greatly appreciated by its listeners.

Though their numbers are admittedly small, these listeners are said to view as vital their community station’s service – and support it as an important resource. Indeed, community radio’s lore is inculcated with stories about stations’ roles as sole carriers of critical community information, particularly in isolated areas.

Who are community radio’s listeners? What do **they** say about community radio? How important is it to **them**?

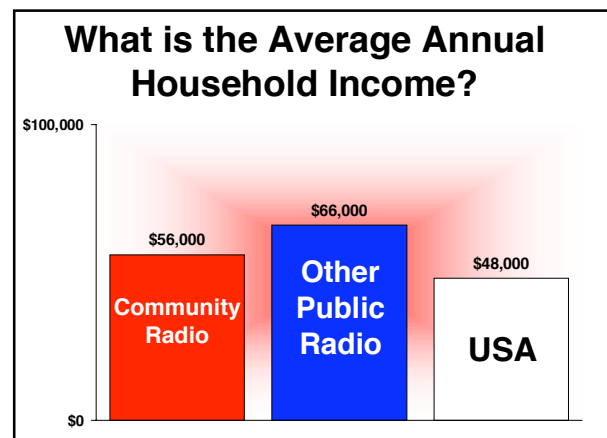
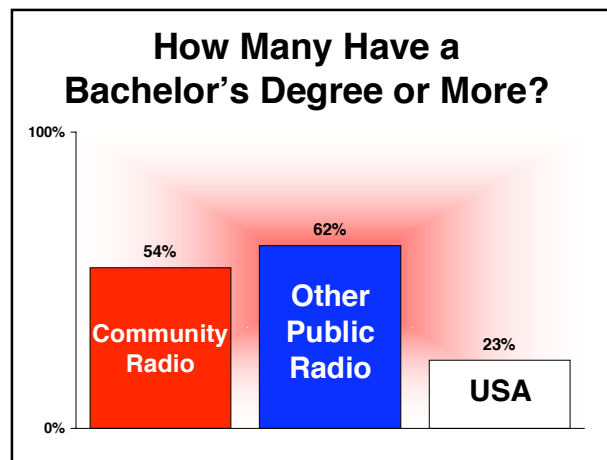
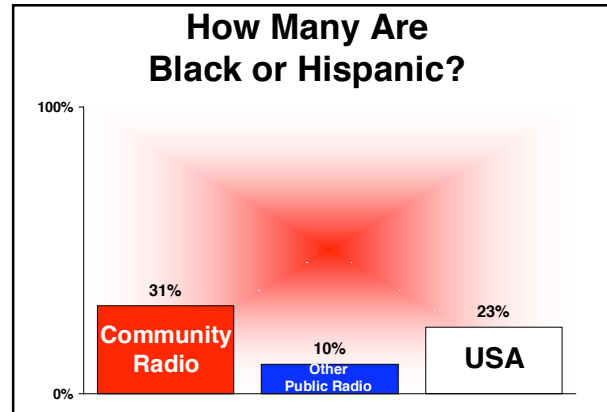
Community Radio’s Audience

Community radio listeners are **slightly** younger, **slightly** less educated, and **slightly** less affluent than other public radio listeners.

With an average \$56,000 annual household income and 54% college graduates, **community radio listeners look more like other public radio listeners than they do like most Americans.**

There is one difference, however, and that is the racial composition of the audience. In markets where Arbitron measures race, community radio’s listeners are three times more likely to be black or Hispanic than are network-affiliated listeners.

For the most part, however, these minority listeners differ from others only in race; as a whole **their education levels and incomes are comparable.**



These differences are caused by the programming choices made at community stations – no NPR news, little classical music; many more hours of jazz, blues, R&B and alternative rock.

Loyalty and Reliance

Network-affiliated stations elicit more loyalty and reliance from their listeners than community stations draw from their listeners.

In fact, one-third of community radio’s listeners **are** part of “the rest of public radio’s audience” and spend most of their public radio listening time tuned to network-affiliated stations. If “loyalty” is a measure of importance, then for these listeners, community radio doesn’t measure up:

Their average loyalty to community radio is 18%; to network-affiliated public radio it’s 36%.

For the other two-thirds of its audience, loyalty to community radio is 22%.

The vast majority of this larger group of listeners relies little on community radio. To these listeners, community radio **is** an alternative – to **commercial** radio.

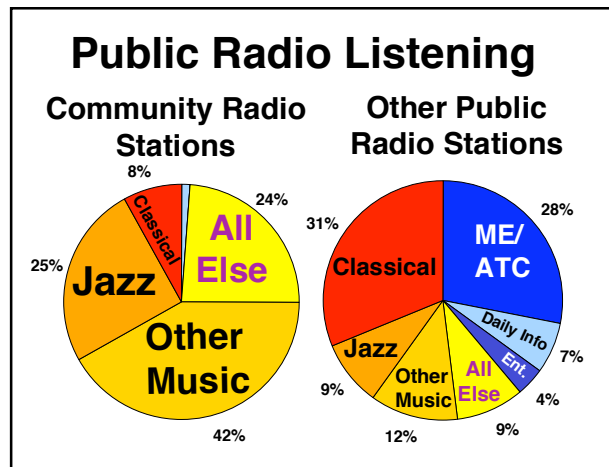
They spend three-and-one-half times as many hours listening to commercial radio each week as they do to community radio.

Personal Importance

Would listeners miss their community radio stations if they were to go away?

The answer is yes – but no more than network-affiliated public radio listeners would miss theirs.

Community radio and network-affiliated public radio listeners rate the “personal importance” of their respective services virtually the same.



Giving

Giving is a proxy for how much a public radio listener values public radio’s service. By this measure, **community radio listeners value their stations less than other public radio listeners value theirs.**

By a ratio of 5:4, listeners are more likely to contribute to network-affiliated stations than to community stations.

Though both groups of listeners believe that their support is critical and government support is minimal, those who listen to community radio rely less on its service. As reliance is an essential step to giving, they are less apt to financially support their community stations. Their slightly lower incomes are **not** the reason they are less likely to give.

Intentions and Impact

Fifty years after its founding, community radio remains a small component of radio listening in America. By AUDIENCE 98’s definition of community radio, **it provides six percent of public radio’s national AQH – or about 82,000 out of nearly 1,400,000 listeners** tuned in at any moment to public radio across the country.

Radio Listening in America



This chart represents, in geometric proportions, listening to all radio, network-affiliated public radio, community radio, and Pacifica.

About a third of community radio listening is concentrated at the five Pacifica stations in San Francisco, Los Angeles, Houston, New York and Washington, DC that – for many in our industry – define “community radio”.

Twenty-four years ago, in his book about the early days of Pacifica station WBAI, Steve Post wrote:

“It was the intention of Pacifica’s founders to develop a radio station that spoke to the minority. They believed that in a society

which supposedly guaranteed the right of its citizens to freedom of speech, no matter what their views, there should be free and open access to the electronic media as well.”

Though execution varies widely from station to station, in a broad sense this is still the mission articulated by most community broadcasters.

Despite those early intentions, community radio, by and large, now serves an overwhelmingly white, educated, middle-class, Baby Boomer audience.

By the measurements of loyalty, reliance, personal importance and giving, it serves many in its audience less well than network-affiliated public radio. The majority of its listeners choose commercial radio much more often than community radio.

So while community broadcasters’ sense of mission seems to be as strong as ever, that mission and its outcome appear to be at odds. By supplying a mirror built from listener facts, AUDIENCE 98 offers community radio an opportunity for reflection.

– Leslie Peters
– Jay Youngclaus
– David Giovannoni

The Importance of Community Radio

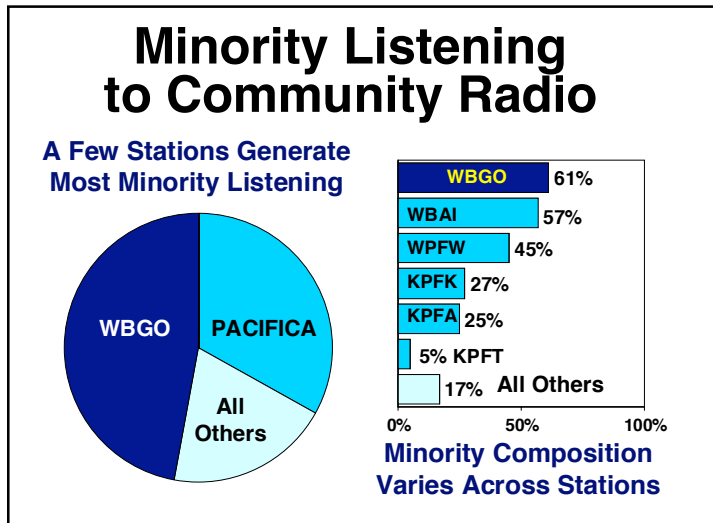
The Majority of the Minorities

AUDIENCE 98 finds that community radio's listeners are three times more likely to be black or Hispanic than listeners to other public stations. But this singular fact is too simple to adequately represent reality.

One station – WBGO in Newark – serves half of all minorities listening to community radio in the U.S.

Another third is concentrated at the five Pacifica stations. Not only does this reflect Pacifica's impact on community radio listening in general, it shows the substantial minority audience of WBAI and WPFW in particular.

In fact, minority composition (the percent of a station's audience composed of minorities) varies widely from station to station – even in the Pacifica group.



Of course, some community stations **are** heard primarily by minority listeners – particularly if they program in Spanish. But their audiences are small in relation to WBGO's and Pacifica's.

The majority of the minorities are concentrated at a few stations. Subtract out WBGO and Pacifica and all remaining community stations put together account for only one-in-five minorities listening to community radio at any given time.

- David Giovannoni
- Leslie Peters
- Jay Youngclaus

The Importance of Community Radio

The Pacifica Difference

In 1999 Pacifica celebrates its 50th anniversary, a remarkable accomplishment given its tumultuous history. As in the past, Pacifica today has enormous impact on community radio:

One-in-three listeners tuned at any moment to community radio in America is listening to Pacifica.

However, as a group, the five Pacifica stations in San Francisco, Los Angeles, Houston, New York and Washington, DC serve their listeners no better than community radio in general.

In fact, average loyalty by Pacifica listeners to Pacifica stations is lower (17%) than community radio listeners' loyalty to their non-Pacifica, community services (22%).

Giving is a different story. **Pacifica listeners are a third more likely to give to a Pacifica sta-**

tion than listeners to other community stations are to give to theirs.

Because personal importance of the service is about the same for Pacifica compared to other community radio stations, the difference in giving may be explained by the difference in funding beliefs.

The critical importance of listener support, coupled with belief that government funding is minimal, is more widespread among Pacifica listeners than among any other segment of the public radio audience.

That's perhaps unsurprising for an organization that originated the concept of "listener-sponsored" radio – as well as that boon and curse of public broadcasting, the on-air pledge drive.

– Leslie Peters
– Jay Youngclaus

The Importance of Community Radio

The Case for Community Radio

With its mission to celebrate the cultural diversity of New Orleans, WWOZ is an example of a station whose role is integral to the community it serves.

Over 40 dedicated volunteers create programs expressing their well-informed passion for blues, zydeco, gospel, Irish, Brazilian, Cajun, African, Latin American, Caribbean, bluegrass, brass band, reggae and other various musical styles which derive from the confluence of African, Latin, European and American cultures in this unique port city.

As such, it is impossible to imagine that the station's program service could be duplicated anywhere else, which may be the ultimate measure of its localism.

More than just a reflection of the community, WWOZ is deeply involved in the culture: preserving the traditions of New Orleans, while supporting its rich and complex living heritage through the active promotion of current musical activities.

WWOZ still honors the tradition of local radio stations providing exposure to local musicians. Every other hour, the station airs a comprehensive musical event calendar. WWOZ averages three-to-four interviews with musicians daily, and airs four-to-six live musical events per month from remote performance venues, including parks, museums, churches, festival sites and many of the city's famous music clubs.

During the annual New Orleans Jazz & Heri-

tage Festival, 'OZ broadcasts live performances from any of six stages, and then heads to the clubs from sunset to sunrise for additional live music pickups.

Past production projects have included special programs on Earl King, Irma Thomas, James Booker and two Mardi Gras packages, one hosted by Dr. John, the other awarded a Golden Reel for its portrayal of the city's musical lifestyle. One production is a 13-part series, "Night Train to New Orleans," tracking the history of New Orleans rhythm and blues through first-hand accounts of independent record producers.

WWOZ has created high-school, street academy, music and college class outreach activities to provide the next generation with an appreciation of the city's heritage. It has also helped improve their technical skills and professional contacts – both essential to cultural continuity and renewal.

An innovative minimal-cost health care clinic for New Orleans musicians could not succeed without WWOZ, according to the program's administrators.

Far beyond its mission, this community-licensed station is an essential component of the Crescent City's cultural eco-system. To quote pianist Eddie Bo: "WWOZ is the only station in New Orleans that takes care of its own."

– David Freedman
Station Manager,
WWOZ New Orleans

The Importance of Community Radio

Re-Examining Public Radio's Values

The time has come to ask the question:

Does public radio have the responsibility to ensure that all segments of the American population are served?

In the Public Broadcasting Act of 1967, public radio's founders drafted language that encouraged "a source of alternative telecommunications services for all citizens of the Nation" addressing the needs of "unserved and underserved audiences, particularly children and minorities."

Is this mission still relevant? For community radio – which perhaps has remained truest to public radio's original mission – the answer is a resounding "yes".

AUDIENCE 98's data informs us that network-affiliated public radio, in general, is doing a laudable job serving white, middle-class, middle-aged, moderately affluent, educated people. Community radio – as defined by AUDIENCE 98 – is also, principally and generally, serving this population, but with lower average loyalty.

The timing for this information could not be better. **At this pivotal moment when public radio is moving to a more listener-sensitive economy, we need to take stock of our values.** What are our roots? What makes us worthy of public support? What makes us different from commercial media?

The single most distinguishing characteristic of public radio is its mission to serve this country's underserved.

If we aren't doing it well, we need to use what we know about radio – and how people use it – to do better. But it's a principle that we should never abandon.

In areas where a community station is the only public station, we have tried to be many things

to many people. While this tack runs counter to building a core audience and higher loyalty, responsibility to the many people in these communities has driven our decisions.

But today, two-thirds of Americans have the choice of two, three or even four public radio stations in a single market. **The majority of these stations consciously targets the "NPR News audience"** – leaving community radio to address the needs of everyone else not well served by commercial radio.

Community radio wants and needs to do better, but improvement in loyalty and giving must be sought in the context of mission – and with the cooperation of the rest of public radio.

A couple of possible scenarios come to mind:

Instead of serving all underserved listeners in an area with a few hours here and there for each group, a community radio station could **choose one type of underserved listener, and serve that listener well, all of the time.** In effect, that's what many Native American, Latino and African-American stations are trying to do today.

By providing a programming service that appeals consistently to the interests and needs of one type of underserved listener, a community station may reduce audience size, but substantially increase listener loyalty – a prime measurement of public service.

But the ability of a smaller audience of perhaps poorer listeners to support the station is a big question. **At what income level does public service disconnect from public support?** AUDIENCE 98, which could only survey today's public radio listeners, cannot tell us about the giving behavior of different types of future listeners.

Another scenario concerns the network-affiliated public stations, many of which are seek-

ing to establish second services in their markets, offering a different stream of programming to the NPR News audience they already serve.

In the spirit of public radio's mission, why not offer a second service targeted to an underserved audience?

Perhaps the greatest opportunity that AUDIENCE 98's report offers is the chance for all of public

radio to pull together; work with this information; investigate new ideas; and divide responsibility to fulfill the promise envisioned by public radio's founders – of a radio alternative, free of commercial pressures, offering the best possible public service to all Americans.

– Carol Pierson
NFCB President

The Importance of Community Radio

What Is Community Radio?

To study a thing first requires a definition. For the purposes of this AUDIENCE 98 report, “community radio” is defined as the five Pacifica stations and any community licensee station that generates 80% or more of its listener-hours from locally-originated programming.

To be included in this analysis, a station must be mentioned in at least one of the more than 300,000 Arbitron radio listening diaries upon which this study is based.

Of the 413 stations in AUDIENCE 98’s database, 40 met our definition of community radio. They are: KAZU, KBBF, KBOO, KDHX, KDNA, KHDC, KILI, KKFI, KMPO, KNNB, KOTO, KPAC, KPCW, KPFA, KPFI, KPFT, KRCL, KSER, KSJV, KTNA, KUVO, KVMR, KXCI, KZUM, WBAI, WBGO, WCNY, WDNA, WERU, WICN, WLCH, WMMT, WMNF, WORT, WPFW, WRFG, WVMR, WWOZ, WYEP and WZRU.

– Leslie Peters
– Jay Youngclaus



6.

Following the Money

For the real scoop behind almost any story, take Deep Throat's classic advice: Follow the money.

That's what AUDIENCE 98 does in these next two reports that examine public radio's listener-sensitive economy.

Most giving and underwriting flow into the economy through a small number of conduits – public radio's major programming. Two channels dominate: *Morning Edition* and *All Things Considered* together generate almost a third of all listener support and over half of all local underwriting.

But that's only part of the story. By linking listening to giving in a statistically significant way AUDIENCE 98 uncovers a deeper meaning for these numbers.

The money trail loops through many aspects of public service and public support, making connections that aren't obvious in a cursory examination of the public radio economy.

Only by following the money can we really understand that economy. And only by acting on what we understand can we influence our financial future.

Public Service Begets Public Support

Public radio is nearing a major economic milestone. Maybe this year, maybe next, over half of its revenues will come from listener-sensitive **public support** – i.e., the people who listen to it and the businesses that underwrite it.

At that point, public radio will enter a new phase in its **public service economy**. It will continue to draw upon a mixture of funding sources, including licensee and tax-based subsidies. But unlike today, more than half of its revenues will be listener-sensitive and **under its direct control**.

This self-reliance brings to the fore our ability to generate public support – actually three skills combined:

1. Our ability to provide programming of significance.
2. Our ability to reach a significant listening audience.
3. Our ability to convert public service into revenue – into public support.

The P-Factor

Our ability to provide **significant programming** to **significant audiences** is the definition of “public service” (explained at length in previous AUDIENCE 98 and other reports).

In other words, **public service** happens when program directors create services that are both **heard** and **valued** by their communities.

We call this the **P-Factor** – with “P” standing for **public service**, the **programming** upon which it is founded, or the **potential** that it offers for development – take your pick.

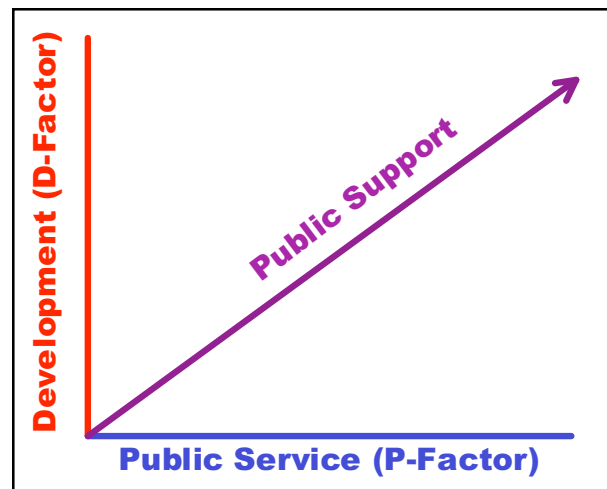
The D-Factor

The potential for public support lies latent until development professionals convert it into listener and underwriting income.

The effectiveness of this conversion is called the **D-Factor**, with the “D” standing for **development effectiveness, development professionals** who make it happen, or their ability to **deliver** on the potential – again you can take your pick.

When multiplied together, the P- and D-Factors yield **public support**.

By linking public support to the programming that causes it, AUDIENCE 98 diagnoses how well the two factors interact today and suggests how they might better interact in the future.



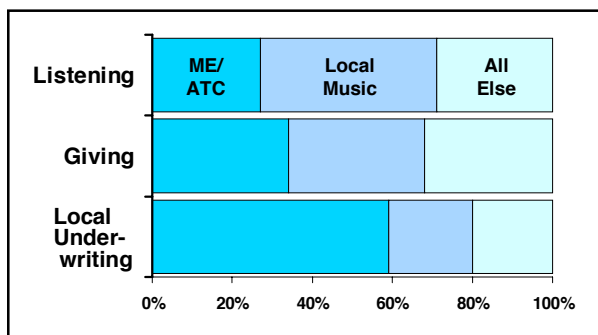
Public support is the product of our public service (P-Factor) and the effectiveness of our development efforts (D-Factor).

Public Support of Programming

Listeners gave \$140 million to public stations in FY 1997; underwriters gave between \$60 million and \$75 million.

Morning Edition and *All Things Considered* (the seven-day shows) generate 34 percent of all listener support (\$46 million) and 59 percent of all local underwriting income (between \$35 million and \$44 million). Yet they account for only 27 percent of all listening.

Compare this to locally produced music programming, which occupies the bulk of many stations' schedules. It generates almost twice as much listening to public radio as NPR's newsmagazines, yet it yields only slightly more listener support (\$48 million) and far less underwriting revenue (\$12-\$16 million).



Gross Value to Listeners

The explanation for music's lower listener support is simple. **Local music is less valued** than *Morning Edition* and *All Things Considered*.

Local music generates a lower return per listener-hour (1.1¢ vs. 1.8¢) which, as discussed in *The Value of Programming*, is a proxy for the value they place on it.

Listeners also consider local music less personally important; that is, they are less likely to say it's "...an important part of my life; I'd miss it if it went away."

If we could make local music more important to

listeners, not only would we provide a greater public service, we'd also earn more support.

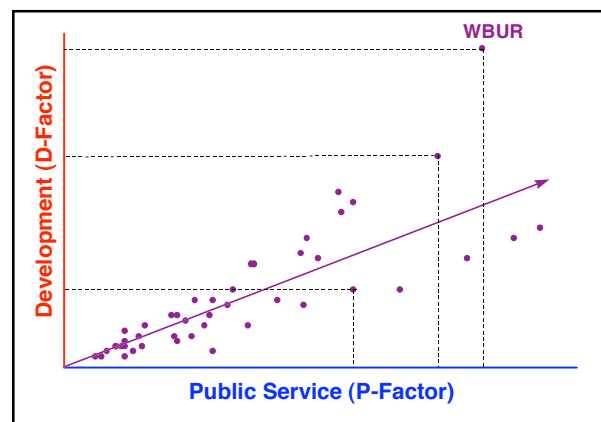
Gross Value to Underwriters

The explanation for music's lower underwriting support is not as evident, although evidence points to the D-Factor.

Given their levels of public service, the underwriting potential of local music dayparts is far higher than we are realizing today.

Indeed, this potential exists across **all** dayparts. Stations currently bill 1.7¢ per listener-hour for spots aired in NPR weekday newsmagazines. In contrast, they bill an average of only 0.6¢ for **all** other programming.

If stations' sales staffs pursued strategies to underwrite all programming at the same level



This graphic shows how the P- and D-Factors interact. Stations are plotted horizontally by a key component of their public service (listener-hours per year). They are plotted vertically by the effectiveness of their development efforts (financial return per listener-hour). The larger the box defined by the station's point, the greater its public support (in dollars per year).

The arrow shows the system average of 2.2¢ per listener-hour – 1.4¢ from listeners, 0.8¢ from underwriters. A station's appearance above the arrow suggests a strong D-Factor – i.e., development is converting public service into public support at a higher rate than the system average; appearance below the arrow indicates a weak D-Factor.

as *Morning Edition* and *All Things Considered*, they would more than double their annual gross sales – from an estimated systemwide \$60-\$75 million to roughly \$140 million.

Such a goal **is** possible: leading stations perform at this level today. Achieving it would have a profound affect on the public service economy:

- At \$140 million, underwriting would tie listener income as public radio's single largest source of revenue.
- Even if it costs 20¢ to earn each new dollar, the net could replace public radio's current federal appropriation.

That's with no change of programming or increase in listening – just a systemwide strengthening of the D-Factor as it relates to underwriting.

An Ecological Balance

The components of the public service economy work together in a delicately balanced ecology. And in such a system, "you can't change just one thing" (as the Zen master once said).

Strengthening the D-Factor might involve adding more underwriting spots or airing higher profile messages. Yet givers say they'd be less likely to send money if on-air mentions of business support became more annoying.

Whether they will deliver on this threat is unknown. But – like the possibility of global warming – it's a specter of damage that must be taken seriously.

Programmatic symbiosis offers another example of interdependence. Some programming survives only because other programming exists. For instance, national news generates a financial surplus at most stations. Some stations feed the surplus to their local news endeavors; other stations use it to nourish their music programs.

As we evolve to meet the challenges of a harsher media environment, we may have to weigh the benefits of symbiosis against its cost. There **are** benefits. But unless we manage them – both locally and nationally – extinction may face programs that cost more than they return in public service and support.

The balance is ours to maintain or lose.

The responsibility of self-reliance carries with it the privilege of self-direction. Many decisions were made for us in the old subsidized economy. Our mature, public service economy places these decisions – and our future – squarely under our control.

- David Giovannoni
- Leslie Peters
- Jay Youngclaus

Financial Maturity

Fed on the milk of tax-based money in its infancy, public radio has grown into a more substantial and sustainable diet.

It is most nourished today by the listeners it serves. Businesses render sustenance as well. Many parent institutions still contribute to the welfare of their adolescents; but increasingly they're asking their offspring to contribute to **their** well being.

Maturation Milestones

- 1988 Tax-based subsidies account for more than half of public radio's revenues for the last time.
- 1990 Individual giving eclipses federal funds distributed through CPB.
- 1992 Business support eclipses federal funds distributed through CPB.
- 1994 Audience-sensitive income eclipses all tax-based subsidies combined and becomes public radio's largest revenue source.
- c. 1998-9 For the first time audience-sensitive income generates more than half of public radio's revenue.

– David Giovannoni

The Value of Programming

In studying the relationship between listener-sensitive income and public service, AUDIENCE 98 developed these **major concepts**:

- The financial value that listeners place on public radio's programming directly reflects the personal value they place on it, its importance in their lives, its significance to them, its reflection of their own social and cultural values.
- The financial value that underwriters place on programming reflects their desire to reach the people in the audience.
- The gross return that stations realize on programming directly reflects the public service it provides.
- The net return that stations realize on programming is the difference between the income derived from listeners and underwriters minus its cost.

Those concepts are supported by this report's **major findings**:

Listeners place the highest value on news and information and the lowest value on locally produced music. The simple ranking across all stations is:

- NPR News programs – especially *Morning Edition* and weekday *All Things Considered*
- *Car Talk*
- Other National Public Radio and Public Radio International news, information, and entertainment programming
- Locally produced news and call-in programming
- Classical music – locally produced and acquired
- Other locally produced music
- Underwriters place the highest value on

NPR News and Information programming, *Car Talk*, and PRI's *Marketplace*

Those findings indicate **major ramifications** for public radio's public service:

- Responsible public service demands maximizing the value of programming to listeners. Responsible management demands balancing the expense of that programming against its return.
- Not every program offering must "pay for itself;" it can be supported from the surplus generated by other programming. Management's task is to maintain and enhance the station's public service by balancing incomes against expenses across the entire program schedule.
- The price that national program producers and distributors can charge stations for programming is firmly rooted not just in its intrinsic value, but increasingly in the financial return it offers stations.

What is Value?

"Value" is a rich word with many meanings. Here are two:

Financial value is the price someone is willing to pay for something.

Personal value we know when we encounter it. Because it's personal it has no universal definition. However, in the relationship between radio programming and the people who listen to it, personal value has much to do with the sharing of social and cultural values between the listener and the programming.

In public radio the meaning of "value" has become muddled as discussions of "value-based pricing" have collided with the fundamental and deeply-rooted "mission" values of the industry.

Fortunately for public radio,

the financial value that listeners place on its programming is a direct consequence of its personal value in their lives.

If programming doesn't share their social and cultural values, they simply don't listen. And when it resonates most strongly with their innermost beliefs and feelings, they find a way to support it.

Simply put, the financial value of programming to a listener is the direct result of its personal value.

The amount of money listeners are willing to send to a station is relatively independent of their financial means.

Listener support is driven by personal value, not by personal means.

Of course people must have the financial means before sending money to a radio station; but as a predictor of support, means pales in comparison to listeners' satisfaction with the program service, its importance in their lives, and the personal value they attach to it.

The Business of Public Service

Since its inception as a totally subsidized entity, public radio has matured into a "public service economy" – one that still relies on subsidies, but one that increasingly relies on payment from those who benefit from its service.

Public radio has entered into the serious business of public service. Without valued programming, it goes out of business. Without good business sense, it won't have the money to support programming worth valuing.

Ask listeners. They'll tell you that public radio offers some of the finest, most engaging, enlightening, entertaining, creative, stimulating, **valuable** programming on radio today.

To preserve and enhance its service, public radio must convert listening to its programming into payment for the programming.

Ask underwriters. They'll tell you that public radio's educated audience is difficult to reach through other electronic mass media. Public radio's challenge is to balance the right level of access to these listeners with the right price for access; again, the motivation being to preserve and enhance its public service.

Ask managers. They'll tell you their responsibilities have shifted enormously in the last 15 years. Each year their licensees give less and demand more; their willingness and ability to operate the station at a "loss" is in general decline.

The manager's focus has changed from spending a fixed subsidy to a more complex balancing of listener and underwriting incomes against programming and operational expenses. The balance need not be maintained within any single program; but it does need to be maintained across all programming in the station's schedule.

Taken together, **audience support and underwriting are called listener-sensitive income because they are indeed sensitive to listeners.** During the last 15 years listener-sensitive income has grown from one of the smallest single sources of funding to the largest. As subsidies continue to decline it remains the most promising means of paying for public radio into the future.

Value and Significance Squared

In public radio, value is the amount a listener will voluntarily pay to hear an hour of programming. Value is also the price an underwriter places on reaching that listener.

The value that listeners and underwriters place on programming, in combination with the programming's use in the community it serves, squarely determines the financial return on any programming investment made at public radio stations.

All other things held equal, a program that's important to only one person doesn't return as

much to a station as a program that's just as important to many people.

The sum total of listener support hinges on both the size of the audience and its satisfaction with the programming.

Without significant and valued programming, there is no listener support, no matter what the audience size. Without a significant audience, there is little listener support, no matter how valuable the programming may be to a precious few.

Significant programming for significant audiences. Not only is this an appropriate definition of public service, it is literally the formula for calculating listener support

Programming Economics

Programming economics offers a means of quantifying the expense, the income, and net return of any programming investment.

The **expense of programming** is usually apparent to station managers and program directors, who may find it tempting to base decisions on cost alone.

One network's show may cost more than a similar show from another network. Spinning a local news story can be far more expensive than spinning a compact disc. And sometimes it's just cheaper to downlink a free program than it is to make one.

What is the expense per unit of public service? What does it cost to serve one listener for one hour?

Some stations spend more, others spend less, but

overall, public radio spends about five and one-half cents to serve one listener for one hour.

Who pays for this programming? People in the audience voluntarily contribute about a penny and one-half (1.41¢) per hour of listening. The

sale of underwriting generates another eight-tenths of a cent (.81¢). Licensees and tax-based subsidies at local, state, and national levels make up most of the difference.

What are listeners and underwriters paying for? **The basic unit of consumption is one hour of programming – one person listening for one hour, or one “listener-hour.”**

Listeners and underwriters have vastly different reasons to pay for that hour. As previously discussed, listeners voluntarily pay for programming because they consider it important in their lives, because it resonates with their social and cultural values, because they are satisfied with and rely on the programming.

Businesses and other institutions have many reasons for underwriting programming. In all but the purest cases of altruistic philanthropy, underwriters evaluate the **quid pro quo** – their return on their underwriting investment.

The amount they pay reflects, among other things, their desire to reach the people in the audience, the difficulty of reaching them through other media, the value of association with the programming, and the financial return expected from reaching these people.

AUDIENCE 98 informs public radio's programming economics discussions with hard data about the listener-sensitive return of specific local formats and national programs and services. This is the first national update of this information since AUDIENCE 88 made it available 10 years ago.

Listener-Sensitive Returns – Local Programming

The listener-sensitive return on locally produced programming is much smaller than acquired programming's. Half (49%) of all public radio listening is to local programming. Yet it generates only 42 percent of all listener support, and a mere 25 percent of all underwriting sold locally.

Local Classical Music. Most local programming is music played from recordings. Classical music is public radio's primary local format. Nationally it generates 22 percent of all listening, 20 percent of listener support, and 13 percent of underwriting. It offers the highest return from listeners of any local music (1.25¢) and its underwriting return is a low .41¢ – typical of local music programming.

Local Jazz, Blues, AAA. Public stations offer many types of music, but Jazz, Blues, and AAA are the only genres carried broadly enough to examine here. **Local Jazz and Blues have extremely low returns from listeners** – at .86¢ and .71¢ the lowest identified in this study. Local AAA returns above a penny (1.04¢) but again, the return is low in relation to local Classical and acquired programming.

Local News and Call-In. Most public stations produce little local information programming outside of inserts into the national vehicles. However, the **stand-alone News and Call-In programs tracked in this study offer a very high return from listeners.** The formats are evidently more salable than local music as well, returning close to 3¢ per listener-hour in listener and underwriting revenues combined (double local music's rate of return).

Public broadcasters often equate local production with serving their communities' needs and interests. Although highly debatable when referring to music (what is "local" about Beethoven's fifth symphony?) it is clearly more applicable to local News and Call-in programming.

The high value listeners and underwriters place on local information programming is fortunate for public radio because this is some of the most expensive programming to do. It is even more expensive to do well.

Does this mean that resources invested in local News and Call-In programming is well spent? In terms of significant programming the audience is saying "yes." But in terms of fiscal responsibility the answer is not so clear. Because even though the return is high, it may

never be high enough to offset the expense.

As public radio comes to rely more on listener-sensitive support, high-ticket items such as these are asked to generate income commensurate with their cost.

To do so they must be placed in prime listening time; they must seek to serve the most significant audience; they must strive to be significant programming – well above the caliber of similar programming available on the station and on other stations in the market.

Yet it may be that local information efforts will never "pay for themselves," at which point station management is compelled to pay for them with the "surplus" earned from low-cost music or high-return acquired programming, or with subsidies sought for this specific purpose.

Management's task is to maintain and enhance public service by balancing incomes against expenses.

The balance need not be maintained within any single program type; but it does need to be maintained across all programming in the station's schedule.

Listeners and underwriters do not place as high a value on local music as they do on certain national programs or on local information. But in no way does this imply that one is "better" than another.

Choice of programming rests entirely with station management in service to the licensee's mission for the station. The information shown here simply suggests that **a station must keep expenses relatively low** if it is to support local music programming with listener-sensitive income.

Listener-Sensitive Returns – Acquired Programming

Acquired programming offers a gross return per hour of listening twice that of local programming. As with local programming, large differences exist among acquired programs and program types.

NPR News and Information. *Morning Edition* and weekday *All Things Considered* generate one-quarter (23%) of all listening to public radio in America. Listeners give nearly one-third (30%) of their support because of them. And into them local underwriters pour well over half (56%) of their funds.

They return nearly three and one-half cents (¢) per hour of listener service.

Other NPR News and Information programs vary in their listener-sensitive returns. But **generally they are somewhat higher** than similar programming from other sources, and are much higher than programming of most other types. The significant exceptions are *Car Talk* and PRI's *Marketplace*.

Car Talk and Marketplace. *Car Talk* and *Marketplace* each contributes about one percent of all listening to public radio. **But they generate listener-sensitive return far beyond this level.**

Both programs are highly valued by listeners: *Marketplace* at a high 1.94¢ per hour of service, and ***Car Talk* at 2.65¢ – the highest level achieved by any major program.**

Underwriters pay stations a respectable penny per hour of listening to *Car Talk*, bringing the show's total listener-sensitive yield to a very high 3.64¢.

***Marketplace* is in a league of its own with underwriters** paying stations more than three cents per listener-hour – twice as much as NPR News, nearly four times the system average. *Marketplace* earns the typical station an average of five listener-sensitive cents per hour of listening – the highest gross return of any major program or format by a large margin.

A Prairie Home Companion and Whad'Ya Know. PRI's premier entertainment programs return listener support in the 1.8¢-1.9¢ range – about the same as *Marketplace*, lower than *Car Talk*, somewhat higher than NPR News and Information, and much higher than local music. *PHC* gathers more money from under-

writers than does *WYK*. Overall, each show returns more than two cents per hour of listener service.

NPR Cultural. It would be entirely inappropriate to compare *Performance Today* with *Car Talk*, even though both are sold in NPR's Cultural package. *Performance Today* offers 10 fresh hours of programming per week, *Car Talk* offers only one.

The per-station shelf space of *Performance Today* is offset by *Car Talk's* nearly universal carriage, so each generates between one and two percent of all listening to public radio in America.

Listeners place the value of *Car Talk* at twice that of *Performance Today* (2.65¢ to 1.24¢). For underwriters that ratio is four to one (.99¢ to .24¢). These two programs serve the public, local underwriters, and stations in very different ways. Any comparisons that might be made between the two make this point quite clear.

Asking the Tough Questions

Classical Services Compared. A better comparison would be between *Performance Today*, *Classical 24*, and local Classical music. Each has something going for it. Local Classical and *Performance Today* each returns 1.25¢ per listener per hour of use. Underwriters value local Classical and *Classical 24* at twice the rate of *Performance Today*.

Local Classical has the highest overall return, *Classical 24* has the lowest. Which offers the best public service? Which is the best buy? Here we arrive at the crux of making decisions.

Which offers the best public service? The first filters through which any program passes are, of course, its quality and qualities, its fit with the station's goals and the licensee's mission, and other intrinsic characteristics valued by public broadcasting.

But given the plethora of programming choices available to the public broadcaster, the question "which offers the best public service" is

highly appropriate to public radio's mission, is growing in importance, and is well worth taking the time to ask and answer.

Recall that public service is the product of significant programming for significant audiences. **The significance of the programming in listeners' lives is reflected by the value they place on it.** On this count locally produced Classical music offers an advantage to the network services.

The other half of the equation – the significance of the audience – is reflected in listening estimates. The average audience as reported by Arbitron is the basis of gross listening.

But public radio has more sophisticated measures at its disposal.

Loyalty, core loyalty, and power are more appropriate measures of public service,

and each reflects the significance of the audience at the time the programming is broadcast.

Several sources of information offer decision-makers the means to assess the significance of the audience. They have a direct means of comparison among programs on their own air. Producers and distributors can usually supply information from other stations for programs not on their air. If a program is new and without a track record, well, that's where professional experience and instinct come in.

Which is the best buy? This purely financial question can be put another way: "Which programming option will yield the greatest net return?" Net return is the income derived from a programming investment minus its expense.

Income from listeners is a direct result of public service. Income from underwriters is a direct result of the size, qualities, and "match" of a program's audience to the underwriters' target. Of course **these listener-sensitive sources are highly dependent on a station's ability**

to turn listeners into supporters, businesses into underwriters.

Getting back to our example, local Classical returns 1.66¢ per listener-hour, *Performance Today* returns 1.48¢, and *Classical 24* returns 1.21¢. But

if either of the national programs served twice the number of listeners in the same time slot as local Classical, they would in fact generate more income for the station.

Managers who have purchased AUDIENCE 98 Programming Economics reports for their stations have available listener-sensitive return estimates for all programs and formats in their schedules. Those without this local information can apply the national figures in this report's master table to their own assessments of programming power.

Considering the Cost. The question "which is the best buy" isn't answered until the cost of producing or acquiring the programming is taken into account.

Managers and programmers tend to significantly underestimate the cost of local production, while in the same breath unfairly comparing it to the cost of acquisition.

This is not to say the local production is unwarranted – far from it. It is to say that the price tag of local production is higher than many at stations would maintain. Indeed, it is likely to be several times the cost of acquiring a similar (or superior) product when all is said and done.

In sum, answering the question, "Which program is the best buy?" requires **an honest assessment of the true cost of each option relative to its listener-sensitive returns.** This isn't so simple when comparing the price of an acquisition to the cost of local production. It is, however, much easier when comparing similar acquisitions.

Conclusions

The price that national program producers and distributors can charge stations for programming stands squarely upon its value to station management.

The **price that station management is willing to pay** starts with intrinsic programming characteristics – production value, mesh with mission, and all the qualities we take as given (and never for granted).

These left-brain judgements are augmented by the right-brain concerns of fiscal limitations and responsibilities.

A program's financial value to a station is highly influenced by the value listeners place on it, and to a lesser extent the value underwriters place on its listeners.

It's not just cost; it's not just listener support; it's not just underwriting; it's not just the size of the audience served; it's all of these and more.

At all levels in public broadcasting, we are being called upon to maintain and enhance our public service by balancing listener-sensitive incomes against expenses.

Programming that may have been possible in a fully subsidized economy may simply be unsustainable in public radio's hybrid public service economy. Programs that some think of today as "loss leaders" may, in the face of hard economic and public service data, prove simply to be "losers."

As with most good things in life, the cheapest options may not be the best bargains, and the most expensive may pay the greatest dividends.

– David Giovannoni

The Value of Programming

Maximizing the Public Service Investment

*“The next time a producer offers
to give you his two cents worth,
tell him it’s not enough”*
– John Sutton

The goal of financial analyses is often to maximize profit. **While “profit” may be the goal in commercial media, it is merely a means to an end in a medium that defines public service as its goal.** Weighing the cost of programming against its return is an appropriate calculation for the public broadcaster.

Programming that “costs” the station or the producer more than it “earns” literally removes resources that can be used for other programming.

A listener-hour is the basic unit of radio “consumption.” It is the product of the average quarter-hour audience times the number of hours the program is on the air over the time period in question.

A station’s cost per listener-hour can be estimated by dividing its annual operating cost by its full-week average quarter-hour audience times 65.7.

The **cost of a program** can be estimated by dividing its expenses (ideally, both direct and indirect) by its average quarter-hour audience times the number of hours it’s on the air per year. In both cases the results are in pennies per listener-hour.

As cheap as spinning disks may seem, the true cost of local music production is a complex issue. It involves the allocation of many real expenses beyond the host’s salary. To name

just a few:

- Is there a music director’s salary to pay?
- How much of the program director’s time is involved?
- The manager’s time?
- Are benefits and overhead included?
- What is the true cost of maintaining the music library?
- Is production involved?
- Is the cost of equipment depreciation factored in?

Underwriting is sensitive to the number and qualities of listeners. The more people in the audience, and the more they are like the people the underwriter wishes to reach, and the more difficult they are to reach through other media, the more the underwriter will pay to reach them with on-air credits.

Listener support is even more listener-sensitive. Like underwriting, the more people a station serves, the more listener support it is likely to receive. However, the programming that serves these listeners must be important in their lives. It must be significant. Otherwise, people may listen, but they won’t value it enough to support it financially.

Listener support is the product of programming significance, or value to the listener (measured by listener income per listener-hour) times the significance of the audience, or use by the community, (measured in listener-hours).

The Value of Programming

The Gross Value of Programming to Listeners

The gross value of a program or format to listeners is the amount of money it generates from listener support.

The table below shows the gross value of programming to listeners in fiscal year 1997 (October 1996-September 1997).

Listeners gave public stations \$140 million at last count. NPR news and local classical music programming generated the bulk of this direct listener support.

– David Giovannoni
– Jay Youngclaus

	Listener Support (in \$ millions)
All Programming	140.1
Local Classical	27.4
Other Local Music	20.6
Local News, C all-In, etc.	10.5
NPR <i>Morning Edition</i>	24.8
NPR <i>ATC Weekday</i>	16.2
NPR <i>Weekend News</i>	5.9
NPR <i>Talk/Information</i>	6.6
NPR <i>Performance</i>	6.5
PRI	13.8
Other Acquired	7.9

Sources:
Program/Format Listening: Arbitron, Fall 1996; Audience Research Analysis.
Program/Format Listener Support: Public Radio Recontact Survey, Spring 1997.
Total Listener Support: CPB FY 1997 Public Broadcasting Revenue, Station Financial Survey.

The Listener-Sensitive Economic Return

Source Program Type	Format	Contribution (as a percent) to All		
		Listening	Listener Support	Underwriting Support
All Public Radio Programming		100%	100%	100%
Locally Produced:		49%	42%	25%
<u>Music</u>		44%	34%	21%
	Classical	22%	20%	13%
	Jazz	10%	6%	6%
	AAA	2%	2%	0%
	Blues	2%	1%	2%
	Other Music	7%	6%	1%
<u>Non-Music</u>		6%	7%	4%
	Call-In	2%	3%	3%
	News	2%	3%	2%
	Other Non-Music	2%	2%	0%

Source: Public Radio Recontact Study, Audience Research Analysis, Arbitron 1996

of Public Radio Programming

Return (in Cents per Listener Hour) From

Listeners	Underwriting	Both Listener-Sensitive Sources
1.41	0.82	2.23
1.19	0.44	1.63
1.10	0.41	1.52
1.25	0.41	1.66
0.86	0.43	1.30
1.04	0.49	1.53
0.71	0.56	1.26
1.14	0.22	1.36
1.88	0.60	2.48
2.04	0.82	2.86
2.35	0.61	2.96
1.29	0.12	1.41

The Listener-Sensitive Economic Return

Network Program Type	Program	Contribution (as a percent) to All		
		Listening	Listener Support	Underwriting Support
Acquired		51%	58%	75%
NPR		36%	43%	65%
	<u>News</u>	27%	33%	59%
	<i>Morning Edition</i>	14%	18%	34%
	<i>ATC Weekday</i>	9%	12%	22%
	<i>Weekend Edition</i>	3%	3%	3%
	<i>ATC Weekend</i>	1%	1%	0%
	Other NPR News	0%	0%	0%
	<u>Talk/Information</u>	5%	5%	4%
	<i>Fresh Air</i>	2%	2%	2%
	<i>Talk of the Nation</i>	2%	1%	2%
	Other NPR Talk/Information	1%	1%	0%
	<u>Cultural</u>	4%	5%	2%
	<i>Performance Today</i>	2%	1%	0%
	<i>Car Talk</i>	1%	2%	2%
	Other NPR Cultural	1%	1%	0%
PRI		10%	10%	9%
	<i>Classical 24</i>	2%	1%	1%
	<i>A Prairie Home Companion</i>	2%	2%	1%
	<i>BBC World Service</i>	1%	1%	0%
	<i>Marketplace</i>	1%	1%	4%
	<i>Whad'ya Know</i>	1%	1%	0%
	<i>The World</i>	1%	1%	0%
	Other PRI	3%	3%	2%
Other Acquired		5%	6%	1%
	<u>Classical</u>	3%	2%	0%
	<u>Other</u>	3%	4%	0%

Source: Public Radio Recontact Study, Audience Research Analysis, Arbitron 1996

of Public Radio Programming

Return (in Cents per Listener Hour) From

Listeners	Underwriting	Both Listener-Sensitive Sources
1.62	1.16	2.77
1.70	1.36	3.05
1.75	1.54	3.29
1.75	1.74	3.49
1.78	1.64	3.43
1.71	0.80	2.50
1.47	0.02	1.48
1.55	0.30	1.85
1.39	0.76	2.15
1.75	0.92	2.67
1.09	0.93	2.02
1.25	0.29	1.54
1.72	0.50	2.22
1.24	0.24	1.48
2.65	0.99	3.64
1.27	0.05	1.32
1.43	0.75	2.18
0.80	0.41	1.21
1.90	0.47	2.37
1.06	0.22	1.28
1.94	3.09	5.04
1.86	0.28	2.14
1.42	0.54	1.97
1.39	0.65	2.05
1.44	0.17	1.62
1.00	0.16	1.16
1.88	0.18	2.06

The Value of Programming

The Gross Value of Programming to Underwriters

Gross value to underwriters is defined as the local return on programming from support (cash and trade) in return for on-air mention. National underwriting is not included in these calculations.

The table below shows the gross value of programming to local underwriters in fiscal 1997 (October 1996-September 1997). Underwriting's total value is estimated at \$60 to \$75 mil-

lion; CPB does not specifically request this figure from stations in their annual financial reports.

Alone, *Morning Edition* and *ATC* (weekday) generate more than half of all local underwriting dollars.

– David Giovannoni
– Jay Youngclaus

	Local Underwriting Support	
	Low Estimate (in \$ millions)	High Estimate (in \$ millions)
All Programming	60.0	75.0
Local Classical	7.6	9.5
Other Local Music	4.8	6.1
Local News, Call-In, etc.	2.7	3.4
NPR Morning Edition	20.1	25.2
NPR ATC Weekday	13.1	16.3
NPR Weekend News	2.1	2.6
NPR Talk/Information	2.6	3.3
NPR Performance	1.3	1.6
PRI	5.2	6.5
Other Acquired	0.5	0.7

Sources:
Program/Format Listening: Arbitron, Fall 1996; Audience Research Analysis.
Program/Format Underwriter Support: Audience 98 Underwriting Survey.
Total Underwriter Support: CPB FY 1997 Public Broadcasting Revenue, Station Financial Survey.

The Value of Programming

Parsimony

The efficiency of network programming has been recognized since the beginning of broadcasting. Parsimony – the pooling of resources to create network programming – not only reduces the unit cost per station, it can significantly enhance the quality of programming.

Public service through quality programming is what public radio is all about. And listeners say the quality of our network programming is higher – often significantly so – than local programming.

- They are more loyal to network programming.
- They consider it more important in their lives.
- They value it more highly.

In no way should this reflect poorly on local programming efforts. But it reminds us that the source and cost of programming are best kept

in a productive, listener-focused context.

For instance, NPR's news shows are among the most expensive a station can buy. Yet every dollar a station spends on them returns several dollars in listener support and local underwriting.

Car Talk and *Marketplace* are also "expensive" programs that generate extensive surpluses for most stations.

Fact is, most major national programs return more to stations than are paid for them.

The economics vary from station to station, of course. But as a system, public radio pays for its local programming through financial surpluses realized on national programming.

That's the net result – and power – of parsimony in public radio.

– David Giovannoni

The Value of Programming

How We Do It

Public radio stations raise, on average, 0.8¢ per listener-hour in underwriting support. We more than double that return here at WBUR in Boston.

How do we do it? By **not** selling drive time separately.

WBUR's strategy isn't tied to our market or audience size. It's based on pricing incentives. As a result, we give away little and make every daypart pay.

If WBUR offered underwriting packages for *Morning Edition* and *All Things Considered* only, they'd sell out quickly. That would leave no prime availabilities to sell – and a lot of unused inventory in other dayparts or programs that are less desirable to underwriters. It would also make for idle or frustrated salespeople.

Instead, we've made some calculated trade-offs. For example, we're willing to take a *Morning Edition* revenue return that's 0.3¢ per listener-hour below the national average in exchange for getting **2.3¢ above the national average for *Talk of the Nation***.

Most underwriters prefer to run their announcements during fixed times or during drive times. But in WBUR's experience, the majority will opt for run-of-daypart or run-of-schedule (ROS) when they're given a good price incentive.

For purposes of underwriting sales, WBUR defines its dayparts as 5:00 to 10:00 a.m., 10:00 a.m. to 3:00 p.m., 3:00 to 8:00 p.m., and 8:00

p.m. to midnight. The station defines ROS as Monday to Sunday, 6:00 a.m. to midnight.

WBUR offers underwriters a number of rotation options, including fixed spots, run-of-program, run-of-daypart, and run-of-schedule. But prices for the fixed spots and run-of-program packages are steep when compared to run-of-daypart and ROS. The price for a fixed spot in *Morning Edition* on WBUR is three to four times more than the same spot in a run-of-daypart or ROS package.

WBUR's emphasis on selling run-of-daypart and ROS packages spreads our underwriting over virtually all programs and dayparts, including those which underwriters might not otherwise buy.

Underwriters can run announcements during drive times at a lower cost than if they purchased only peak listening times. And WBUR can build value into its otherwise less desirable programs and dayparts for a bigger overall return from underwriting. It's a classic win-win outcome for both parties.

Mary Fronk and Kirsten Kalhurst, who manage WBUR's Corporate Support department, devised our underwriting plan. AUDIENCE 98 has dubbed development efforts that exceed expectations a station's "D-Factor"; it's their creativity and drive that puts power into ours.

– Jay Clayton
Marketing Director, WBUR



7.

Audience Volunteers Support

Public radio's increasing dependence on listener support demands a concomitant rise in public service, and that keeps us true to public radio's founding vision.

Nearly 30 years ago, industry pioneer Bill Siemering imagined programming that "enriches and gives meaning to the human spirit...[and will] result in a service to listeners which makes them more responsive...responsible citizens of their communities and the world."

When our service achieves these ideals, listeners readily reach for their wallets. Government and institutional support can cloud our vision by mandating service to **their** interests – which may not always coincide with the best interests of the listening public.

Serving the public is public radio's reason to be. That listeners help finance us, of their own free will, is remarkable in many ways. Having to earn that support keeps us focused on Bill Siemering's early vision, and rivets us to the right goals.

In this next chapter, AUDIENCE 98 reconfirms that programming not only causes audience, it also inspires our audience to volunteer support.

Givers

What Turns A Listener Into A Giver?

You do.

You turn listeners into givers by your programming choices.

That includes **every** programming element, from the content and presentation of your national and local shows, to your positioning statement and promos, right down to the attitudes of your on-air drives. Everything a listener hears determines his decision to give.

Virtually every facet of turning a listener into a giver is under your control.

Fact is, we've known this since 1985. AUDIENCE 98 confirms with clarity what was first discovered by the "Cheap 90" study, enhanced by AUDIENCE 88, and built into the Giving Path. And like any good study, it deepens our understanding even more.

What Did We Verify?

To become a giver a person has to listen first.

Obvious? Not necessarily. You don't have to be a disaster victim to give to the Red Cross.

Next, that listener must rely on your service.

Speaking consistently to his interests and attitudes creates loyalty. He depends on your station for its news and entertainment. It validates his values and resonates with his cultural references. It's part of the soundtrack of his existence.

Your station becomes integral to that listener's life.

The more years spent listening, the greater the likelihood that listener is to give. But more im-

portant is whom he thinks pays your bills.

If he believes listeners pay the bills, he's more likely to contribute. If she thinks government grants are limited, she's more apt to give too.

If they perceive both realities – that listeners have a prime responsibility and that government support is minor – they move up yet another step in the giving path.

(The previous point is a refinement on AUDIENCE 88.)

And yes, those listeners must have money to spare.

But this is **not** rich people's radio. Most gifts come from people whose annual income is modest to moderately upper middle class.

If you get to this point with a listener, what's left is providing an opportunity to pledge. Here's where the catalyst – the on-air pitch or direct mail piece – kicks in.

If you don't get to this point, no fundraising technique on the planet can pick his pocket or her pocketbook.

What Did We Discover?

We learned most of this in 1985 and again in 1988. So what else is new in AUDIENCE 98?

We have a far better sense of what does not cause giving.

When predicting a listener's decision to give, or when explaining a station's fund drive success, elimination of what doesn't matter clears the field of confusion over what does.

We also gained fresh insight into what makes a station "personally important" to a listener.

The relationship between a giver and a station may be rooted, in part, in a “sense of community.” This concept – ripe for further study – reminds us that public service is our greatest

strength and key to a financially stable future.

– Leslie Peters
– David Giovannoni

Givers

The Stairway to Given

Each step identified in this analysis lifts a listener closer to giving. However, some steps are bigger than others.

The steps in this graphic represent the partial correlation coefficients of the independent variables (e.g. household income) with the dependent variable (current giver status) in a probit analysis that differentiates givers from non-givers.

- “Listens to the station” means “in the weekly cume.”
- “Relies on the programming” is the combination of a listener’s loyalty and years spent listening to the station.
- A factor (from factor analysis), interpreted as a listener’s “sense of community,” accounts for roughly one-third for the belief that the station is “personally important.”
- “Funding beliefs” are measured by agreement that listeners support public radio and that government support is minimal.
- “Ability to afford” is an interpretation of household income.

The first step is the most important.

A person **must** listen.

This step alone is bigger than the remaining steps combined.

The second step is the second largest.

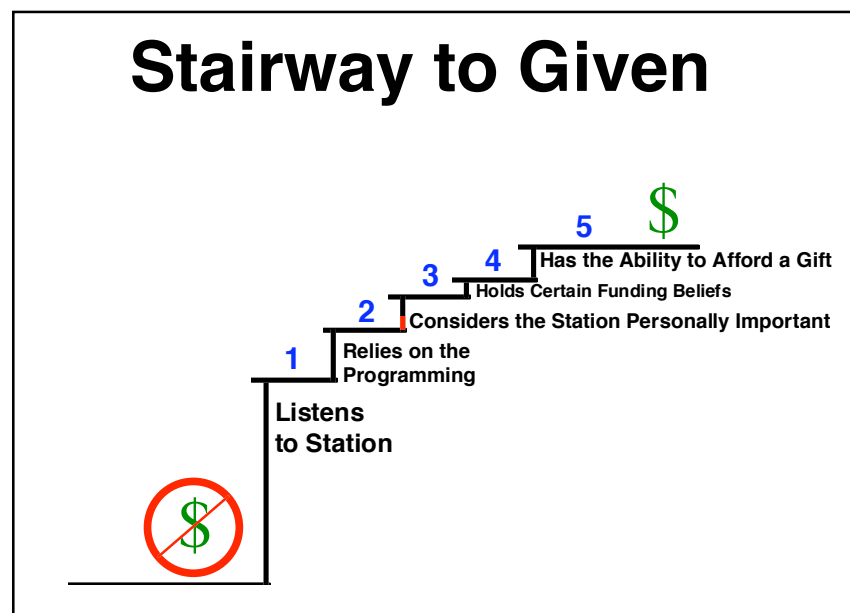
The listener must **rely on the programming**.

AUDIENCE 98 finds several indicators of reliance: **occasions** (the number of times the station is used each week); **horizontal hold** (the number of different days per week the station is heard); and **core** (the station is the person’s favorite, used more than any other).

However, a person’s **loyalty** to public radio and the **number of years** he’s been listening to the station are, in combination, the best indicators of his current reliance on the programming.

The third step is the third largest.

Personal importance is the listener’s belief that the station is important in his life, and that he would miss it if it went off the air.



AUDIENCE 98’s “sense of community” concept is part-and-parcel of personal importance. Mathematically it accounts for one-third of the personal importance step.

The fourth step is the smallest.

This is the belief that listeners support public radio, and that government support is minimal.

Once a listener has climbed these four steps, only then does his **ability to afford** (as measured by gross household income) come into play – and even then, only in the wealthiest of households.

This is a fine but important point. Most public radio givers do not live in the wealthiest of households. Their willingness to give doesn't differ much from one another until their annual household incomes surpass \$100,000 – after which their income does positively influence their willingness to give.

Another Way To Look At It

Although movement from a listener to a giver is a process, some steps are more important for some listeners than others. We used our model of listening to ask the question,

If we could just influence one thing, how much would we have to influence it to turn a listener into a giver?

The answer lies in the “probability of giving.” The chance that a non-listener is a giver is essentially nil. Indeed, among the sample of listeners interviewed in the Recontact Survey upon which AUDIENCE 98 is based, the chance that a listener lives in a giving household is about 30 percent. That likelihood can be raised above 50 percent by effecting any one of these changes.

Reliance: Your programming would have to increase a person's loyalty from 40 percent to 70 percent. In essence, if you can make your station a person's favorite, he is much more likely to support it.

Personal Importance: You can turn a listener into a likely giver by getting him to “definitely agree” that your station is an important part in his life, and that he would miss it if it went off the air. How to do this? By demonstrating to him, in positioning messages and appeals in pledge drives, that he is in fact reliant on the station,

that it does add to his daily existence, and so forth.

Funding Beliefs: If you can convince one listener in a household that public radio is listener supported **and** not significantly supported by government dollars, you will likely have a giving household.

Ability to Afford: For income to have the same effect, the household would need a nearly \$50,000 increase in its annual income. **This is something over which you have no control.** Wealthier households are simply an easier touch.

No Step Stands Alone

As can be seen, no single factor will easily turn the average listening household into a giving household. But relatively modest changes across some or all of these factors will.

For instance, increase a person's **loyalty** by 10% and his acknowledgement of **personal importance** by just a little, and he'll be a giver more often than not. If you then make him aware that public radio is **listener supported** and **not funded solely by government monies** he is extremely likely to become a giver, regardless of his ability to afford.

Teamwork

Raising people up to the level of givers requires a team effort at stations.

AUDIENCE 98's model estimates that program directors get people literally two-thirds of the way to becoming givers by getting them into the audience and making the program service as reliable and important in their lives as possible.

Funding messages delivered in positioning statements or pledge appeals take listeners most, but not all, of the remaining distance. Raise a person this far and it simply becomes a matter of convincing him the gift is affordable.

– David Giovannoni

A Sense of Community

As the key to giving, the “personal importance” of one’s public radio station has locked in like a deadbolt three times – in the “Cheap 90” study, AUDIENCE 88, and now in AUDIENCE 98 .

When it came to the top again for this report we began to wonder whether personal importance has a deeper meaning for listeners.

Could this idea of personal importance incorporate “a sense of community”? A community bound by shared interests and values rather than by city limits or county lines? A virtual community so real and meaningful that its citizens are willing to support it voluntarily?

As public radio’s career-oriented, college-educated adults relocate repeatedly for advancement, they may not stay long enough in one place to put down roots. But their basic human need to bond with others like themselves is still strong.

Could public radio provide a portable community that travels with them?

That was our theory.

Though listeners weren’t surveyed specifically about this idea, we explored it using information from AUDIENCE 98’s database.

Seeking out public radio when they travel or move residence; valuing news and music programming for its uniqueness; gravitating to it because it resonates with their “social and cultural values”.... We believed that listeners’ agreement with these questions should be highly reflective of their “sense of community,” and we posited that those deeply imbued with this sense would be more likely to give.

We were right.

Some fancy statistical footwork convinces us that a listener’s “sense of community” is a significant component of “personal importance.”

The outlines of a virtual community map are emerging, and they may offer a better route to the listener’s sensibilities.

If givers think of public radio as a community, then a fund drive is a barn raising, not the Home Shopping Network. On-air pitching is passing the hat, not selling Beanie Babies. Shirts and mugs – still the most popular premiums – are emblems of membership and pride in the community, not merchandise exchanged for cash.

“Sense of community” may add dimension to the seminal concept of personal importance, and thereby help public radio professionals to influence giving, focus fundraising messages, and schedule programming.

Communication technologies let us choose our neighbors based on their sympathies rather than their proximities. Being connected to other people by psychological rather than geographical space isn’t so alien anymore.

Larry Josephson talks about public radio as a secular church. E. B. White called it “our Lyceum, our Chautauqua, our Minsky’s, and our Camelot.” Our exploration gives credence to these metaphors. For public radio, “a sense of community” is an idea that merits moving from poetic rhetoric to further, serious research.

– Leslie Peters
– David Giovannoni

The Sign of a Giver

*"When you have eliminated the impossible,
whatever remains, however improbable,
must be the truth."*

– Sir Arthur Conan Doyle

Finding clues to what makes a giver is one of public radio's most popular pastimes. Nearly everyone has a theory or two.

AUDIENCE 98 helps solve this mystery by investigating a number of possible theories. We rounded up the usual suspects in our Holmesian hunt for the truth – a wide range of listener attributes that, some speculate, weigh significantly in the decision to give.

For instance, more than a few armchair detectives assume that the characteristics that prompt people to listen also predict giving.

Watch out – that line of inquiry is a dead end.

Most people in public radio's audience are better educated than most and share certain interests and values that attract them to listen in the first place.

So once in the audience, does one degree – more or less – make a difference? Are men, with more disposal income than women, more disposed to give? Do nest eggs and empty nests make it more likely for older people to pledge? Does the color of skin correlate to the color of money?

In AUDIENCE 98's analysis, neither age, gender, race, nor level of education offer meaningful clues to giving.

If these descriptors fail to prove important, what about behavior? If the basis of giving is programming, does listening to any particular program or format forecast a gift?

Some speculate that a news/talk format is potentially more lucrative than music. We're all familiar with the claim that classical listeners, with fatter wallets, are more apt to give than jazz users.

AUDIENCE 98 tests – and rejects – all evidence that a person's listening to certain programs or formats plays any role in the decision to give.

By eliminating program choices and these personal characteristics from the list of speculation, we solidify the case for what is true:

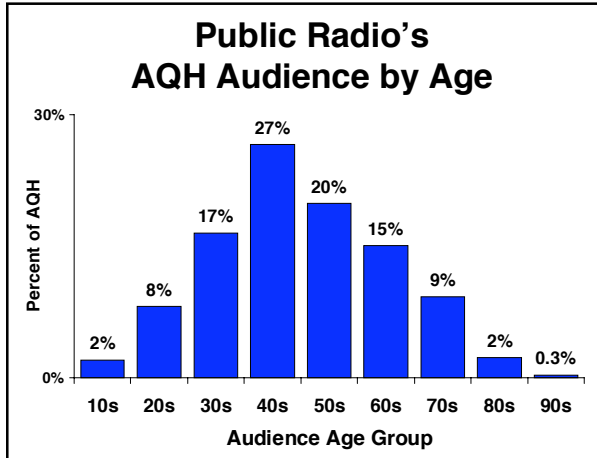
If a person listens to public radio, tunes in regularly, values what he hears, believes he needs to do his share, and has money to give, that person is likely to give some to you.

This is the evidence that holds up under the closest statistical scrutiny. It's compelling, yet still...elementary.

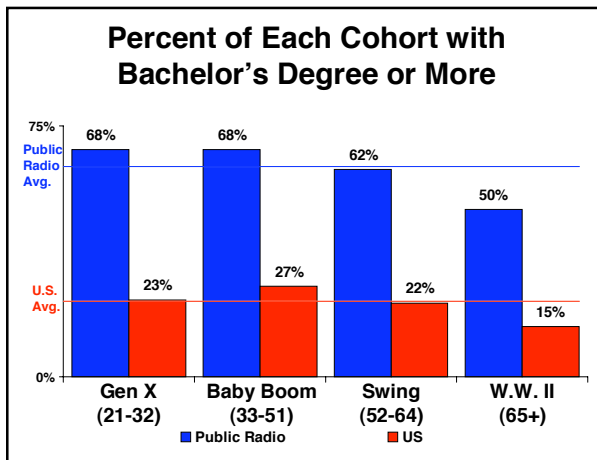
– Leslie Peters
– David Giovannoni

Four Generations of Givers

People of all ages listen to public radio.

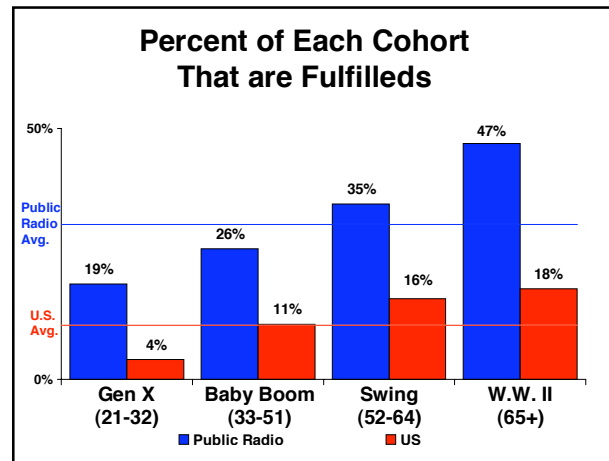
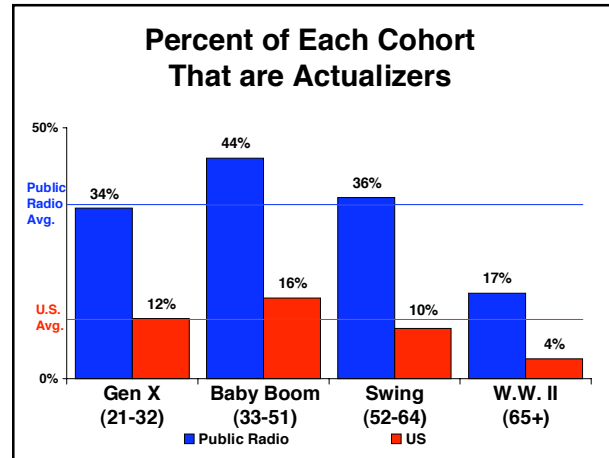


Public radio's appeal – the magnet that attracts certain types of people closely to it and repels others – is best reflected in the highly educated nature of its audience.

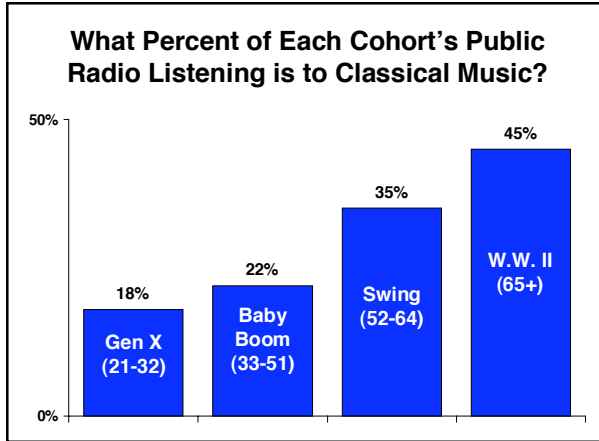


Education and the resources, values, and lifestyles it engenders are strongly associated with VALS's Actualizers and Fulfilleds.

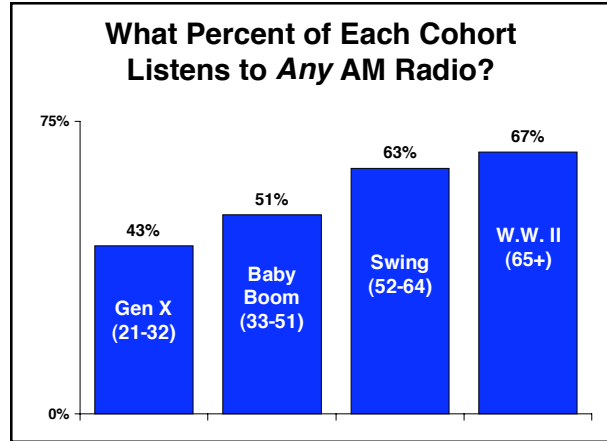
The intellectually peripatetic, socially liberal Actualizers and the more conservative, principle-centered Fulfilleds distinguish public radio listeners from their generational cohorts.



Some things, like listening to music, are tied quite closely to age. For instance, the older our listeners are, the more likely they are to be listening to classical music.



Public radio broadcasts primarily on the FM band, which is where most listening by **all** generational cohorts happens today. As the AM medium ages it imposes an ever-finer filter on listening; younger listeners are effectively screened out of the audience.



Lifetimes of experience explain this. During the second world war AM **was** radio; there was no FM band to speak of until Viet Nam – the Baby Boomer's war. The Swing generation swung to an AM groove; FM was built on the Baby Boomer's rock & roll.

Generational differences are also apparent in listeners' climb up the Stairway to Given.

– Jay Youngclaus
 – Leslie Peters
 – David Giovannoni

Note: *The Stairway to Given is explained in detail on pages 115-116.*

Stairway to Given

(For most-listened-to Public Radio Station)

	Gen X	Baby Boom	Swing Gen	WWII Gen
Percent of Listeners	16	45	22	17
Percent of Listening	12	45	24	20
Percent of Givers	9	47	23	21
Percent of Giving	8	49	23	20
Steps 1&2 Reliance on Public Radio				
Percent in Core	38	46	47	46
Loyalty	29	36	38	40
Years Listening to Station	5	9	12	14
Percent with "Strong" Reliance on Public Radio	37	48	49	51
Percent who listen both Weekdays and Weekends	42	50	58	61
Occasions (per week)	6	7	8	7
TSL (HR:MN per week)	6:18	8:28	9:17	9:47
Step 3 Personal Importance				
Percent who agree Public Radio Station is Personally Important	87	90	91	90
Percent with "Strong" Sense of Community	50	56	60	59
Step 4 Funding Beliefs				
Percent who have Beliefs Associated with Giving to Public Radio	35	35	38	35
Step 5 Ability to Afford				
Average Annual Household Income	\$42,000	\$76,000	\$75,000	\$49,000

Catalyst and Cause: Turning Listeners into Givers

"Two mugs and a pound of coffee for 60 bucks? You'd have to love the radio station to go for that deal."

– Focus group comment from a public radio fringe listener.

Programming causes audience. And programming causes listeners to give.

People give because the programming is important in their lives; they would miss it if it went away.

This basic principle was revealed by the "Cheap 90" study and confirmed by AUDIENCE 88 and NPR's First-Time Giver's study. It was confirmed during NPR's financial crisis. It was confirmed when federal funding was threatened.

The decision to give is based on a listener's use of and satisfaction with the station's programming over time.

During the course of listening, the person is exposed to numerous fundraising appeals. At some point, the fundraising appeals begin to resonate. Only when messages about the programming's significance ring true with people's perceptions of the station will they be converted into givers.

Fundraising efforts offer the catalyst; but the listener's relationship with the programming is the cause.

This is a critical point. On-air drives, direct mail, telemarketing, special events – any one of these may induce the act of giving, but none of these are the **reason** listeners give.

We can lead ourselves astray by forgetting this – for instance, when we judge programs by the number of pledges they generate during fundraising week. Phone calls don't measure the importance of a program; they do measure a lot of other things, though – everything from at-home listening to the number of minutes available for pitching.

The On-Air Fundraising Partnership research shows that most pledge calls are made from listeners' homes. It is no coincidence that the programs that generate the greatest number of pledges have the highest levels of at home listening.

The best pitchers, premiums, and challenge grants tend to be scheduled during the programs with the greatest opportunity for success. Some program formats simply lend themselves to on-air fundraising more than others. All of these factors affect the number of calls generated during a program. **It is a disservice to the program, the station, and the audience to judge a program by its pledge calls.**

Converting listeners into givers begins with understanding the difference between the catalyst for giving (fundraising methods) and the cause of giving (satisfaction with programming).

Your listeners understand this already. One of the most well educated media audiences knows better than to buy a sweatshirt for \$150. They'd really have to love the radio station to go for that deal. And those who give do.

– John Sutton

The Giving Path

Leading listeners to giving is the trip mapped out by this body of pitches originally developed for the On-Air Fundraising Partnership.

Messages for Steps One through Four are about the **cause** (programming) for giving to public radio.

Messages for Step Five are about the **catalyst** (fundraising) that stimulates giving.

All fundraising messages should address at least one of these steps.

Step One: The station must be important in the listener's life.

This new language reflects the significance of personal importance to the giving process, as reaffirmed by AUDIENCE 98.

These messages remind the listener about the value of public radio – the programs, reports, features and music that resonate with his values.

In addition to regular pitching, they use program excerpts, testimonials, and interviews with public radio personalities to tap into the listener's values.

Step Two: The listener must be aware of our need for support.

These messages emphasize that listeners are our most important and reliable source of income.

They provide context by communicating how much money comes from listeners, business, and the government.

Step Three: The listener must agree that our need is valid.

These messages demonstrate how listener support results in the programming the listener values.

They show how public radio funding works with money going from the listener to stations to program producers. They explain, in meaningful ways, why programming is expensive.

Step Four: The listener must accept responsibility for helping us meet our needs.

These messages evoke the listener's sense of personal and social responsibility. They build on the intellectual and emotional value the listener places on the station, and his understanding of public radio funding.

Step Five: The listener must act.

These messages facilitate the act of giving, helping the listener decide how much to give, when to call, and how and when to pay.

Descriptions of pledge levels, premiums, challenge grants, and installment programs are all Step Five message.

– John Sutton

Why Stations Succeed and Other Myths

Myths are amazing things. They can offer satisfying explanations of the underlying forces that cause a phenomenon, and yet be dead wrong about these forces or how they work.

It's no myth – it's **fact** – that some stations are better than others at turning listeners into givers. But many commonly held explanations of this ability are unproven – theories at best, myths at worst. This analysis tested five groups of theories, and none survived the rigorous reality checks that would have raised them above the level of myths.

Although AUDIENCE 98 identifies certain listener characteristics related to giving, it finds no **station** characteristics that explain why some are better able to convert listeners into givers.

Myth 1: Location, location, location. This cardinal rule of retailing suggests that stations in the largest markets, or in markets with the highest concentrations of potential listeners, have an easier time generating givers. Certainly location affects the size of their audiences. But when it comes to getting givers much more is at work.

Fact: Market characteristics do not explain a station's ability to turn listeners into givers.

Myth 2: It's the format, stupid. Some kinds of programming attract listeners with more education and therefore more money. The theory states that stations offering news or classical music have got it made. Those serving less educated, poorer people face a greater struggle for listener support.

Fact: Format alone does not explain a station's ability to turn listeners into givers. Givers have a wide income range.

Myth 3: The rich get richer. This theory holds that the stations with the most money have the resources to generate more givers. They probably have bigger development staffs; they probably have more fundraising techniques available. More resources, more givers, more money – it's an inevitable upward spiral of success.

Fact: A station's operating budget does not explain its ability to turn listeners into givers.

Myth 4: The drive to survive. Some stations have cushions of support from universities or other institutions. Others, like community licensees, depend more heavily on listeners and are forced to focus on listener support. Although the need to turn listeners into givers may be more keenly felt at these stations,

Fact: Neither the type of licensee, nor the extent to which a station relies on listener support, explains its ability to turn listeners into givers.

Myth 5: Pictures help. Don't radio operations that share development staffs with public television stations have a competitive edge over other radio stations?

Fact: Radio stations held as joint licensees are no better or worse at turning listeners into givers.

There's one important theory that AUDIENCE 98 does not have the data to test:

Successful stations' development staffs may simply be smarter, more ambitious, and more in touch with the values and lifestyles of their listeners than the rest.

Myth-in-the-making? Maybe. Only further research will tell.

– Leslie Peters
– David Giovannoni

Note: None of these station-specific variables is in the Public Radio Recontact Survey database. We thank Tom Thomas of the Station Resource Group for helping us work out these ideas, and CPB for the data needed to test them with statistical rigor.

Analyzed simply, in purely descriptive terms, many joint licensees **do** have higher than average listener-to-giver conversion rates. So do many stations in large or “dream” markets (Madison, Chapel Hill,

Boston, Washington). So do many news and classical stations. So do many community stations.

But once the underlying causes of giving are taken into account, **none of these station characteristics matter**. The stations that are best at generating givers are heavily relied upon by their listeners, are more important in listeners’ lives, engender a greater sense of community, and better communicate their reliance on (and the importance of) listener support.

Giving

How do givers decide how much to give? And how can we get them to give more? Those are the two questions that follow once we know what turns listeners into givers.

As AUDIENCE 98 sees it, giving and gift size are the intertwined products of a person's **motivation, mindset, and means**.

Most of the factors that determine a listener's decision to give also influence the amount given.

Motivations and Mindsets

Before deciding **how much** to give, a listener must be **ready** to give. The Stairway to Given, created in the Givers report, leads a person to a **giving state of mind**:

- To become a giver a person must first listen to our station.
- The person relies on our program service.
- The person considers our service important in his or her life.
- The person believes that listeners pay the bills and that government grants are limited.

The first three steps are **motivations** rooted in the appeal of public radio's programming. **The only way to encourage listeners to climb these three steps is through programming.**

Funding beliefs are **mindsets** that we can influence with messages that convey the need for listener support, particularly in light of diminishing government subsidies.

Although sequential steps are implied, only the first step – listening – has a critical place in the order. These **motivations and mindsets** can develop at any time and accumulate until a listener is ready to give.

Means

The decision to give is made a little sooner among persons with annual household incomes

above \$100,000. But for most listeners, their **means** are at best a minor consideration in the decision of whether or not to give.

That said, AUDIENCE 98 validates an observation most of us make:

People who have more money can give more money.

Hardly a startling revelation, but its implications run deep. If a person's ability to afford a gift doesn't cause him or her to give, yet the size of the gift is influenced by the financial means available, then

the motivations and mindsets that cause giving are independent of a person's means. **All listeners, regardless of their incomes, can be motivated and educated to give to public radio.**

Gift Size

No model can include **all** of the listener characteristics that influence **the size of a particular listener's gift**. But for every \$10 AUDIENCE 98's model can explain,

- four dollars are influenced by listeners' household incomes (means);
- three dollars are influenced by their reliance on the service (motivation);
- two dollars are influenced by the importance of the service in their lives (motivation);
- and if they're Actualizers, they'll give you an extra buck (mindset).

What does this tell us?

Reliance and personal importance – two programming-centered motivations in the decision to give – are so powerful that they also pervade the decision of how much to give.

In fact, half of AUDIENCE 98's ability to predict gift size is based on these two motivations. Together they weigh more heavily in the

determination of gift size than a person's financial means.

In sum:

While a good public service can get a listener to give, a better public service can increase the size of his gift.

Although VALS 2 is a good predictor of whom from the general population may listen to public radio's programming, **it is not a predictor of who will give. Nor does VALS type predict the amount of money a giver will give.**

AUDIENCE 98 does find that Actualizers come with a 10 percent premium built in. And knowing that Actualizers are over-represented in both listening and giving helps us shape more effective messages that resonate with their values and beliefs.

Applying This Knowledge

Understanding the most basic motivations, means, and mindsets that cause giving and influence gift size can help us shape and hone messages that encourage **every** type of listener **to give** – and to **give more**.

- Well-targeted pitches, both on-air and off, can convince a listener to contribute now.

But pitches work only for listeners in a giving state of mind.

- Well-chosen premiums and other inducements can offer an opportunity to give more. But up-selling works only for listeners who value the program service at a higher level than previously requested or given.

In other words, appeals, gifts, and other techniques can **trigger** a gift; but our program service is the indisputable **cause** of that gift.

The largest part of every listener dollar is payment for a person's use, reliance, and appraisal of your program service.

And that's good news because, unlike a listener's income or VALS type, the program service is under our control.

But control can cut both ways, reducing as well as boosting giving and gift size. Interrupt their program service, or send messages that clash with their reasons for listening, and listeners will have another reason not to give – or another reason to give less.

– David Giovannoni

– Leslie Peters

Note: *Statistical details of AUDIENCE 98's Giving Model can be found on pages 172-175.*

Giving

Comparing Givers By Size of Gift

The differences among those who give and those who don't are in sharp focus when viewed through the lens of our Stairway to Given.

Those who are the most generous to public ra-

dio know the route up the Stairway the best.

– Jay Youngclaus

Note: *The Stairway to Given is explained in detail on pages 115-116.*

Stairway to Given

(For most-listened-to Public Radio Station)

		Current Givers			Not Current Givers	
		\$100+	\$50 to \$99	\$1 to \$49	Don't Give	
	Percent of Listeners	6	10	11	19	54
	Percent of Listening	11	16	15	19	39
	Percent of Givers	23	37	41	0	0
	Percent of Giving	49	32	19	0	0
Steps 1&2 Reliance on Public Radio	Percent in Core	76	71	63	48	37
	Loyalty	62	59	51	39	29
	Years Listening to Station	13	12	12	13	7
	Percent with "Strong" Reliance on Public Radio	79	74	67	50	37
Step 3 Personal Importance	Percent who listen both Weekdays and Weekends	78	72	66	56	41
	Occasions (per week)	13	12	10	8	6
	TSL (HR:MN per week)	15:47	14:16	12:32	9:24	6:39
Step 4 Funding Beliefs	Percent who agree Public Radio Station is Personally Important	99	95	96	92	81
	Percent with "Strong" Sense of Community	77	77	71	60	45
Step 5 Ability to Afford	Percent who have Beliefs Associated with Giving to Public Radio	43	44	39	38	32
	Average Annual Household Income	\$103,000	\$89,000	\$67,000	\$64,000	\$58,000

Giving

On the Occasion of Giving

Public radio listeners earn more money than those without their high levels of education. Their household incomes suggest that many can well afford to give more than \$40 to \$60 a year.

But when it comes time to write a check or pick up the phone, listeners probably gauge all aspects of their immediate financial situation and give what they feel they can afford at that moment.

Income is certainly a big part of that, but so is their current checkbook balance and the bills on the table. Listeners with the wherewithal to give \$200 may only give \$50 because that's all they feel they can afford when they're asked.

Fortunately,

no law states that listeners can give only once per year.

Every station has listeners who give two, three, even four times per year. Many stations also have installment plan givers who contribute **affordable** amounts every month.

In this sense giving parallels listening. People become core listeners not by listening longer each tune-in, but by tuning in **more frequently**. Similarly, listeners' **giving frequency** can determine whether their annual contributions are large or small.

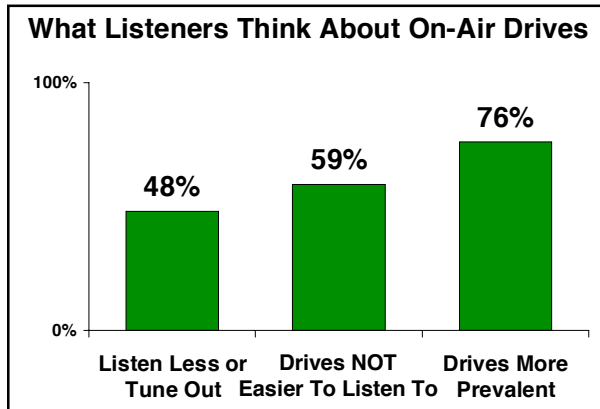
It may be tough to increase the amount a person perceives he can afford. But by asking several times per year or by automating regular payments, we might get a step closer to **reconciling affordability with means** and **increasing the size of the average annual gift**.

– David Giovannoni

– John Sutton

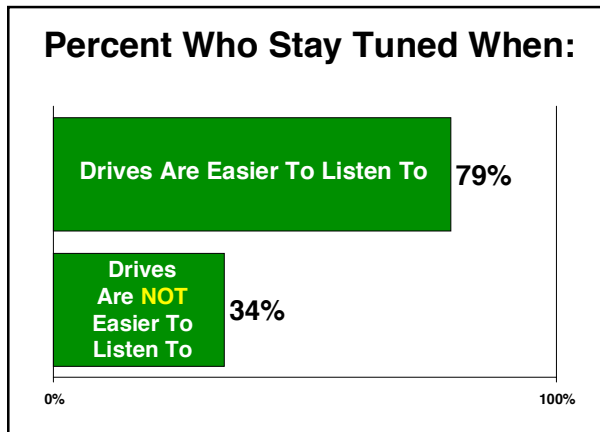
The Effect of On-Air Pledge Drives

Make no mistake: listeners do not like on-air fund drives.



But a new and encouraging fact has emerged amid criticism of public radio's on-air fund drives. According to AUDIENCE 98,

Listeners who perceive that drives are getting easier to listen to are very likely to keep listening during drives.



This is good news, as it strongly suggests that improvements we make in our drives will further encourage people to listen to them.

But since most listeners say that fund drives are not getting easier to listen to, we have our work cut out for us.

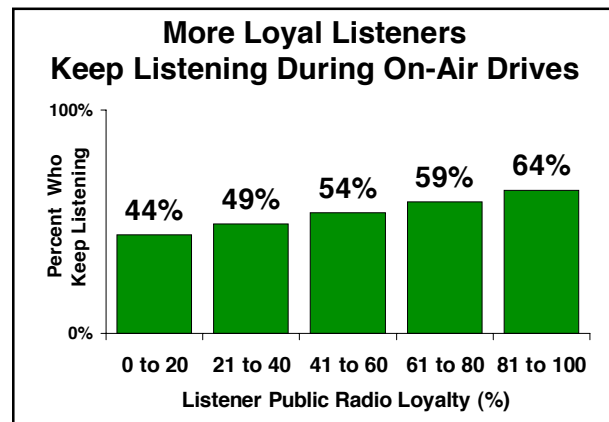
To get this work done we should understand the links between listeners and their attitudes toward on-air drives.

The More Loyal Listeners Are To Public Radio, The More Likely They Are To Keep Listening

Just over half of the public radio audience continues to listen during on-air drives. However,

The stronger listeners' connections to public radio, the more likely they are to continue to listen during on-air drives.

A greater proportion of the core (six-in-10) continues to listen than the fringe (less than five-in-10). Likewise, six-in-10 current givers and four-in-10 non-givers continue to listen.



Listeners Think On-Air Drives Are Becoming More Prevalent

We do have to contend with the fact that

three-fourths of our listeners perceive on-air drives to be more prevalent than in the past.

Even among those who keep listening during drives, **eight-in-10 think drives are more prevalent.**

Listeners with greater financial means are more likely than others to believe drives are getting more prevalent. They are also more likely to tune out or listen less during drives. Perhaps their intolerance of on-air drives can be traced to the additional media options that their greater incomes afford them.

On-Air “Advertising” Is Perceived As More Prevalent

In an interesting convergence of opinions,

almost two-thirds of the respondents perceive both that on-air fund drives and on-air mentions of business support are more prevalent than in the past.

Public radio’s differentiation from commercial stations may be at risk in the minds of listeners who do not distinguish between the prevalence of public radio’s form of “advertising” and the prevalence of advertising on commercial radio stations.

If differentiation from commercial radio is important, our ability to turn listeners into givers could be jeopardized.

Pledge Drives Are Not Easier To Listen To

While four-in-10 public radio listeners think pledge drives are getting easier to listen to, **six-in-10 don’t**. Those with higher levels of education and higher incomes are less accepting of

drives than those with lesser education or financial means.

Almost half think drives are more prevalent and no easier to listen to than in the past. Even among those who continue to listen during drives, the programming of these drives is critical.

Are Fund Drives Jeopardizing Giving?

It could be that changes in sound and content during drives may be altering public radio’s appeal to its educated audience.

Listeners with the most years of formal education are the most likely to say drives are getting harder to listen to.

This means our drives must better maintain the level of intelligence and standards as the programming people hear every day.

Listeners with higher incomes are also more likely to say that fund drives are getting more prevalent and that they are getting harder to listen to.

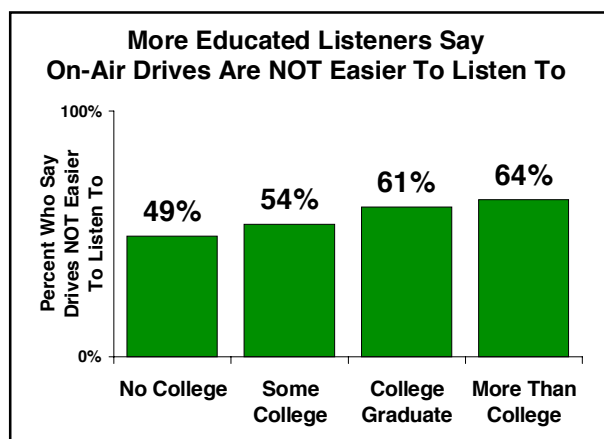
We know that household income does not significantly predict listeners’ willingness to give or the size of their gifts. However, could these prevalent attitudes among higher income listeners be the reason we can’t connect higher income to giving?

How Public Radio Might Use These Findings

The best and most useful news about on-air fundraising is that those who perceive that drives have become easier to listen to will keep listening.

It’s also heartening to note that six-in-10 of our more committed listeners – our core and current givers – say they don’t tune out or listen less during drives. They are listening to our drives, and that offers us the opportunity to request additional and/or larger gifts.

Making drives shorter could be key to minimiz-



ing tune-out during drives, if we make an explicit deal with listeners to give early in exchange for fewer days of fundraising. Remember that each time a person is driven away by a fund drive, we create an opportunity for that listener to find another station that's more likeable and listenable.

No matter how listenable we make on-air pitches, there will still be listeners who tune

away. For them, solicitations for renewals and additional gifts will need to travel through other media such as mail or phone.

We have the talent to create intelligent, appealing programming most of the year; can we not apply this talent to improving drives?

– Vicki Staudte
Director of Market Research,
Minnesota Public Radio

The Effect of On-Air Pledge Drives

Triangulating on the Effects of On-Air Drives

We have three points of reference regarding people's behavior and attitudes about on-air fund drives:

1. In **focus groups** listeners are openly hostile. Many claim to tune away during drives. Yet they admit that they can't stay away for long; the programming is simply too unique and too important.

2. **Half of our listeners tell AUDIENCE 98 that they listen less or tune out during their station's on-air fund drives.** The question, as posed in the Public Radio Recontact Survey, probably measures listeners' attitudes toward drives better than their actual behavior. But negative attitudes clearly abound.

3. **Arbitron diaries** offer an independent means of verifying these negative responses – especially when it comes to actual listening behavior during drives. But with their 15-minute granularity, are diaries sensitive enough to report changes in listening?

To help us find out, nearly 50 licensees operating more than 80 stations offered information about their on-air drives during the 1997 calendar year. Over 24,000 Arbitron diaries from the spring and fall sweeps are included in this analysis.

Audience Research Analysis (ARA) merged these two sets of data into a single database that had the "person-day" as its unit of measurement. In other words, the data reports how much each diary keeper in a station's weekly cume listened to the radio each of seven days; whether or not s/he listened to public radio that day; how much; and so forth.

This inquiry is designed to determine the effects

of drives on the **average day's listening**. Unfortunately, this analysis of the Arbitron diaries – in fact, Arbitron's methodology itself – cannot rule out that people leave the cume for whole weeks at a time (although it is **highly unlikely** that they do).

We imposed rigorous statistical controls on the day of the week to eliminate any effects of systematic day-to-day bias in the diaries themselves. And while we found weak evidence that people are less likely to listen (and more likely to listen less) when stations are conducting their on-air drives, we also found that

the Arbitron diaries are **not** sensitive enough to show significant listening effects caused by on-air drives.

How do we square this finding with the other two points in our triangle?

- Because it's a 15 minute measurement, the Arbitron diaries may simply be too coarse to capture five or 10 minute flights away from a station in a drive. If people are indeed leaving for short periods – for example, the length of a pitch break – and then returning for the regularly scheduled programming, Arbitron's methodology does not capture and report it.
- Listeners may be likely to report using a station in their diaries even while being fund-driven to other stations or to "off". After all, how often do they get to "vote" for their public radio station in the context of an important ratings survey? They may be masking their own behavior for the "greater good" of their public station.
- The attitudes that drives engender among people may not affect their listening substantially.

The key finding is that

large scale or extended shifts in listener behavior do not seem to accompany the resentment caused by on-air drives.

We cannot directly observe the effects of five or 10 minute flights away from the station in a drive, but that doesn't mean they aren't

happening.

By triangulating on the question from several techniques, we are confident that **listeners are telling us, in very strong terms, that our drives are extracting a significant hidden toll** in terms of public service, public image, and opportunity loss.

– David Giovannoni

Note: *Many thanks to the stations responding with information about their on-air pledge drives in calendar 1997. These Arbitron subscribers and their repeaters had sufficient diaries to include in the analysis:* KBAQ-FM, KCFR-FM, KJZZ-FM, KLCC-FM, KNAU-FM, KPBS-FM, KPFA-FM, KPLU-FM, KQED-FM, KUCV-FM, KUNR-FM, KUOP-FM, KUOW-FM, KUT-FM, KVNO-FM, WAMU-

FM, WBUR-FM, WDET-FM, WEKU-FM, WFCR-FM, WGUC-FM, WHYI-FM, WJHU-FM, WKSU-FM, WLRN-FM, WMEA-FM, WMEH-FM, WMEW-FM, WMRA-FM, WMUB-FM, WNIJ-FM, WNIU-FM, WNKU-FM, WNYC-AM, WNYC-FM, WOI-AM, WOI-FM, WOSU-FM, WPKT-FM, WRVO-FM, WSHU-FM, WUNC-FM, WUOT-FM, WUWF-FM, WUWM-FM, WVPE-FM, WVPR-FM, WVPS-FM, WVTF-FM, WWNO-FM, WXPB-FM, and WYEP-FM.

The Effect of On-Air Pledge Drives

How Many Listeners Are Givers?

At this very moment, **one in three persons listening to public radio is a giver**. That's 33 percent of the people listening right now.

One-in-five persons who listens to public radio during the week is a giver. That's 20 percent of the people who listen to us in an average week.

Although these numbers vary from station to station, they strongly indicate the importance of **defining the target audience before crafting an on-air drive**.

Drives to elicit first-time givers can be designed quite differently than drives to elicit additional gifts from existing givers.

The key is to treat these messages like spots in an advertising campaign. Reach and/or frequency into one segment **or** the other – givers or non-givers – can be optimized through intelligent, purposeful scheduling.

What Does This Tell Us?

Our own air is a great way to reach givers. Not only can we reach many of them quickly, we can reach them with a frequency far exceeding that with which we can reach non-givers.

Our own air is also the best way to reach non-givers. However, non-givers hear messages with only half the frequency of givers.

One of the inherent drawbacks to on-air drives as typically implemented is that they reach givers with a much greater frequency than they reach non-givers. This is undoubtedly a source of resentment among givers.

However, skillful scheduling of on-air messages can focus delivery to one group **or** the other.

- Short drives with a high concentration of spots can blast their message into the giving community quite quickly.

- Longer drives are needed to reach the non-giving audience. A lower concentration of spots may minimize the perceived intensity (but not necessarily the frequency) of **programmatic interruptus** among givers.

The precise strategic balance of reach and frequency into giving and non-giving segments, as well as the intensity and the resulting salience of the campaign among each giving segment, seem to offer a promising area of additional research.

Doing the Numbers

Divide the number of memberships to a station into its weekly cume and you typically get a number between 10 and 20 percent. Say 15 percent for round figures.

This number isn't too meaningful, though, as most gifts are given at the household level. The Public Radio Recontact Survey's database tells us:

One-in-two people in public radio's weekly cume lives with at least one other public radio listener.

Assuming that two listeners live in each multi-listener household, the math says that public radio is heard in three households for every four listeners in its weekly cume. Put another way, an average of **one and one-third listeners live in a public radio household**. Do the math, and that 15 percent turns into 20 percent. Hence this statement:

One-in-five persons (20%) who listens to public radio during the week lives in a household currently giving to public radio.

AUDIENCE 98 reports that givers listen twice as much as non-givers (because they listen twice as often). Therefore, a giver is much more likely

than a non-giver to be listening at any time. Again, math determines that:

One-in-three persons (33%) listening to public radio right now is a giver.

For every giver who hears **anything** when you open the microphone – a time check, an underwriting credit, a pledge break – two non-givers are also listening.

– David Giovannoni

The Effect of On-Air Pledge Drives

Driving Home the Numbers

How does your station compare to others when it comes to time spent pitching?

When AUDIENCE 98 asked subscribers to its listserv for on-air fund drive information, people at more than 80 stations responded. Although this may not be a representative sample of the public radio system, these statistics offer an instructive overview of on-air drives.

Eight-in-10 stations conducted two or three on-air drives in 1997. Some ran only one. One station did **five** separate drives.

The average drive on a station was eight days long. **The average station broadcast pleas for fees 15 hours a day averaging 19 minutes of pitching each hour.** These totals translate into per station averages of about 21 days, 300 hours, or 5,700 minutes of on-air

fundraising in 1997.

What does this mean? Let's put it in context.

Stations in our survey are doing fund drives roughly one out of every 29 hours that they are on the air.

The annual extremes range from

- A low of eight to a high of 42 days of on-air fundraising.
- A low of 112 hours to a high of 555.
- As few as 1,400 minutes to as many as 13,700 minutes of actual pitching per year.

The high – 13,700 minutes – is equal to **nearly an hour for every day** the average American commutes to work. Gives a new meaning to the phrase “pledge **drive**”, doesn't it?

– Jay Youngclaus

Behind the Numbers: *Stations heading networks were counted only once so as not to unduly influence the findings. For example, while Peach State Public Radio has 13 stations, Peach State is counted once, not 13 times.*

In each case, respondents reported: (1) dates of all on-air drives in 1997; (2) the length in days of each drive; (3) the average number of hours in active fundraising per day; and (4) the average number of minutes pitching per hour.

The Effect of On-Air Pledge Drives

Formats and Fund Drives

Does a public station's format influence its listeners' perceptions of fund drives?

One problem with on-air fundraising – and potentially a reason half of all listeners say they listen less during drives – is that a station's **sound** generally changes.

In fact, aural alterations can be dramatic for some stations and formats. Listeners tuning in for Mozart or Miles might be jarred by a sudden switch to pitching and premiums.

But for news/talk stations, the segue is essentially from talk about one thing to talk about another. To a listener's ear the change in sound may be less abrupt, particularly if the switch is made by the on-air host of the moment.

With less "audio whiplash," news/talk listeners may be more inclined to listening through an on-air drive than those tuned in to a music format.

That was our theory.

To test it, AUDIENCE 98 looked at two questions about fund drives on the Public Radio Recontact Survey. We posited that news/talk listen-

ers differ significantly from music listeners in their perceptions of whether fund drives are getting easier to listen to, and that they are more likely to keep listening during a drive.

We were wrong – at least about the "significant" part.

Listeners to classical music are **slightly** less likely to say they keep listening during fund drives, but in this sense they really don't differ from news/talk listeners to any practical degree. In fact, news/talk listeners are **a bit more likely** to think drives are getting harder to listen to (but again, the difference is practically insignificant).

The conclusion:

A station's format is not a predictor of listeners' attitudes or behavior during fund drives.

So now we know. Answers to public radio's fund drive dilemma are not to be found in formats that are less alienating to the listener's ear.

– Steve Martin
Program Director, WAMU

The Effect of On-Air Pledge Drives

It Don't Mean A Thing If Those Pledge Phones Don't Ring

Some bad habits are harder to break than others.

One of the most persistent among public radio professionals is counting pledges as “votes” for the program on the air when the calls are made.

Even smart people who know better fall into this trap.

Maybe it's the endless boredom and fatigue of a fund drive that makes us forget the facts. Maybe it's coffee nerves or sugar overload. Maybe there's a “Twinkie Defense” in there somewhere.

Maybe it's because membership software encourages this kind of specious thinking by building in reports that count the “votes.”

Whatever this habit's cause, it's time to exercise some self control. AUDIENCE 98 and common sense remind us why pledge counting shouldn't count in assessing the value of your programming to listeners.

Listeners become givers, in great part, because they rely on your service. That means multiple tune-in occasions.

On average, givers tune in 11 times a week and listen to some part of six network programs and/or local formats. **But most people pledge only once during a drive – they don't “vote” six times.**

People call when it's convenient. Remember, these are highly educated people with busy lives. The idea that they plan those lives around pledging during their favorite public radio program

belies everything VALS2 tells us about them.

Though lifestyle selects the time of the call, it's the combination of reliance, personal importance, funding beliefs and ability to give – reflecting overall attitudes toward public radio and the station – that brings listeners to the phone.

Lifestyle permitting, a good pitch can stimulate a response. But remember that it's **always the catalyst, never the cause.** When even the best pitches (and pitchers) fail it may be because

one-third of the listeners hearing any particular pitch have given already.

If your phones aren't ringing it may be because you're preaching to the choir. And as the drive wears on, the choir gets bigger...leaving fewer potential givers to convert.

The collateral damage that drives inflict on listeners also increases with each passing day. Because this damage is hidden, the point of diminishing returns is passed more quickly than many may acknowledge.

Put it all together and you have a mathematical argument for shorter drives.

The big problem with counting pledges is that it's **not** a harmless parlor game. Decisions based on the ringing of telephones or the unscientific polling of callers can undermine your station's **real** value to listeners by focusing on the catalyst and ignoring the true cause.

That's not just a bad habit, it's a downright danger to public service.

– Leslie Peters

The Effect of On-Air Pledge Drives

Point: Bull's Eye

*This guy goes to a psychiatrist and says, "Doc, my brother's crazy, he thinks he's a chicken." The doctor says, "Why don't you turn him in?" The guy says, "I would, but I need the eggs."
—Woody Allen, "Annie Hall"*

On-air pledge drives work. And they work fabulously.

On-air drives work because our own air is indisputably the best medium through which to reach potential givers. Our pleas for fees are aimed at those who listen to our stations, and by definition, the programming that creates an audience offers the best way to reach that audience.

We are captives to the efficiency of our own medium. **And as we increase our reliance on the financial support of listeners, on-air drives will become an increasingly important part of what we do.**

Potential Givers

On-air drives reach listeners who have completed the climb up the Stairway to Given. They rely on the station and consider it important in their lives. They believe listeners support it and that the government and other institutions are playing lesser roles. They may never have given before, but now they're ready to walk the Giving Path.

At most stations a primary objective of on-air drives is to turn these listeners into first-time givers.

Two-thirds of those listening anytime we open the microphone are not givers. With strategic scheduling, we can reach a maximum number of non-givers within a relatively small number of hours.

Similarly, the frequency with which a significant percentage of non-givers may be reached can

be calculated easily with Arbitron scheduling software available from the Radio Research Consortium.

As the idea of annual membership fades into the past, some strategists are experimenting with drives to get additional gifts from listeners who have already given.

One-third of the listeners who hear any pitch are current givers. With smart break scheduling we can pitch additional gifts to an optimal number of givers in a minimal number of hours.

What About Other Media?

We can use the information in our databases to reach givers through direct mail and telemarketing. Each medium extracts its own costs, and neither is inexpensive.

Reaching non-givers through these means is far trickier – as any medium besides our own is hit-and-miss, with the emphasis on the latter.

On the other hand, a station's air is a "free" medium – the operating costs of a drive don't seem to exceed by much the regular costs of running the station. Both givers and non-givers are always within earshot.

The Inescapable Fact

On-air drives work because they deliver their messages to the right people. **They reach their targets so well that they can be done poorly and still make money.**

Sure, on-air drives offer much to be concerned about. We can and should do them better.

But there's no doubt they're with us to stay.

We can't abandon them now. We need the eggs.

– David Giovannoni

The Effect of On-Air Pledge Drives

Counterpoint: Collateral Damage

Conducting on-air drives is like trimming toenails with a shotgun — the method is effective, but not without its side effects.

—Anonymous

On-air pledge drives work because they deliver their payloads to their target audiences with strategic precision.

Unfortunately, on-air drives hit more than their targets. They hit every listener — giver and non-giver alike. The disruption in programming causes significant **collateral damage**, the extent of which is neither well known nor widely acknowledged by most public broadcasters.

Phones ring and blink in our sights. But each score wounds literally hundreds.

Ask them what they think about our campaigns and they can barely contain their emotions. In focus groups listeners rail against our drives without provocation.

Why shouldn't they? Drives make our programming unreliable. They interrupt its service and undermine its quality, both real and perceived.

Even our core listeners and givers — people who support public radio with their loyalty and money — can't understand why we're bombing our service in order to save it.

In the Public Radio Recontact Survey half of our listeners say they listen less or tune out during drives. These good citizens have no reason to lie. Pitch breaks send them scurrying to the shelter of silence or other stations five to ten minutes at a time until the campaign ceases.

Fortunately, our regular programming brings them back. And why shouldn't it? It's what they tune in to hear. It's what they pay to maintain.

If they return, why should we be concerned?

Resentment

For now, the negative effect of drives on behavior is short-term. But the more significant, long-term collateral damage is in attitude. And the attitude is resentment.

Our link to listeners — particularly givers and those in the core — is through shared values, interests, and beliefs. Our programming creates a **psychological community** built on trust.

We bomb that community when we blow up the sound, quality, and appeal of our service.

Resentment is the unavoidable fallout.

And the greatest casualty of all is opportunity loss.

Unnecessary Casualties

Numerous findings suggest the price we pay for firing upon our own:

- Many listeners are **not** listening to on-air drives; public service plunges.
- People who can afford to select their media alternatives are **not** as tolerant or forgiving.
- Resentment of drives makes public radio **not** as important in listeners' lives.
- And resentment is strongly linked to **not** giving to public radio.

A growing number of field experiments suggest that collateral resentment is **not** an inescapable cost of doing business.

- They demonstrate that on-air drives can be shortened successfully.
- They offer proof that effective fundraising from established givers can occur off-air.
- And they show that in style, content, and attitude, breaks can be made more like the programming in which they appear.

People join our community voluntarily and they support it voluntarily. Common sense says we ourselves become better community members when we adopt strategies that decrease collateral damage.

The drive that minimizes resentment among members of our community may also return the greatest financial dividends. That would offer victory on two fronts – each a worthy objective.

– David Giovannoni

The Effect of On-Air Pledge Drives

Caveat Venditor

The “sense of community” concept suggests an underlying motivation for giving by listeners who take their “public radio citizenship” seriously. It implies a kind of **civic giving** that is closely related to what attracts them to your programming in the first place.

Civic giving aims to preserve the values and lifestyles that public radio validates for most listeners.

This should not be confused with altruistic giving – the notion that people contribute to public radio solely because it’s a public good. AUDIENCE 88 tested and disposed of that idea a decade ago.

If on-air pitches work best when they resonate with listeners’ beliefs, then civic giving has great potential as a catalyst for public radio support. VALS can help shape these pitches, since our listeners’ values and lifestyles strongly reflect what it means to be a citizen of public radio.

Remember: People’s VALS types do not cause them to give. But their VALS characteristics do help explain why they listen.

VALS tells us who’s hearing our fund drives, and this is powerful information.

Two-in-three public radio listeners are Actualizers or Fulfilleds. **These people are motivated by principles, and for them possessions have little intrinsic importance.** They view related premiums – objects with your call letters, or logos of their favorite programs – as emblems of their public radio citizenship. Similarly, their subscription to your station symbolizes their use and shared ideals.

Actualizers and Fulfilleds listen to your station for the sound and attitude that’s expressed through your editorial and aesthetic sensibilities.

They are drawn to your noncommercial nature. They trust that they will find these qualities every time they tune in.

Turning your station into the Home Shopping Network betrays that trust.

Everything we know about Actualizers and Fulfilleds tells us that they are repulsed by status-oriented consumerism.

A parade of unrelated premiums – restaurant vouchers, day spa certificates, balloon rides – may cause the phones to ring, but the calls are probably not coming from the listeners who have the deepest relationship with your station.

Suddenly you’ve turned their community of deeply held values into an infomercial. This would explain why half of them tune out or listen less during fund drives.

Listeners who remain give because they’re getting a deal on unrelated goods – not because your station is personally important to them. Perhaps this is why so many new givers are increasingly expensive to get and difficult to keep.

Treating public radio support as a sales transaction may temporarily bolster gross revenues, but appealing to your listeners’ hearts and minds is probably where lasting commitment and real financial stability lie.

The problem with **any** on-air pitch is that it works for someone. But what are the hidden long-term costs of this short-term fix?

The biggest hidden cost may be the Actualizers and Fulfilleds – the potential civic givers – your merchandising repels.

Let the seller beware.

– Leslie Peters

The Effect of On-Air Pledge Drives

Where Do We Go From Here?

Half of our listeners say they listen less during fund drives. Whether they do or not, their **resentment of on-air drives** is not good news, and it supports what we've heard anecdotally and suspected for years.

We would do well to accept this finding as a ringing wake up call, and **respond as we did a few years ago when Congress threatened to eliminate funding for public broadcasting**. That crisis unleashed enormous creative energy throughout the public radio system. This new information from AUDIENCE 98 can do the same.

Can we expect to eliminate fund drives? Not likely. But as we look at more off air strategies, we also need to improve profoundly what we do on the air.

Because on-air fundraising is programming, the principle responsibility for improving its quality lies with the program director. **When listeners tune to our stations they expect great radio, consistent in appeal to the programming they've come to value any other time of the year.**

When we disappoint them, they get resentful. When we please them, they get generous.

AUDIENCE 98's best news about on-air fundraising encourages us to focus on higher quality content and better production values during drives.

Listeners who think that fund drives are getting easier to listen to are far more likely than others to keep listening.

If we make on-air campaigns more listenable, we can offset some of the damage that on-air drives are certainly causing.

How do we do that? Let's consider the obvious.

- Make your drives sound more like your regular programming by using your station's on-air personalities for pitches. As NPR's First-Time Givers Study confirms, listeners respond best to familiar voices.
- Aircheck regularly during the drive and give feedback to everyone. Use the same quality standards for drives as any other programming.
- Keep the audience tuned through a pitch through effective forward promotion of regularly scheduled programming.
- Make your pitch breaks entertaining.
- Keep the pace and overall sound of your station as consistent as possible during a drive. Watch for that audio whiplash!
- Use all the tools available to you. There is much to learn about listeners and their motivation for giving in AUDIENCE 98 and other free research. Read, re-read and internalize it. Use VALS to create the language of your messages, geared to the listeners in your audience.
- Coordinate more effectively with your development department. Support your development staff's efforts to raise more money off air.
- Be open to new ideas and prepared to jettison old ones.
- Watch for what's working at other stations and adopt it. People are already doing dramatic things with short drives. That may be one answer; there may also be others.

Most of all, take AUDIENCE 98's news about fund drives seriously and start planning to take action today.

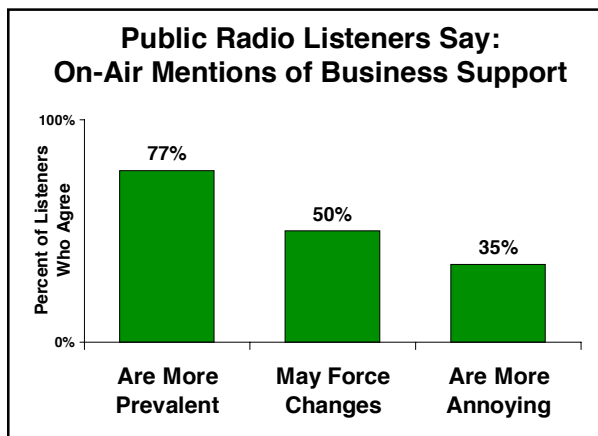
– Steve Martin

Low Anxiety

Public radio listeners may not resent underwriting credits as much as on-air fund drives, but nearly half are somewhat “anxious” about them.

- Three-in-four (77%) think that “the on-air mentions of business support are getting more prevalent than in the past.”
- One-in-three (35%) perceive that “the on-air mentions of business support are getting more annoying than in the past.”
- Half (50%) say “I am concerned that businesses which support public radio may eventually force changes in the programming.”

Separately, these responses convey listener attitudes about individual aspects of underwriting on public radio.



But synergistically, as three facets of a single sense, agreement with these statements adds up to “underwriting anxiety” – and nearly half (44%) of all listeners are afflicted.

Does Underwriting Anxiety influence giving to public radio?

Not yet.

Right now, listeners with it are just as likely to give to public radio as those without it.

But in the future this low-grade fever may bloom.

Listeners with Underwriting Anxiety are twice as likely to say that “I personally would be less likely to contribute to public radio if more businesses supported it.”

Underwriting Anxiety is a condition that public radio professionals would do well to monitor. An additional irritation – whether it’s more spots, more messages that annoy, or a perception that business support is affecting programming – could compound the problem.

Given widespread resentment of on-air fund drives listeners may be less forgiving if their nerves are further frayed.

– Leslie Peters
– David Giovannoni
– Jay Youngclaus

Low Anxiety

It's Got them Under Their Skins

Underwriting Anxiety is endemic. That's the diagnosis from AUDIENCE 98 .

No characteristic, behavior or attitude can predict the nervousness induced when a listener has the combined perception that business support has become more prevalent and annoying and may force programming changes.

Givers and non-givers have it. So do the core and the fringe. It indiscriminately cuts across age, race, sex, income, education and VALS categories. **No type of listener is immune.**

Listeners with and without anxiety agree somewhat that underwriting spots have increased. They share less the view that underwriters may

influence programming.

The greatest difference – and the driving force behind Underwriting Anxiety – is annoyance.

Listeners with Underwriting Anxiety are **12 times more likely to be annoyed** by on-air mentions of business support than listeners without it.

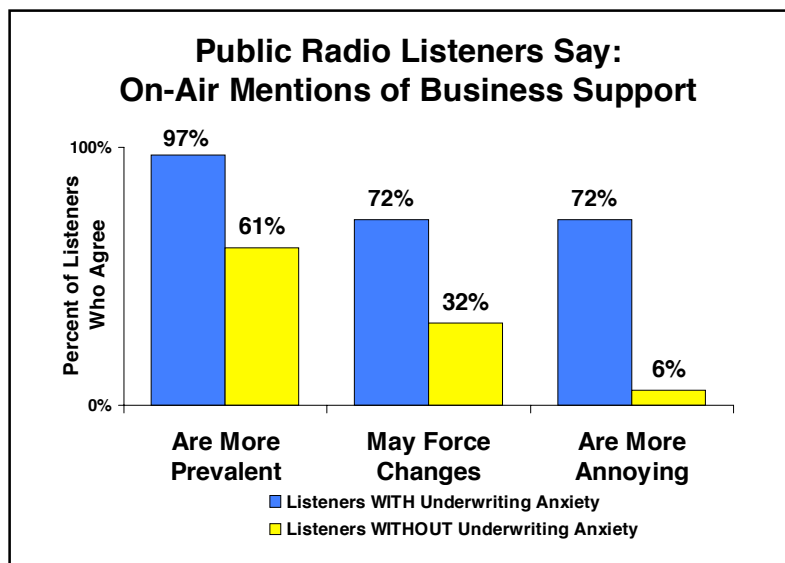
Like prevalence and influence, we can control the attributes that lead to annoyance. Annoyance is also the perception we can alter with the greatest benefit and the least financial sacrifice.

Close attention paid to presentation – length, language, production, repetition and voice tone – may maximize underwriting's return and minimize listener irritation.

On the other hand, some listeners simply may be biased against businesses supporting public radio. It may conflict with their ideal of public radio as a noncommercial medium. For this pre-existing condition there may be no cure.

More research is needed to determine the best medicine. The healthiest practice is preventive care.

– John Sutton
– Peter Dominowski
– Leslie Peters



Low Anxiety

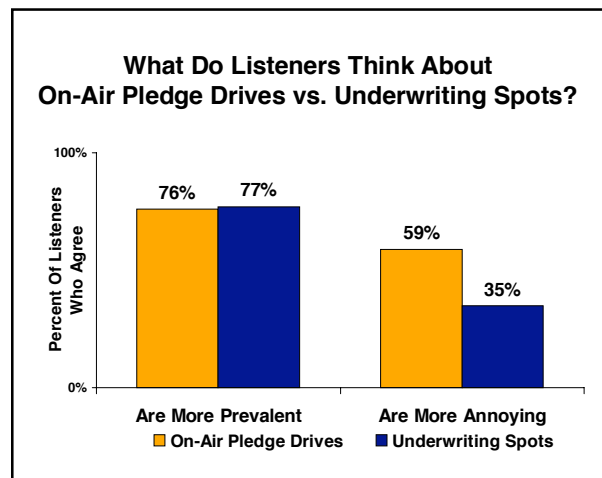
Coping with Underwriting Anxiety

What, me worry?
—Alfred E. Neuman

Nearly half of public radio's listeners are "anxious" about underwriting.

Does that mean you should be worried too?

Everything a public radio station broadcasts irritates someone. Even the most popular programs have their detractors. While responsive stations strive to please most of their listeners most of the time, some percentage of listener disapproval is unavoidable.



Recent findings by AUDIENCE 98 demonstrate that a significant percentage of listeners harbor some resentment towards on-air pledge drives. Should this be a cause for concern and a call to action?

Absolutely. Individual givers are essential to public radio.

But should stations react to this information by severely curtailing on-air fundraising goals or eliminating pledge drives all together? Absolutely not.

Such is also the case for business support and Underwriting Anxiety.

The listener's consternation is not so difficult to understand. He hears us say we've reached our pledge drive goal, but in the next hour we ask for more. We describe ourselves as non-commercial, yet underwriting credits often sound like advertising.

Pledge drive resentment and Underwriting Anxiety are problems but they are also opportunities.

First, we can research and adopt the most effective underwriting tactics while maintaining public radio's values.

Second, we can position underwriting as the necessary and beneficial source of income it is.

Effective Underwriting

While AUDIENCE 98 cannot specify the exact causes of Underwriting Anxiety, the likely candidates are some combination of:

Placement: Where in the programming the announcement is heard.

Length: How long the underwriting credit is perceived to be.

Repetition: How often listeners perceive that they are hearing the same credit and/or messages by the same underwriter.

Content: The actual words and/or production used in the credit.

Delivery: The sound and style of the announcer in reading the credit.

Category: The type of product or service mentioned in the credit.

Each of these elements can be researched for its positive and negative attributes. The results can be actionable for both local and national credits.

In an ideal world, networks, stations and producers would work with each other to present underwriting effectively.

Positioning

Public radio has a unique relationship with listeners, and particularly with givers. They have high expectations for the product and its presentation.

In turn, we expect them to accept our fundraising needs and techniques on faith. We believe they should acquiesce – without explanation – to announcements in and around their favorite programming from a myriad of national and local businesses.

Should we really be surprised that a high percentage of listeners have Underwriting Anxiety when most do not understand the financial necessity of business support?

How many managers have taken any time to explain the differences between underwriting and commercials? To position underwriting as a valuable service that, when combined with dollars from listeners, makes the purchase of their favorite programs possible?

We attempt to explain the rationale for individual

giving during pledge drives. It's time to take the same step for underwriting.

Here are just a few of the positive messages that could be communicated:

- Business support helps shorten on-air fund drives.
- Underwriting doesn't "cover" programming; it occupies built-in cutaways.
- Stations and producers need and seek underwriters, but maintain inviolate polices against editorial interference.
- Listener and business support together provide the most stable, viable and independent funding option for public radio.

Research is needed to identify the most effective messages. But even absent such tests it's good business to explain to listeners that, in this era of scaled back subsidies, underwriters are public radio's allies. And that makes them listeners' allies too.

A little knowledge and understanding can go a long way towards reducing Underwriting Anxiety.

– Peter Dominowski
– John Sutton

Low Anxiety

Doing Business on the Air

When it comes to raising significant amounts of money, most stations use their airtime two ways: On-air pledge drives and underwriting credits.

To many listeners' ears, underwriting credits are a more tolerable way to raise money than on-air pledge drives. According to AUDIENCE 98

a third (35%) find underwriting credits more annoying than in the past, but six-in-10 (59%) say fund drives are getting harder to listen to.

How can public radio professionals use these two pieces of information to maximize listener-sensitive income while minimizing damage to listener relations?

At many stations, underwriting generates more income per minute of airtime than on-air fundraising. You can calculate this for yourself (see below).

There's no doubt that on-air drives are the most effective means of recruiting new givers to a station, and that on-air drives make money. But a thoughtful plan that considers listener sensitivities **and** the rate of return on the two major sources of revenue could yield a more successful, long-term fundraising strategy for the future.

– John Sutton

Note: *Definitions used in the formulas are found on page 171.*

Calculating Income per Minute

On-Air Pledge Drives:

Total Dollars Raised = Total Dollars Pledged x Fulfillment Rate

Income per Minute = Total Dollars Raised / Total Minutes Spent Pitching

Underwriting:

True Average Rate = Total Dollars Collected / Total Credits Broadcast

Be sure to include all bonus spots.

Income per Minute = True Average Rate x Credit Length Factor²

For 10 second credits multiply True Average Rate by 6.

For 15 second credits multiply True Average Rate by 4.

For 20 second credits multiply True Average Rate by 3.

For 30 second credits multiply True Average Rate by 2.

Yield Not to Temptation

Here's a fact that should tempt any joint licensee: For every two public radio givers, there is another listener who does **not** give to public radio but who **does** give to public television.

About 17 percent of all public radio listeners support public TV but not public radio. And it's very tempting – and relatively easy for any joint licensee – to pitch our tent in the land of TV supporters and evangelize public radio support.

But friends, yield not to this temptation, as **public television's audience is no place to seek these souls, for they do not walk in that place.**

Stairway to Heaven

Why would public radio's **own** listeners give to public television and **not** to public radio?

Simple. They haven't climbed public radio's Stairway to Given.

Public radio listeners who give to public TV but not to public radio look like any other public radio non-giver. In other words,

these listeners don't rely as much on public radio as do givers; they don't consider it as important in their lives; and they are less apt to believe that their support is essential and government support is minimal.

The only step they have ascended is the first step of listening. **In no other way do they distinguish themselves from other public radio non-givers.**

AUDIENCE 98 can't explain **why** public radio listeners give to public TV, but other studies suggest an ethic of giving. (For instance, during the same sample period as AUDIENCE 98, Simmons cites charitable giving by public radio listeners as well above the national average.)

If this ethic exists, however, it does not extend to public radio. As AUDIENCE 98 and previous research tell us,

public radio is paid for by appreciative users – not givers of charity.

Perhaps public radio givers pledge to public TV for the same reasons they give to public radio. Perhaps public TV has its own Stairway to Given. We don't know for sure.

We **do** know that public television's giving audience is not a place from which public radio givers can be any more efficiently redeemed than anywhere else.

– David Giovannoni
– Leslie Peters
– Jay Youngclaus

Yield Not to Temptation

Why Do Some Listeners Support Public TV But Not Public Radio?

The reason some listeners contribute to public television but not to public radio is simple: they haven't climbed public radio's Stairway to Given – AUDIENCE 98's metaphorical pathway to support.

The table below traces the steps for four types of listeners. The Stairway to Given is explained in detail on pages 115-116.

The key point is this:

Public radio listeners who give to public television – but not to public radio – match closely the profile of listeners who give to neither.

– Jay Youngclaus
– Leslie Peters
– David Giovannoni.

Stairway to Given

(For most-listened-to Public Radio Station)

		Give to BOTH	Give Only to RADIO	Give to TV Only	Give to NEITHER
	Percent of Listeners	30	5	17	48
	Percent of Listening	45	7	13	36
	Percent of Givers	86	14	0	0
	Percent of Giving	86	14	0	0
Steps 1&2 Reliance on Public Radio	Percent in Core	70	63	39	37
	Loyalty	57	53	31	29
	Years Listening to Station	12	9	10	8
	Percent with "Strong" Reliance on Public Radio	71	65	39	34
	Percent who listen both Weekdays and Weekends	71	62	50	42
	Occasions (per week)	11	10	7	6
	TSL (HR:MN per week)	13:45	12:45	7:00	6:45
Step 3 Personal Importance	Percent who agree Public Radio Station is Personally Important	97	95	90	84
	Percent with "Strong" Sense of Community	75	70	55	44
Step 4 Funding Beliefs	Percent who have Beliefs Associated with Giving to Public Radio	43	39	34	33
Step 5 Ability to Afford	Average Annual Household Income	\$84,000	\$67,000	\$70,000	\$54,000

Yield Not to Temptation

A Tale of Two Audiences

Public radio and public television audiences overlap but they're hardly a hand-in-glove fit.

First, public television's glove is far too big.

Each week, more than four times as many Americans watch public television as listen to public radio.

The math is clear.

Most public television viewers don't listen to public radio.

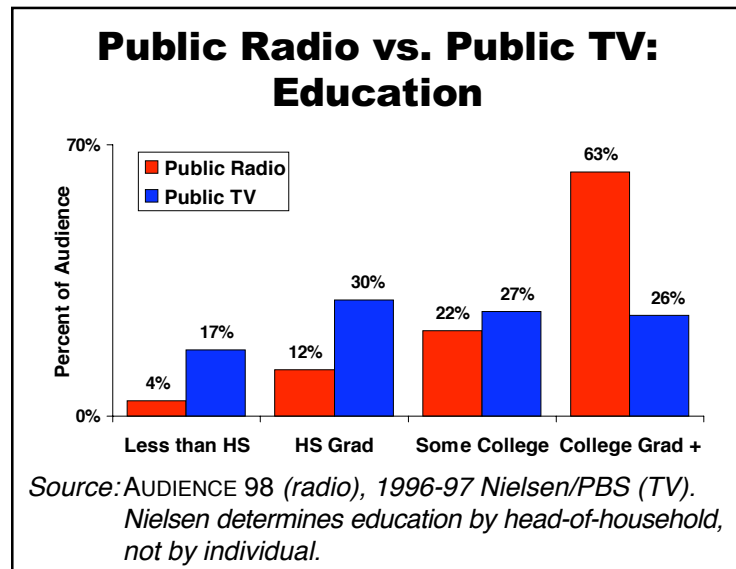
It's not because they haven't heard of us or can't get a signal. They

Public Radio vs. Public TV

	Public Radio	Public TV
Reach of U.S. Population	91%	99%
Weekly Cume	10% of age 12+	38% of age 2+
Listening/Viewing per week	More than 8 hours	Nearly 3 hours

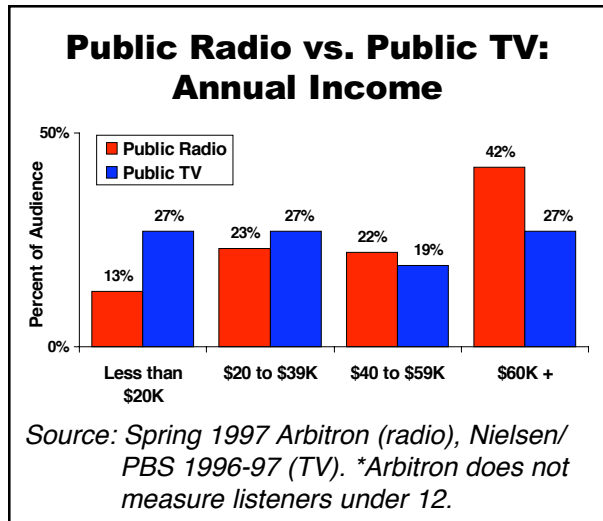
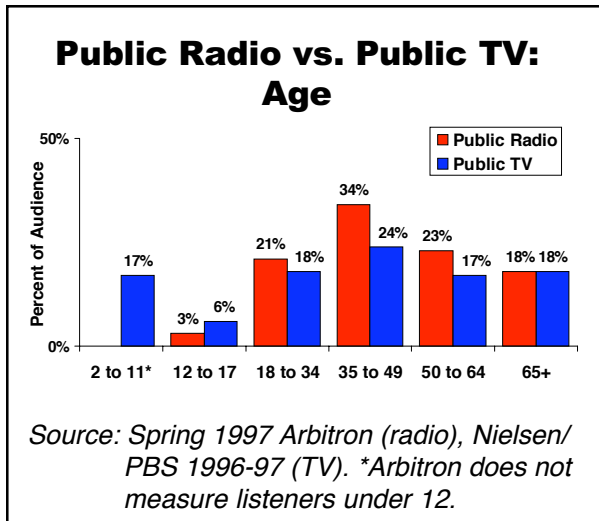
Source: Corporation for Public Broadcasting.

simply choose not to listen because they aren't the type of people to whom our programming appeals.



As a group, public radio listeners have far more education than public TV viewers, and so – unsurprisingly – they earn more money.

The best educated groups of Americans are baby boomers and Gen Xers. Again, no surprise that public radio serves them in much higher concentrations than public television (note that this difference diminishes during television's evening prime time hours).



Public TV viewers may be better educated than most Americans, but they do not approach the educational attainment of public radio’s listeners. Because of this disparity,

public radio’s programming just doesn’t appeal to most public television viewers.

Both media may be “public,” but the two publics they serve are significantly different.

– Leslie Peters
 – Jay Youngclaus
 – David Giovannoni

Yield Not to Temptation

Reality Check

Reality can be a drag. Especially when research findings get in the way of your intuition.

For instance, we at KERA once thought that public radio listeners who give to public television – but not to public radio – would be a good target for public radio giving messages.

Our logic was simple. These public TV givers/public radio non-givers obviously watch public TV. And they already “buy” the notion of supporting public broadcasting. That should place them one step ahead of those who listen to public radio but don’t give to either public radio or television.

Our plan was simple too. Using KERA’s shared radio and TV resources, we’d put some messages on our TV station asking these folks for public radio support. We’d develop special messages for them to be used in on-air pledge appeals and direct mail appeals, too. Our public TV giver database would help the cause.

Now AUDIENCE 98 tells us that public radio listeners who give to public television but not to public radio are no different than any non-supporter of public radio.

Promoting public radio on public television can’t change this fact, however clever the copy, frequent the spots, or “free” the TV air time.

So much for Plan A. On to Plan B.

It’s not so much a matter of what we do with this new information – it’s what we **don’t** do. **First and foremost, we don’t use limited station resources to target this group.**

- We **don’t** put spots on public television looking for this group.
- We **don’t** promote the radio pledge drive, or special programs associated with it, on the public television station.
- We **don’t** target mailings to this group.

- We **don’t** create special messages for this group.

What do we do? **Return to the programming basics: make our public radio service more reliable and personally important to more of our listeners.**

If we focus on making the programming decisions necessary to influence the larger segment of public radio non-givers, we **will** push them up the Stairway to Given – and public television givers/public radio non-givers will be swept along.

KERA has used our public television member list to solicit new radio givers – with a 1.2% return rate that’s considered pretty good by direct mail standards. But we realize there’s nothing special about the public TV file – because other lists can return the same rate.

Our radio station manager, justly proud of the strong relationship between the two stations, initially felt that we had the perfect opportunity to experiment with public television on-air promotion and messages that might reach the public radio non-giver/public television giver.

After thinking about AUDIENCE 98’s findings, he concluded that

time would be better spent crafting messages for public radio non-givers of any stripe.

Reality **is** a drag – but wasted effort means precious time and resources lost. Intuition isn’t always correct. Reoriented by this new knowledge, KERA is back on the giving path.

– Jeff Hansen
Station Manager, KERA-FM

– Ellen Burch
Director of Market Research, KERA/KDTN



8.

The Buck Stops Here

Information has value only if it's used.

AUDIENCE 98 is the kind of comprehensive study that public radio invests in just once every 10 years. While we know that it has a cost, we don't know yet if it will have a pay-off. The buck stops here, with you.

Pioneer public broadcaster Ron Bornstein once observed that public radio's history is that of individuals, not institutions. Individuals, taking initiative, shaped our industry. Their accomplishments are evidence that each of us, as working professionals, can make a difference.

If the past is prologue, it will be individuals again who seize the day, proving the value of AUDIENCE 98 by acting on its lessons in their daily work lives.

This last chapter tells such a story of individuals who took AUDIENCE 88 off the shelf – and used it to substantially enrich a station's public service and public support.

Public Service Economics

Editor's note: AUDIENCE 98 is a snapshot of public radio's listeners, not a study of the audience as it evolves over time. But in Connecticut Public Radio we have an example that approaches a time study, a station with a ten year history of applying programming economics under the same management. Because it's a unique link between AUDIENCE 88 and AUDIENCE 98, with a noteworthy story to tell, we asked Connecticut Public Radio's program director to write this report.

Programming economics is a great tool. At a glance you can see that some programs are making money and some are losing money.

For a commercial station, the choice is simple. It's all about the bottom line. If you're not maximizing profits, you make programming changes that are often swift and dramatic.

For a public station, the objective is different. At Connecticut Public Radio, mission drives our programming decisions.

It led to our original study of programming economics in August 1988, which was part of a larger audience building project. How could we maintain our mission, increase listening, expand community support and stabilize finances?

The powerful force pushing us to these questions was federal budget cuts of public broadcasting funds, compounded by minuscule state support for our community licensee station. Increased reliance on listener-sensitive income appeared on our fiscal horizon sooner than it did for many public radio stations.

To serve the public, we had to stay in business. The goal then, as now, was significant programming for significant audiences.

Connecticut Public Radio was formed primarily to present classical music. Our mission statement imagines a public service that educates, informs and entertains.

It's a broad mandate. We fulfill it by integrating national news and classical music with local pro-

gramming that covers issues important to our listeners.

Maximizing the Value of Local Service

A good local public affairs program is expensive, so it's critical to make the best use of the investment. Ten years ago, before programming economics, our sole effort at local journalism was squandered.

Called *Open Air New England*, its length and start times were inconsistent. Listeners had to work to find it; many gave up. On-air promotion was ineffective. And it was bleeding money by the bucket.

Open Air New England became *The Faith Middleton Show*, a daily one-hour Peabody Award-winning program leading in to *All Things Considered*. It's now a valuable asset to Connecticut Public Radio, connecting us with the community and performing above the station's average listener loyalty line.

It still loses money, but, by applying programming economics, we can support it without putting the rest of our service in financial jeopardy.

How did we do that? We turned another station money loser into an income source. And, in the process, we took an enormous risk by killing syndicated programming that generated a profit.

Killing the Golden Goose

Ten years ago Connecticut Public Radio's biggest moneymaker was *Morning Pro Musica*, a seven-day, 7 AM classical music strip produced at WGBH/Boston with host Robert J. Lurtsema. It defined our core audience, much as *Morning Edition* does today.

The purchase price of *Morning Pro Musica* was about \$40,000 a year, but it cost us a little over

\$147,000 when we factored in operational costs. **The net return, in listener-sensitive income, was about \$184,000.** *Morning Pro Musica* was clearly a lucrative investment - one that propped up the money-losing portions of our schedule - which, at the time, was just about everything else.

Still, the program created problems: Its clock was impenetrable, offering us virtually no opportunities to localize it. We couldn't even squeeze in promo spots for our other programming.

The producer was highly resistant to change.

Another source of income was *Adventures in Good Music* with Karl Haas. Together, these two strips marked daily occasions when we gave up control of our own air, with programming that was duplicated on other stations in our market.

While *Morning Pro Musica* (and to a much lesser extent *AIGM*) was the golden goose of our balance sheets, from a promotion and public service perspective it was something of an albatross. To reclaim its resources to finance our changes, we killed it.

Letting Go of Sentimental Favorites

At the time, like public affairs, our station-based classical music programming was losing money, due in large part to a costly local concert strip.

We considered recording and producing local performances a public service, an important attempt to reflect the cultural richness of our community. **The audience, however, valued it much less than we did – almost no one was listening.** We were having a similar experience with a local folk music show.

With mission as the engine, and audience research as the fuel, we were driven to create a better classical music service, one that made financial sense and that listeners would appreciate and support.

Folk musicians in particular loved the folk show

but it was draining station resources and not doing much for our audience. Serving the public won out over serving genre.

Building Cume with Simple Arithmetic

In tandem, we made more economical use of expensive national programming by expanding the hours of *Morning Edition* and *All Things Considered*. Aside from the increased operational costs of more broadcast hours - an expense we would have no matter what we aired at those times - it was a cheap move. **And that simple programming economics decision redefined our audience and enlarged our cume.**

Success didn't happen overnight but we had faith that we were on the right track. Eventually, over the years, listener-sensitive revenue grew, as our programming became better and our scheduling got smarter.

Today the income from national news and local classical music pays for a significant local public affairs program with a significant audience.

In addition, demonstrating our ability to make changes that listeners will support has given us a degree of financial independence, along with confidence in our future despite further federal cutbacks.

We haven't solved all of our problems of course, but we have been able to move forward, fixing and refining our schedule in a continual search for improvement. Public service is not a static endeavor.

To monitor our performance, we use research tools like Arbitron numbers and AudiGraphics' total and core loyalty percentages. Listener income isn't the only factor we consider when making programming decisions.

In this mix, programming economics continues to provide a valuable tool to determine listener satisfaction.

Serving the Public is the Pay-Off

Ten years after Connecticut Public Radio's case study appeared in the seminal research on programming economics, our public service is steadily improving – as measured by listening and giving.

In fact, a better term for programming economics may be public service economics. For us, as for any public radio station, public service is the ultimate bottom line.

– Kim D. Grehn
Program Director,
Connecticut Public Radio

Public Service Economics

Connecticut Public Radio by the Numbers

Editor's Note: *Connecticut Public Radio is the* *ming Economics report, an immediate follow-up to*
case study featured in the original 1989 Program- *AUDIENCE 88.*

Table 1					
AUDIENCE 88	Listener Income	Underwriter Income	Expense	Return	R.O.I.
<i>Morning Pro Musica</i>	\$305,759	\$26,000	\$147,500	\$184,259	2.25
<i>Aft Classics</i>	\$96,991	\$9,000	\$103,400	\$2,591	1.03
<i>ATC Weekday</i>	\$101,557	\$37,000	\$63,950	\$74,607	2.17
<i>Morn Edition</i>	\$69,376	\$15,000	\$39,000	\$45,376	2.16
<i>Eve Concerts</i>	\$63,763	\$8,000	\$125,000	-\$53,237	0.57
<i>WeEd</i>	\$24,129	\$1,000	\$25,000	\$129	1.01
Interviews (Local)	\$32,257	\$5,000	\$114,000	-\$76,743	0.33
<i>APHC</i>	\$51,993	\$12,000	\$20,000	\$43,993	3.20
<i>All Else</i>	\$124,175	\$17,000	\$242,950	-\$101,775	0.58
Total	\$870,000	\$130,000	\$880,800	\$119,200	1.14

Table 2					
AUDIENCE 88	% of Listening	% of Listener Support	Return From Listeners (Cents/LH)	Return From Underwriting (Cents/LH)	Total Lsnr Sens Return (Cents/LH)
<i>Morning Pro Musica</i>	40%	33%	1.6	0.1	1.8
<i>Aft Classics</i>	15%	11%	1.4	0.1	1.5
<i>ATC Weekday</i>	9%	14%	2.4	0.9	3.3
<i>Morn Edition</i>	5%	8%	2.9	0.6	3.6
<i>Eve Concerts</i>	8%	7%	1.8	0.2	2.0
<i>WeEd</i>	3%	3%	1.9	0.1	2.0
Interviews (Local)	4%	4%	1.7	0.3	2.0
<i>APHC</i>	4%	6%	2.8	0.7	3.5
<i>All Else</i>	12%	14%	2.2	0.3	2.5
Total	100%	100%	1.9	0.3	2.2

What We Saw

At the time of our 1988 programming economics study

- *Morning Pro Musica's* net revenue was \$184,000.
- Connecticut Public Radio's overall net gain was \$119,000. Local efforts were losing money.
- *Open Air New England* lost \$77,000.
- *Evening Concerts* (locally recorded classical) lost \$53,000.
- *All Else* (local live folk) lost \$102,000.

Everything produced locally that we perceived as a public service was performing poorly. Summer 1989 listener loyalty figures, available to us just before we made the changes, confirmed our suspicions.

What We Changed

In addition to a consistent start time and better cross-promotion, the studios for *Open Air New England* – which had been reserved solely for its use – were opened to other production, allowing us to spread the studio costs throughout the company.

When we cancelled *Evening Concerts*, we didn't give up on locally recorded classical music entirely, but we did re-evaluate it. Now we mainstream local performances into the rest of our locally originated classical music service.

Because our core audience was still solidly classical, we didn't expand *Morning Edition* right away. In 1993 it was expanded to two hours and in 1995 to three (until 9 AM).

Table 3

AUDIENCE 98	Listener Income	Underwriter Income	Expense	Return	R.O.I.
Classical (Local)	\$464,879	\$95,040	\$160,000	\$399,919	3.50
<i>Morning Edition</i>	\$361,990	\$368,000	\$304,000	\$425,990	2.40
<i>ATC Weekday</i>	\$307,990	\$226,000	\$253,000	\$280,990	2.11
All Other Acquired	\$111,703	\$6,000	\$90,000	\$27,703	1.31
<i>Classical 24</i>	\$42,318	\$0	\$10,000	\$32,318	4.23
Interviews	\$57,326	\$15,080	\$90,000	(\$17,594)	0.80
<i>Perf Today</i>	\$46,864	\$14,800	\$41,000	\$20,664	1.50
<i>Weekend Ed. Sat</i>	\$20,257	\$3,000	\$38,000	(\$14,743)	0.61
<i>APHC</i>	\$90,311	\$19,600	\$34,000	\$75,911	3.23
<i>MktPice</i>	\$17,266	\$84,800	\$41,000	\$61,066	2.49
<i>CarTalk</i>	\$56,612	\$10,800	\$37,000	\$30,412	1.82
<i>World Of Opera</i>	\$11,007	\$2,760	\$9,000	\$4,767	1.53
<i>Mon Radio</i>	\$4,422	\$6,920	\$10,000	\$1,342	1.13
Total	\$1,592,945	\$852,800	\$1,117,000	\$1,328,745	2.19

Table 4

AUDIENCE 98	% of Listening	% of Listener Support	Return From Listeners (Cents/LH)	Return From Underwriting (Cents/LH)	Total Lsnr Sens Return (Cents/LH)
Classical (Local)	34%	29%	2.0	0.4	2.4
<i>Morning Edition</i>	20%	23%	2.6	2.6	5.2
<i>ATC Weekday</i>	16%	19%	2.8	2.1	4.9
All Other Acquired	5%	7%	3.0	0.2	3.2
<i>Classical 24</i>	5%	3%	1.2	0.0	1.2
Interviews	5%	4%	1.7	0.5	2.2
<i>Perf Today</i>	3%	3%	2.2	0.7	2.9
<i>Weekend Ed. Sat</i>	2%	1%	1.2	0.2	1.4
<i>APHC</i>	2%	6%	5.8	1.3	7.1
<i>MktPice</i>	2%	1%	1.3	6.6	7.9
<i>CarTalk</i>	2%	4%	4.6	0.9	5.5
<i>World Of Opera</i>	2%	1%	0.9	0.2	1.2
<i>Mon Radio</i>	2%	0%	0.4	0.6	1.0
Total	100%	100%	2.3	1.2	3.5

Positive Results

- *Open Air New England, now The Faith Middleton Show*, still loses money – but a lot less at \$17,600.
- Local Classical now returns \$400,000.

Our public service increased too. For example: We now have local reporters covering major issues in Connecticut - something we couldn't afford before applying programming economics and making the changes.

– Kim D. Grehn



Appendix

Appendix

About AUDIENCE 98

AUDIENCE 98 is the most comprehensive research project undertaken to date for public radio. It's based on a powerful research method called a **recontact survey**, which is the most efficient way to determine linkages between listening to public radio and the attitudes that motivate listeners to support public radio.

The Public Radio Recontact Survey measured over 200 characteristics of public radio listeners. We learned, among many other things, which programming they listen to; how much they value national and local programming respectively; who gives and who doesn't; how much they give; their use of the Internet; their perception of on-air fundraising and underwriting credits; and the qualities that define their lifestyles and values.

David Giovannoni of Audience Research Analysis in Derwood, Maryland led AUDIENCE 98's Core Team. Team members included editor and writer Leslie Peters and statistical analyst Jay Youngclaus.

From September 1997 through February 1999, AUDIENCE 98's Core Team analyzed the Recontact Survey responses and issued reports via the Internet at the ARAnet website (ARAnet.com). Some edited versions of reports also appeared in the public broadcasting newspaper Current.

All the information published by AUDIENCE 98, including statistical analyses and other materials that do not appear in this book, continue to be freely available at ARAnet. The site also offers an extensive Research Library of past public radio research, including many seminal studies and reports.

Major funding for the project was supplied by the Corporation for Public Broadcasting, with additional support from Audience Research Analysis and 91 public radio stations.

About the Public Radio Recontact Survey

In Fall 1996, across America, approximately 33,000 public radio listeners kept Arbitron diaries. In early Spring 1997 Arbitron randomly selected 15,000 of these listeners and sent them a questionnaire designed to ascertain their pledging behaviors, personal beliefs and attitudes toward public radio. This is a key element in what is known as the Public Radio Recontact Survey.

The questionnaire was designed by David Giovannoni of Audience Research Analysis (ARA); Tom Thomas and Terry Clifford of Thomas & Clifford; and George Bailey of Walrus Research. Giovannoni, Thomas and Clifford had collaborated on public radio's first recontact survey, AUDIENCE 88, 10 years earlier.

A recontact survey is not only a powerful research method, it's also time and cost efficient. Here's why: Arbitron **already** takes a random sample of radio listeners in America and that includes a random sample of people who tune to public radio. It already measures seven days of listening in 15-minute increments. In short, Arbitron collects most of the data needed. Although Arbitron is not in the recontact survey business, it did this project for public radio.

The Recontact Survey draws its information from various sources: the questionnaire mailed to listeners; Arbitron diaries (which offer information for each diary keeper about his/her listening to public and commercial radio); AudiGraphics and National AudiGraphics; and the system that analyzes and categorizes listeners' values and lifestyles, VALS.

Nearly 8,000 listeners returned usable questionnaires. These 8,000 respondents comprise "the national sample."

The national sample was commissioned by the Corporation for Public Broadcasting (CPB) as a resource for all of public radio. It represents the national norms and the big picture for public radio.

The national sample data is available on ARAnet. Instructions on how to use it can be found in an area called "The Database Toolkit."

Access to the data requires a password from CPB.

In addition to the national sample, 91 public radio stations paid Arbitron to recontact all the diary keepers who listened to them. They are called the "Piggy-Back" stations because their surveys piggy-backed on the national Recontact Survey.

Appendix

How AUDIENCE 98 Links Listener Income to Listening

Listener income is a ready number at most public stations. But knowledge of listener income is most useful when tied to the programming inspiring it. This is a much more demanding task.

On first thought it seems reasonable to link an on-air drive's pledges to the programming on the air at that time. However, not only is pledge tracking insufficient for this purpose, it also provides misleading and just plain wrong information.

There are three problems with the pledge-tracking method. **Although many public broadcasters understand these drawbacks, they continue to track pledges, because they assume it is still a valid form of feedback. Unfortunately, it is not.**

The first problem is that listeners can pledge only when at a phone, and only then when the situation allows – typically when they are at home and not otherwise occupied. For this reason true listener income from *Morning Edition* and *All Things Considered*, which play in morning and afternoon “drive-times” is probably under-represented, while income from *A Prairie Home Companion*, *Car Talk* and other evening and weekend programming is probably over-represented.

Many professionals try to work around this problem by administering a simple survey to givers. The survey asks givers to report their favorite programming – presumably the programming that causes them to support the station. but such self-evaluated preference reports inaccurately represent listeners' motives.

AUDIENCE 88, like the “Cheap 90” study before it, showed clearly that **use of the station's total service is the best single predictor of support.** The more frequently people tune in, and the more types of programming they listen to, the more likely they are to support public radio.

Clearly, listener support must be apportioned across all programming used – not just a listener's reported favorites.

In addition, as the most advanced stations in the system generate more income through off-air renewals, the links between specific programming and listener support becomes even less apparent.

The key point is this: **Listeners' willingness to give is tied directly to the personal importance of the programming in their lives.** The on-air appeal, the direct mail solicitation, and other fundraising methods are merely the catalysts – not the cause – of the giving.

Done well, they can accelerate the act of giving but they cannot make givers out of listeners who do not already experience deep satisfaction with a station's programming service.

Technical Details

In order to link listener income to specific services on your station, you must

- Recontact your station's Arbitron diary keepers,
- Identify givers and their giving levels, and
- Merge the required programming, listening and listener support data into the variables called for by the programming economics system.

You do this by **apportioning each giver's financial contribution across programming, based on the amount of time each giver listens to each service.**

That is exactly what AUDIENCE 98 accomplishes nationally and the Local Programming Economics Reports achieve specifically. The Public Radio Recontact Survey updates systemwide data from AUDIENCE 88 and provides, for the first time, local information to a limited list of “Piggy-Back” stations.

At the micro level of the individual listener, this method of apportioning listener income across the programming that generates it assumes a generally linear relationship between listener income and programming use, and between listener income and personal importance.

A decade after we first learned to make this connection its constancy is confirmed by AUDIENCE 98.

– John Sutton
–Leslie Peters

Appendix

How AUDIENCE 98 Links Underwriting Income to Listening

Underwriting income is income (cash or trade) generated by underwriting and paid announcements sold by stations. It is the financial support for programming paid in return for on-air mention of that support. It is **listener-sensitive**, in that the organization providing the cash or trade finds value in reaching listeners, and that **value is influenced by the number and qualities of the people in the audience.**

AUDIENCE 98 asked 112 stations with sufficient Arbitron sample to provide program-specific underwriting income for its Program Economics analyses. The survey was designed by John Sutton of John Sutton Associates and conducted by Debora Giovannoni of Data Integrity in the summer of 1997.

Fifty-six stations participated, two of which do not solicit underwriting for their programming. Although they are not a true “national sample,” AUDIENCE 98 presents and uses them as the current best estimate of program-specific underwriting information for public radio.

The study collected underwriting information for all programs that generated at least one percent of all listening to the station in the Fall 1996 Arbitron survey.

Time period. Stations were asked to report underwriting income from one of three periods:

- September 19, 1996 through December 11, 1996, or
- September 1, 1996 through November 30, 1996, or
- October 1, 1996 through December 31, 1996.

Period One coincides with the Fall Arbitron survey. If stations could not provide exact infor-

mation from Period One, they were asked to provide it from Period Two (second preference) or Period Three (third preference).

Period Three was the third preference because it runs through the Christmas holiday and there is a presumed change in underwriting patterns and revenues at this time. Due to software and record keeping limitations, some stations were only able to provide estimates for one month in the survey period.

Weekly underwriting income averages are calculated from these numbers to correspond with Arbitron’s weekly audience estimates. AUDIENCE 98 typically shows these numbers as annual totals (in dollars) or as the underwriting return per listener-hour (in cents).

Limitations. While this study measures how much underwriting income is generated, it does not ascertain how that return is achieved. It does not look at units available, sold, or aired as bonuses. It does not track sales strategy, pricing, or effort. Nor does it control for season (many stations commented that Fall is their best quarter for underwriting billings).

While not a limitation per se, we note that the study looks at the total audience generated by each program. In some cases repeats or rollovers generate audience but return little in additional underwriting. This correctly lowers the return per listener-hour, but it may seem to under-represent the value of the first airing.

We also note that while AUDIENCE 98 links underwriting income with reported listening, it is likely that Arbitron estimates from Spring 1996 or earlier were used to sell the Fall 1996 contracts.

– John Sutton

What We Learned by Gathering Underwriting Information from Stations

“Programming causes audience.”

– AUDIENCE 88

“We don’t sell underwriting by program, so we can’t get that information.”

– Numerous public radio station professionals

Public radio relies more heavily on underwriting income with each passing year. Programming causes the audience that underwriters “buy.” The AUDIENCE 98 Underwriting Survey is the first system-wide attempt to link underwriting to the programming that causes it.

There are two reasons why managers at stations would want to link underwriting income to specific programming. First, it allows them to track their full financial return from each programming investment. Second, it provides tools with which to compare financial returns across all programming in their schedule.

The Underwriting Survey

AUDIENCE 98 invited 112 stations to augment their estimates of listener support with program-specific information about underwriting (defined here as any financial support for programming in return for on-air mention of that support). In the process of gathering this information we learned valuable lessons about record keeping and information management at stations.

Several stations generated underwriting figures by program quickly and easily. But for most it was a challenge, due primarily to

insufficient record keeping, inadequate software, or the belief that program-specific income figures are not relevant because underwriting is sold by dayparts and program packages.

From its inception, the AUDIENCE 98 Underwriting Survey was seen as a pilot project to inform subsequent endeavors. The need to set indus-

try standards for tracking underwriting support by program must clearly be addressed before this key relationship can be studied and moved forward.

However, these limitations have not kept us from forming the following impressions during our discussions with stations.

Factors Affecting Underwriting Income

A station’s ability to generate underwriting rests on a combination of factors: audience, program format, market conditions, strategy, and effort.

Audience is a result of having the right program on the right station at the right time. The number of hours a program is on the air, the available audience, and the program’s power affect the size and qualities of the audience served during an individual program or daypart or package. This influences pricing and selling strategies.

Program Format influences the number of credit avails in each hour. Some programs offer more avails and as such offer greater potential for income.

Market Conditions such as exclusivity, uniqueness, competition, and sell-through rates can influence underwriters’ demand for a program. This offers the opportunity for flexibility in the rates charged by a station.

Strategies vary across stations and programs more than any other factor.

- Some stations offer 10-second credits in drive time while others run only thirty-second credits.
- Some offer combinations of 15-second credits and 30-second paid announcements.

- Some sell at the market cost-per-point while others sell well above or below that benchmark.
- Some place bonus spots in weaker programs; this can help close deals but it also lowers the return on the average credit.

Analyzing underwriting income by program lets a station evaluate the success of its strategies.

Effort also varies greatly across stations and programs.

- Some stations are aggressive in generating new business.
- Others wait for the phone to ring.
- Several stations admit selling just the “easy” dayparts and programs.
- Some have only one part-time person making sales calls while others have full-time staffs of four or five.

Average Rates and Cost-Per-Thousand

While AUDIENCE 98 did not collect information about avails, units sold, or credit rates, discus-

sions with participating stations suggest that we need to clarify two concepts before we can make meaningful comparisons among programs and across stations. These are the “True Average Rate” and the “True Cost-Per-Thousand.”

True Average Rate is a station’s underwriting income divided by the total number of credits or spots broadcast. This includes bonus spots. We noticed during this process that most stations referred to their rate cards to report their average rate. Since many of these stations also made liberal use of bonus spots, the True Average Rate was significantly less than the published rate.

The True Cost-Per-Thousand is determined by dividing a program’s, format’s, or daypart’s True Average Rate by its average quarter-hour audience.

True Average Rates and True Cost-Per-Thousand are the foundations we need to compare the effectiveness of different programs and stations in generating underwriting income, and their potential for underwriting growth.

– John Sutton

Appendix

Understanding the Giving Model

AUDIENCE 98's Giving model is an statement of the interactions between givers' **motivations, mindsets, and means**. The simple statement

of the model on page 115 does not convey either its finer points or the full extent of what we learned in its creation.

The Giving Model					
Dependent Variable: Natural Logarithm of Annual Household Gift					
	Unstandardized Coefficients		Standardized Coefficients		
	B	S.E.	Beta	t	Sig.
(Constant)	2.861	.099		28.941	.000
Time Spent Listening	.006636	.000	.123	4.738	.000
Loyalty	.001950	.001	.088	3.427	.001
Personal Importance of Network Programming	.04081	.015	.063	2.672	.008
Personal Importance of Local Programming	.03770	.013	.065	2.810	.005
Annual HH Income	.003261	.000	.271	11.219	.000
Actualizer	.108	.034	.076	3.158	.002
Joint Licensee	.114	.032	.079	3.570	.000
Station's Average Gift	.002090	.000	.117	5.219	.000

Reliance: *Time Spent Listening* by the listener to the supported public radio station is in hours per week. *Loyalty* of the listener is the percentage of all his or her listening to radio that is to the supported station.

Personal Importance: *The Personal Importance of Local and Network Programming* are measured on a six-point scale, with 6 being "agree definitely" that the station's "network [or local] programming is an important part of my life. If it went away I would miss it."

Listener Characteristics: *Annual Household Income* is in thousands of dollars per year. *Actualizer* is dummy coded (0,1) to indicate whether the listener's primary or secondary VALS 2 type is Actualizer.

Station Characteristics: *Joint Licensee* is dummy coded (0,1) to indicate the radio station is licensed jointly with a public television station. *Station's Average Gift* is in dollars; it is the sum of all respondents' gifts to the station divided by the number of respondents giving to the station.

Definitions

Households. The Public Radio Recontact Survey asks, “How much **did your household give** to [station] in the year of your most recent contribution?” (emphasis added). Because the measurement is the household’s gift, AUDIENCE 98 aggregates the responses of listeners in the same household into a single response. Therefore the giving model is based upon the **household** rather than the individual, unlike any other analysis in AUDIENCE 98.

For a detailed discussion of “Households, Pseudo-Respondents, and the Attribution of Listener Support,” see pages six through eight in the Public Radio Recontact Survey Database Toolkit.

Annual Gift. Again, the survey asks, “How much did your household give to [station] **in the year of your most recent contribution?**” (different emphasis added). The reported number is the **sum total of gifts for the year** for listeners who gave more than once, and should therefore be interpreted as an **annual gift**, not the amount of the most recent gift.

Current Givers. Both the “Givers” and “Giving” models created by AUDIENCE 98 focus on **current** givers only. The Public Radio Recontact Survey was fielded in March of 1997; current givers are those who said they “gave in 1996 or 1997.” Therefore, **a current giver is a person who lives in a household that has given to at least one public radio station in the last 15 months.**

Control Variables

AUDIENCE 98’s Giving model acknowledges two station characteristics that make a difference in the size of listeners’ gifts. In statistical terms, we have “controlled” for the effects of these variables. This greatly strengthens the other

findings to emerge from our model.

Joint Licensees. We find no evidence that joint licensees perform better as a group than other stations. However, listeners who give to joint licensees report slightly higher giving levels. We interpret this simply as listeners reporting their gift to the combined radio and television operation.

For instance, one household in Washington DC reports giving \$60 to WAMU and \$75 to WETA, a joint licensee. But gifts to WETA radio are also gifts to TV; for most listeners it would be impossible to apportion the gift across the two operations. Again, by controlling for this real and understandable confusion, the remainder of AUDIENCE 98’s size-of-gift findings is greatly strengthened.

The Station Itself. Each station differs from others in its tactics and ability to earn gifts from listeners. At some stations the development efforts may be more aggressive, the tactics more powerful, or the communities richer.

We find no readily apparent commonalities among stations with higher-than-average gift levels. **But our model acknowledges these differences and is greatly strengthened as a result.**

The control variable used is a calculation of the average station gift as calculated from the AUDIENCE 98 database itself. Using a component of the dependent variable (gift size) to predict the dependent variable introduces multicollinearity in the model. Analysis shows the multicollinearity does not significantly alter the remainder of the model.

This table shows the standardized coefficients (betas) for the model with and without the average gift variable. Note how the inclusion of the variable increases the model’s predictive power without disrupting the other independent variables.

	Model with Average Gift $r^2 = .152$	Model without Average Gift $r^2 = .134$
Time Spent Listening	.123	.125
Loyalty	.088	.085
Personal Importance of Network Programming	.063	.059
Personal Importance of Local Programming	.065	.055
Annual HH Income	.271	.267
Actualizer	.076	.068
Joint Licensee	.079	.086
Station's Average Gift	.117	

– David Giovannoni

Note: Many listener characteristics could conceivably influence the size of a person's gift – but do not. This table shows how much the knowledge of

specific demographics, utiligraphics, and attitudes toward public radio would add were each included next in the Giving Model.

Demographics	Beta In	Signif.	Tolerance
Sex	-.009	.676	.955
Age	.024	.298	.909
Education	.007	.782	.824
White	.029	.192	.987
Black	-.008	.733	.983
Employed	.019	.425	.895
Retired	-.010	.681	.887
Fulfilled (VALS 2)	.014	.609	.687
Utiligraphics			
Years Listening to the Station	.022	.325	.963
Core Listener to the Station	.043	.283	.305
Exclusive Listener to the Station	-.015	.584	.642
Listens on Weekdays	.015	.511	.911
Listens on Weekends	.054	.019	.919
Time Spent Listening to News	-.001	.966	.794
Time Spent Listening to Classical	.000	.990	.926
Time Spent Listening to Jazz	.017	.461	.948
Horizontal Hold to the Station	.012	.697	.538
Occasions to the Station	.048	.132	.476
Duration per Occasion to the Station	-.029	.267	.730
Time Spent Listening to the Radio	.015	.690	.351
Occasions to the Radio	.028	.278	.745
Duration per Occasion to the Radio	-.049	.058	.720
Horizontal Hold to the Radio	.003	.885	.837
Attitudes and Perceptions			
Personal Importance of the Station	-.017	.565	.546
The news programming on public radio is unique, not available on commercial stations	.031	.211	.776
The music programming on public radio is unique, not available on commercial stations	-.006	.799	.908
I seek out public radio whenever I move residence or travel out of town	-.012	.636	.800
I generally think of public radio as being financially supported by contributing listeners	.031	.175	.953
I generally think of public radio as being financially supported by universities or government tax dollars	-.051	.021	.982
The social and cultural values I hear expressed on public radio usually fit closely with my own values	.030	.209	.864
I keep listening to the public radio station during its on-air membership drives	.048	.039	.890
The on-air membership drives are getting more prevalent than in the past	-.020	.358	.985
The on-air membership drives are becoming easier to listen to than in the past	.023	.314	.937
The on-air mentions of business support (underwriting) are getting more prevalent than in the past	-.004	.871	.966
The on-air mentions of business support (underwriting) are getting more annoying than in the past	-.026	.238	.993
My opinion of a company is more positive when I find out that it supports public radio	-.024	.301	.931
I am concerned that businesses which support public radio may eventually force changes in the programming	-.065	.004	.977
I personally would be less likely to contribute to public radio if more businesses were to support it	-.055	.013	.990



Audience Research Analysis (ARA) is a leading provider of tools that help public radio meet increasingly higher standards of public service. Its principle product is AudiGraphics, an advanced system of analyzing radio listening data from a public service perspective.

ARA specializes in data reduction – the distillation and synthesis of masses of information – to create clear and powerful concepts. ARA serves its clients (and ultimately public radio’s listeners) by turning information into knowledge, knowledge into understanding, and understanding into action.

Since 1977 ARA has collaborated on or produced nearly every seminal study of public radio’s audience. ARA maintains these reports as a service to the industry for as long as they have currency. Access and downloads are free from ARAnet.com.