

Local Content Top Performers

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To bake or not to bake – that is the question.

As public radio stations formulate their content strategies, they are faced with a choice that many businesses have to tackle – should they make their own products or sell someone else's?

As an analogy, let's look at . . . bread. If you were setting up a bread store, you would have to determine your strategy. You could be a retailer, putting some popular brands of bread on your shelves – maybe some loaves of Wonder bread or Pepperidge Farm. You wouldn't bake the bread, but you would sell it.

Or you could be a bakery and employ artisans who craft breads – maybe some nine-grain loaves or rolls made from organic wheat. You would bake and sell the bread.

It's no different in public radio. Some stations are more like retail outlets and some are more like local bakers. Actually, most stations are some of each. It's deciding how much of a balance to strike that makes for the uniqueness of each station and makes for some tough decision-making for station leaders. Some people argue that stations don't have the resources and expertise to create programming of the same quality of national producers. Others argue that without local content, public radio loses an opportunity to connect with listeners in a meaningful way that helps build stations as significant community institutions. Each station has to set its own path.

Evaluating local content

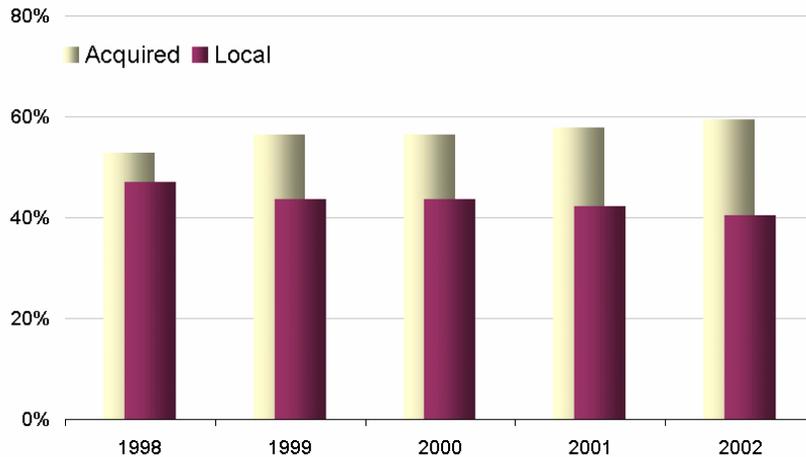
While there is an array of data available on programming created by national producers, there is less information concerning local content creation. SRG has devoted part of its Charting the Territory initiative to developing tools and concepts that help station leaders make informed decisions on local content. SRG has developed the Program Ledger, a framework for evaluating the performance of local content, and conducted research to showcase the success of local content.

Our most recent research project identifies top performers in local content, seeking out local programs that have strong audience data and serve the station well overall.

Before discussing the specific research, some context for local content creation is helpful. In the period from 1998 to 2002, public radio stations gave more “shelf space” to acquired programming. Although there was still a significant amount of

local programming on air, the percentage of acquired programming on stations grew from 53% in 1998 to 58% in 2002.

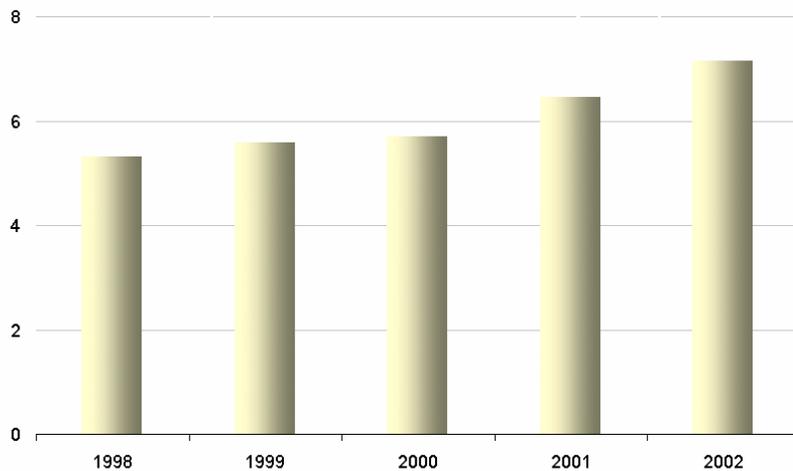
Stations Are Giving More "Shelf Space" to Acquired Programming



Source: CPB; NPR Public Radio Programming Fiscal Year 2002

Listening to acquired programming also grew, from 5.3 billion listener hours in 1998 to 7.15 billion listener hours in 2002.

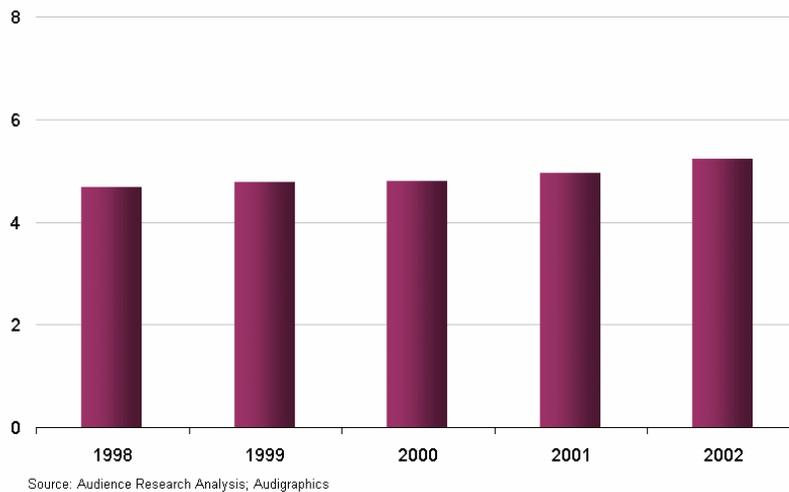
Listening to Acquired Programming Has Grown Significantly



Source: Audience Research Analysis; Audigraphics

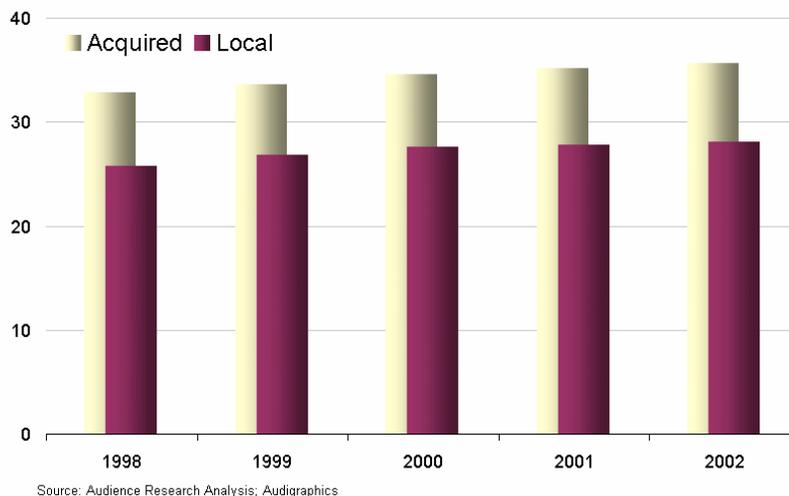
Listening grew for local programming as well, from 4.68 billion listener hours in 1998 to 5.22 billion listener hours in 2002. Local programming accounted for 42 percent of public radio listening in 2002, even though there was less local programming on the air.

Listening to Local Has Grown, Too (Even with Fewer Hours Being Broadcast)



Over the five year period, loyalty grew about 8.5% for both acquired and local programming.

Loyalty Is Growing To Both Local and Acquired



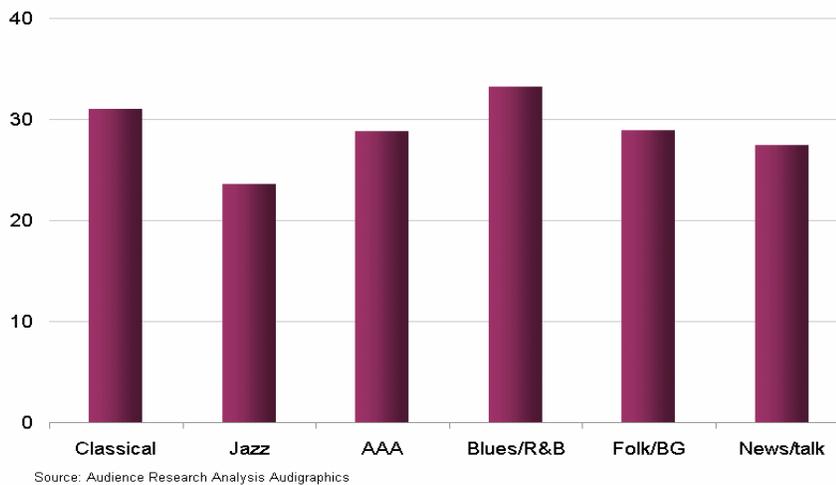
The loyalty factor

Loyalty is an important indicator of success for programming and factors prominently in our research on top performers. Loyalty is the percent of a station's cume audience that is using radio that is tuned to the station. For example, let's say station KXXX has a weekly cume audience of 100,000. At 9am on Monday morning, 60,000 members of that cume are using radio and 30,000 are tuned to KXXX. That hour has a loyalty rate of 50% (half of the KXXX cume audience that is using radio is tuned to KXXX).

Loyalty is the measure SRG used to identify local content top performers. It indicates the capacity of programming to serve station listeners, and Audience Research Analysis considers loyalty "the single most powerful lens through which to assess programming performance."

We decided to look first at station loyalty. We identified stations that had overall loyalty at or above average loyalty for stations in their format. Different formats have different loyalty, so we examined stations against the loyalty for their format.

Different local formats have different loyalty



Data from 2002 show that the local classical format has a loyalty of 31%, the local jazz loyalty is 23.6%, local AAA is 28.8%, local blues and rhythm and blues is 33.2%, local folk and bluegrass is 28.9% and local news/talk is 27.4%.

We made station loyalty our starting point because we wanted to make sure that the programs we identified were excelling in the context of a strong operation. There are some outstanding examples of local programs on stations that are not particularly outstanding. Once we considered this threshold of performance, we looked at program loyalty that was higher than station loyalty.

So here's the process – first, we examined stations by format. Take jazz stations for example. The overall loyalty for jazz stations is about 24 percent. We created a list of jazz stations with loyalty of 24 percent or above. Then, we would look at the local jazz shows – including blues, big band, gospel, etc. – to find local shows with loyalty higher than the overall station loyalty. Finally, we looked at how the shows performed over time, to eliminate those shows that were just having a good week and didn't generally perform well.

As we sorted through all the data, some patterns emerged about how stations place local content and the impact it has. We found patterns for weekend blockbusters, weekday music formats and weekday news/talk formats.

Weekend blockbusters

The weekend blockbuster stands out for several reasons. The shows create a jump in cume and have high loyalty. The host is typically an important element of the show. He or she may be a former commercial radio personality or someone well known in the community. The format for the program may be something totally different from the rest of the week – a blues show on a news/talk station or jazz show on a classical station.

We'll compare two shows in the same format to talk about the possible impact of weekend blockbusters.

KCEP in Las Vegas has an urban contemporary format. All of its music – R&B, jazz and hip-hop – is locally produced. There are only two acquired shows on the station, The Tavis Smiley Show and the Black College Sports Report. Overall station loyalty in spring 2003 was 37%.

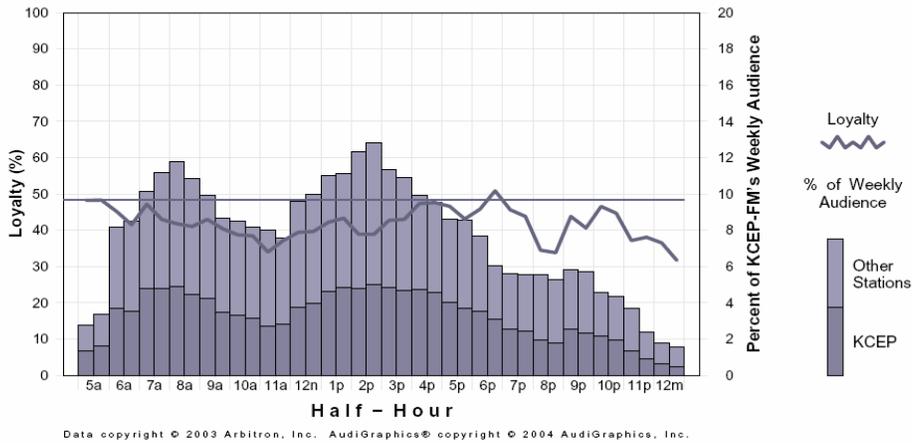
On Sundays, the station airs Gospel Sunday from 5am to 4pm. The program is actually a series of shows that includes announcers spinning gospel CDs and broadcasts of local church services. Loyalty for the entire program is 59%, with an average quarter hour audience of 5700.

KCEP Program Director Billy Thompson says the show performs well. No other stations in the market air gospel music. The audience numbers are strong, and Thompson says the costs and returns on the show – another essential assessment – are also good. He says KCEP pays for the local announcers for Gospel Sunday while the churches pay costs for the broadcasts of their services. On the returns, Thompson says the show is a “major part” of KCEP's on-air fundraising and creates important community connections for the station.

Traditionally for the black community, gospel music is a standard for Sunday. With radio stations the way they are today, with corporate mergers, they don't focus on that. . . We've been doing it for many years. It's something people look forward to. It's a service to the community.

If you look at KCEP's Gospel Sunday listeners as a subset of the entire cume, they have 84% loyalty to the program and 48% loyalty to the station. The chart below shows the loyalty of Gospel Sunday listeners Monday – Friday.

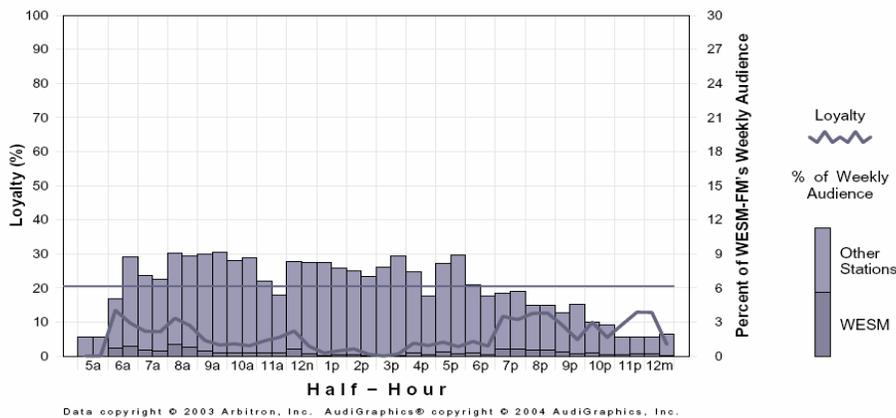
Loyalty of KCEP-FM's Gospel Sunday Listeners Monday-Friday



Now let's look at another station that airs a gospel program on Sundays.

WESM in Salisbury, MD, has a dual format with NPR news in drive time and jazz in the mid-days and evenings. Overall station loyalty in spring 2003 was 27%. WESM airs Stairway to Heaven on Sundays from 6am to noon. It's a music program with a host spinning gospel CDs. The loyalty for the program is 59%. Average quarter audience listening is 2700. Stairway to Heaven listeners are 96% loyal to the program, but only 21% loyal to the station. The chart below shows the loyalty of the Stairway to Heaven listeners Monday – Friday.

Loyalty of WESM-FM's Stairway to Heaven Listeners Monday-Friday



The chart shows that even though they listen faithfully on Sundays, Stairway to Heaven listeners are not loyal to the weekday programs. The chart is a stark contrast to the Monday – Friday loyalty chart for KCEP’s Gospel Sunday listeners, who show strong loyalty to programming across the week.

In evaluating costs and returns, Marva Copeland, general manager at WESM, says the show does not fundraise well, and it brings in a separate audience from the weekday audience. The host is a volunteer who is well known in the community, so the show does create some good community connections. Copeland says she’s struggling with what to do with the show. The numbers look good but the Stairway to Heaven audience has little impact on the rest of the week and no impact on fundraising.

I’ve thought about not airing the show, but the numbers hold me back. I think people depend on the station for the show. I guess you could say it’s still on because of the humanitarian aspect. I’m taking a hard look at it and contemplating a change.

Both Gospel Sunday on KCEP and Stairway to Heaven on WESM have high loyalty, AQH and some community impact. However, only one show, Gospel Sunday, has a consistent appeal and is super serving the station audience.

The weekend blockbuster drives home the point that it’s not just the moment in time when a program is on the air that it has value. Is the appeal of the program the same or are there big differences in the age, sex and gender of the listeners compared to those who listen during the rest of the week? Does the show reinforce the station’s image or send core listeners elsewhere? If a weekend blockbuster can have impact at the moment of its broadcast and on the rest of the week, it’s a better investment for the station and provides more public service.

Weekday music format

The weekday music format is pretty straightforward – an announcer spinning CDs for long periods of time. It’s difficult to do anything that stands out. There are some stations, though, that excel.

One of those stations is WOSU-FM in Columbus, OH. The station has an all-classical format, and, in spring 2003, local classical music aired from 5:30am to 7pm. In the evenings and on weekends, WOSU-FM carried some acquired classical shows. Overall station loyalty was 33%.

Local classical performed well on the station, with a loyalty rate of 34%. The average quarter hour listening was 5100, although a five-book average shows a higher AQH at 6740. The highest loyalty of the day in Spring 2003 was between noon and four, while locally presented classical music aired. The noon-to-four listeners were 58% loyal to the program and 48% loyal to the station.

WOSU director of programming Susan Johnson Lyons says several factors led to the strong performance:

- Consistency in music selection
- Veteran local announcers
- Counter-programming

She said that a long time announcer had retired from the midday program in late 2002, someone who had been selecting music for her shift. When she left, the music director began selecting the playlist. That made for consistency in music that had been missing before. Susan extended the air shifts of two veteran announcers who used automation technology to voice track their extra hours. Meanwhile, the local commercial talk stations were doing the usual syndicated shows. WCBE, the other public radio station in the market, was playing an eclectic blend of music. WOSU-AM had local and national talk shows on in the afternoon, so classical music offered an alternative.

WOSU-FM's local classical format is an example of good execution on the basics. Solid performance makes the programming stand out. This example underscores findings from research SRG conducted a year ago to identify stations that were successful at holding their Morning Edition audiences. The stations had different formats in different size markets, but they all executed well on radio fundamentals. You can find a report of that study at www.srg.org/program/ME2findings.html

In evaluating costs and returns, Johnson Lyons says there is investment in having the music director select music for the shift and in some additional training for the announcers to use the automation and to sharpen their presentation. The return is solid listening, which drives community support.

There is one footnote to the story, since spring of 2003, WOSU-FM decided to add two hours of Classical Public Radio Network in mid-days. Johnson Lyons says WOSU-FM wants to build on the investments the station has made in local content, and one way to do that is to use this small block of programming from CPRN so that the station can focus more local resources in morning drive time.

All of the local announcers are now learning digital production skills and are producing periodic specials. They're not just sitting in a chair all day long spinning CDs. We can develop deeper and richer local programming.

Weekday news/talk format

The interplay of local and acquired programming is new to WOSU-FM, but it's something very familiar at news/talk stations. For most of the stations in this format, NPR's Morning Edition and All Things Considered are carry the weight in

creating audience and driving membership. The challenge for stations is deciding how to add local elements. Costs for local news/talk can be high, so deciding how to spend on local programming is important. Many stations put their investment in inserting local content in national shows, which is difficult to track. The focus of our research is on local programs.

Three half-hour local news magazines surfaced as we looked for local programs with loyalty rates higher than the overall station loyalty. These are:

KLCC, Eugene, OR

Northwest Passage – 4pm weekdays

KOPB, Portland, OR

Oregon Considered – 4:30pm weekdays

WMEA, Portland, ME

Maine Things Considered – 5:30pm weekdays

All three shows are adjacent to or embedded in All Things Considered. The last two stations are part of state networks, which presumably have more resources to invest in a program that will air on multiple stations. We decided to focus on KLCC's Northwest Passage.

KLCC has an eclectic format with NPR news shows in morning and afternoon drive, AAA in mid-days and jazz in the evenings. In spring 2003, the overall station loyalty was 40%. Northwest Passage had loyalty of 41%, with average quarter hour listening of 4800.

Expectations for Northwest Passage are high, because the program airs after Fresh Air and before ATC – two strong audience draws. The question about Northwest Passage is, can a local magazine show stand up to the acquired programming around it? A comparison of Northwest Passage's listeners to listeners for the following half hour of ATC shows high loyalty numbers for both.

–Northwest Passage listeners (4 - 4:30pm)

- 66% loyalty to station
- 82% loyalty to program

–All Things Considered listeners (4:30 - 5 pm)

- 63% loyalty to station
- 87% loyalty to program

Don Hein, program director at KLCC, says there are several reasons why Northwest Passage is performing well. First, it's positioned within the flow of the NPR news audience. He says Northwest Passage has been broadcast at different times. It didn't work at 6:30pm. At 4:30pm, sandwiched between half hours of ATC, it didn't work. But Hein says putting Fresh Air on at three,

Northwest Passage at four and starting ATC at 4:30 has helped build the afternoon news audience. Second, he says KLCC strives to match NPR quality during Northwest Passage. Each day, five to seven minutes of the show is live interview, so the station doesn't have the time consuming and difficult task of producing features everyday. Finally, KLCC developed a volunteer model to staff the show. The news director hosts the program along with a volunteer co-host each day, and volunteers do the reporting. The station has a training program for the volunteers that's evolved over time and proved successful.

On costs and returns, Hein says the station resources go towards the news director's time plus training for volunteers. Returns include a grant for special issue reporting, fundraising that's "on par" with adjacent network shows and underwriting that's sold out for the afternoon news block. Hein says Northwest Passage also helps strengthen the station's overall local news effort and strengthens community connections.

It's mission programming that demonstrates an audience. To see the local news effort as part of that stair step up to five o'clock is really gratifying. The show gives us a good strong identity in the community.

Local news magazines are not very common. Call-in or talk shows are found on more stations. One local call-in show that stands out is The Brian Lehrer Show on WNYC-AM in New York City. The station has a news/talk format that includes Morning Edition, ATC, and the BBC's World Service. There are also other local talk and interview programs. The overall station loyalty was 29% in spring 2003.

The Brian Lehrer Show airs from 10am-noon weekdays. Its loyalty in spring 2003 was 35%. The average quarter hour listening was 22,800. The Brian Lehrer Show listeners were 46% loyal to the station and 64% loyal to the program.

WNYC Program Director Mikel Ellcessor says the show is doing very well. The program follows Morning Edition on WNYC-AM and the BBC World Service on WNYC-FM, extending the morning news service on both stations. Ellcessor says the host, Brian Lehrer, is passionate about making an impact in the community. In fact, the show's goals are to be news-making and agenda-setting. Ellcessor says it also addresses New York City in a particular way, creating a New York sensibility. Ellcessor says, "It captures the feeling of being in NYC today at this moment."

The show is not inexpensive to produce, with a staff of one host and four producers. But Ellcessor calls The Brian Lehrer Show a fundraising "dynamo." He says it also reaches out to listeners beyond the usual public radio demographic, fulfilling one of WNYC's goals.

(Because of the Brian Lehrer Show) we have a position that we've created in the community where we prove every single day what we mean when we say 'New York public radio.' Our institutional identity becomes very real, it's experiential instead of intellectual.

Careful choices

The programs discussed here provide great snapshots of local shows that are having an impact, drawing audience and creating loyalty.

These examples show us how important it is to make careful choices about local content. They certainly show us that if stations make the right choices, local programming can be successful. Listening and loyalty are growing for local programming, but acquired programming still outperforms local programming, so there's room for improvement. Stations need to set a goal of making local content as good or better than what they acquire from other producers. Some stations are doing it already, why put something on the air that doesn't measure up?

Our examples show that there are different services being provided by different stations – some are all music, some are news/talk, some are a mix. Listeners connect with these services in different ways, and stations should consider their particular context. Weekends can be different from the rest of the week – but how different should they be? The impact on the rest of the week is an important factor. For music formats, execution on music selection and presentation is critical in order to stand out. For news/talk formats, the stakes can be higher because the costs are greater, but returns can be greater, too. Our examples show that positioning in the schedule, making the right investment and offering a sense of place, a sensibility, are all elements of success.

It's easy to think decisions made about local content are strictly programming decisions, that creating local content falls only to those who are producers or hosts or program directors. They are all a key part of the team, but it also takes careful choices from management to make local content effective. Managers have to decide how to make the best use of resources, evaluate costs and returns, and not fall into the trap that says "just putting on a local program is enough, it shows the station is making an effort."

Managers have the responsibility to make sure their stations are providing the highest levels of public service, no matter where the on-air content comes from. Whether a station is like a retail store or the local baker, customers want the highest quality. Stations set standards that need to be met every hour of the day, and management is responsible for meeting those standards.

Many thanks to the stations who allowed SRG to highlight their programs—KCEP, WESM, WOSU-FM, KLCC and WNYC. Thanks also to David Giovanonni and Leslie Peters of Audience Research Analysis for their help in this project.

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