

Radio World

The Newspaper for Radio Managers and Engineers

REPRINTED FROM AUGUST 16, 2006

WWW.RWONLINE.COM

Global Strategies for Your Station

Six Tips From Around the World to Make Your Operation Grow Now

by **Walter Sabo**

International radio stations are at the cutting edge of winning new dollars and listeners by using the Internet and digital tools.

Dan Mason and I are partners in Sabo Mason International. We travel the world working for client stations and looking for investment opportunities. Sabo-Mason International Initiatives is focused on finding the latest technologies to grow your business.

Radio stations in the United States could benefit from many of the on-air, promotional and Internet strategies used by operators around the globe.

Drag and drop

These are the three top tactics stations used successfully by stations elsewhere that should be adopted by U.S. stations — fast.

1. USE THE INTERNET. Stations in the United States are years behind their global neighbors in using the Internet to build a community of listeners.

Three Web sites are worth your immediate attention: Those of Radio 538 in the Netherlands, at www.radio538.nl; Fox FM in Melbourne, Australia at www.fox.com.au; and BBC Radio 1 — a hits station, not one of those boring, serious stations — at www.bbc.co.uk/radio1/.

Radio 538's site has a feature that lets listeners drag and drop digital files of songs they've recorded directly into an application. The station then plays those songs in competitions for prizes. No mail-

ing, FedExing or faxing. Just drag and drop — a direct instant connection between listener and radio station.

Digital robots are a dynamic feature of the Radio 538 site. Each radio personality is made into a bot that captures and recreates their persona. Answers to frequently asked questions are pre-recorded by the radio personality and spoken by the bot. Listeners come to the site, look for their favorite personality and then share the

**Radio stations in
the United States
could benefit from
many of the on-air,
promotional and
Internet strategies
used by operators
around the globe.**

Web site experience digitally with that personality.

Radio 538 has created a cartoon character called Nozman who is referred to on the air but exists only on the site. His daily adventures bring viewers back day after day.

The potency of the site is that it enhances the relationship with the radio station; it isn't merely a fancy program

guide. The site works as a self-contained entertainment package. The digital universe is also a prime source of revenue for Radio 538. They sell ringtones, share text revenue and much more, all low-cost profit generators.

A common characteristic of great radio stations is that they are a true reflection of the city they serve. Fox FM's site is 100 percent market- and format-specific. Look at the homepage and you will

What Is Hitword?

From the Web site of Fox FM in Melbourne, explaining a feature of its Web site:

Some things weren't meant to be said on radio. "www.visitmybusinesshere.biz.net/freeoffer" is one of those things; so too is "SMS the first four digits off your barcode and the word 'dingy' to 132 8876. Costs 80 cents plus call costs higher from mobiles."

So we've created Hitword. It's a simple and easy way for you to follow up on the stuff you've heard on the radio that interests you. Whether it's entering a competition, or following up on an ad that appealed to you. All you have to do is come to the station homepage [and] enter the hitword you've heard. Then you'll be taken on a magical ride straight to what you need to know.

No wasted searching. No sifting through annoying paid sponsor links, just the info you're after in a flash.

We hope Hitword makes your life a little bit easier, it's been designed to.

instantly know what's hot in Melbourne and on the radio station. Site visitors quickly grasp the mood of the city, get the information they need and sense the energy and appeal of the station.

Best feature: Hitword. Whatever you hear on Fox FM, you can learn more about it just by typing in one word in the Hitword box. Immediately you're taken to the information about the contest, host, advertiser or community information you are seeking. It's super-fast and saves browsing page after page for one piece of data.

Bonus feature: Take a look at Fox FM's fun contest, Selfish Sex.

Sense of urgency

BBC Radio 1 is the hip, cool radio station in London. Two of the many unique aspects of its site are a 24/7 multi-camera webcam system that actually works, and an extensive archive of shows. (By the way, the cameras reveal that the prestigious BBC allows food and beverage in the studios, right on the control board.)

The archives hold shows from the prior week and serve as a dynamic promotional tool. *The archive listings cross-promote*. They say, "If you enjoy this show, we recommend you try this other show."

Archiving is an image-enhancing feature because it signals that a station's shows are worthwhile, keepers, not disposable. It builds the image of radio being on the same level of entertainment with TV or films.

Radio 1 makes a very big deal of the weekends. They have a separate staff of *top* hosts starring on weekend programs. Weekend shows have special features and their own contests. The weekend package is prominently promoted in its own section on the Web site called "48-Hour Party People." After looking at the weekend section of the Radio 1 site, you will want to hear the weekend programming.

All of these sites claim a full list of delivery platforms. You'll see how to get their shows on iPods, ringtones, phones, Web sites. This reach is supported on the air. Radio 1 has frequent production that says, "On the Internet, your iPod, your cellphone and at 97-99 FM"

The sites communicate a sense of urgency, a call to action. Every element drives listeners to enter a contest *now*, to listen to the *next* show, to *plan* their week-

ends around the station.

This sense of urgency and currency is lacking in almost every Web site based in the United States.

2. DIGITAL RADIO IN EUROPE. There is constant whining in the United States about the need for younger demos. (Tip: Let's start calling them "younger people.")

Adrian Sarbu owns the first commercial radio group in Romania. He's planning to win young listeners by giving his

Archiving is an image-enhancing feature because it signals that a station's shows are worthwhile, keepers, not disposable.

digital station to them. He is putting a studio in a high school in Bucharest and letting students broadcast whatever they want. The radio station becomes a part of the students' daily landscape.

U.S. broadcasters should use HD Radio for truly new formats, not just re-labeling existing formats. Does it really make sense to let the people who spent the last decade mocking and squandering the value of radio programming make the decisions about what entertainment is offered on the new HD stations? Go to where young people go, give them a mic and get out of the way. Learn what they want and air it. That's how FM gained traction in the '60s.

3. CLAIM YOUR POWER. When asked if the government challenged broadcasters regarding content — i.e., indecency — radio executives in Athens, Greece, told us it is not a problem: "Talk radio put the government into power."

Greek owners (there are more than 50 stations in Athens alone) never let the government forget that it was radio's collective endorsement of the leadership that got them elected. They take no nonsense and tolerate no government rules that they believe harmful to their profitability.

Certainly the conservative government of the United States should be sending thank-you notes to the hundreds of talk

stations that air 24/7 what is essentially an ad for the Republican party.

International stations *claim* their ability to motivate the public. They are proud. The Australian radio broadcasters actually stage a nationally broadcast annual awards show on the scale of the Emmys to recognize their best *radio* broadcasters and executives. Black tie, big dinner, major production.

The on-air hosts of BBC Radio 1 are treated like stars. They work at most a three-hour show (not "shift") and are

encouraged to perform in other media. Each show has a real producer and production assistant. The result is no lazy breaks. Listen for yourself live on Sirius Channel 11 or streamed from the Radio 1 Web site.

The other way

Here are three action steps stations around the world can learn from the United States.

1. Taking a company public is very risky. Once a company puts a majority of its equity into public stock, its only measure of success is quarterly bottom-line performance.

This results in false economies such as moving eight stations into one building, eliminating dozens of live on-air shifts or treating entire *days* as throwaway time (think Saturdays and Sundays).

The joke now is that Wall Street analysts say U.S. radio is vulnerable because it is "under-invested." Analysts fear that stations don't spend enough on research, development or product.

They're right. But those analysts caused the problem when radio companies first went public and Wall Street demanded "synergistic economies of scale" and "cost containment," when all they should have wanted to know was how radio stations were going to make

better and better audience-grabbing shows.

The smarter operational way to go public is to retain majority control of the business while cashing out a minority percentage. That's the strategy adopted by the Slight family of Standard Broadcasting of Canada.

2. Respect the tastes of the audience. No entertainers are as effective at responding to the needs and interests of their audience as North American radio program directors. Their discipline and humility are unmatched by their peers in any other medium in any country.

North American radio programmers invented music research and, more important, they follow it. They pay rigorous attention to popular trends and mirror them. In other countries there is still considerable self-indulgence on the part of programmers and owners. Too many play what pleases them, ignoring the audience.

The result of this discipline is that 92 percent of all North Americans, meaning people in the United States and Canada, listen to the radio every week, the highest in the world. No one makes people listen; they listen because they like the programming. (It's all about programming.)

3. Format competition is good. Many countries still have government-dictated

format rules and restrictions. Owners have to ask the government for permission to change formats. Sometimes certain formats can only air on AM or FM. In some countries, two stations can't air the same format in the same city.

If you think this sounds like an easier life, consider what happens when you go to get a state-issued driver's license. Interaction with the government is never a good thing to bring into your daily life.

Protection of formats means fewer formats. If a station's format is protected, its staff may miss big opportunities. U.S. programmers are always searching for new trends because a new format may go on the air across town — they don't want to be surprised. Or they may spot a trend and jump on it early, profiting from the first-mover advantage.

But with government format protection, there is no need to keep the radar on high alert, trends are missed, profits are lost. We've found major cities in Europe, for example, with no Lite FM station or Talk stations but home to many marginal performers simply because they are format-exclusive with no competitive pressures.

Rather than take the typically wimpy route of complaining, broadcasters in those countries should say, "No more." Throughout the history of mankind, government control of the arts on any level

has never proven to be a good idea. It's important to note that the countries with the least government control of broadcaster commerce and content are those that used to be part of the Soviet block. Romania, Poland and Slovakia have no rules regarding content. After years of 100 percent government censorship, they know that any censorship is unacceptable if a democracy is to thrive.

Internationally, radio is far ahead of U.S. stations in the adoption of new digital technology for reaching their listeners and delivering their entertainment offerings. Monitoring the deployment of those digital strategies is Sabo-Mason's priority. U.S. stations can teach the world how to build systems to reflect a local market's needs and tastes.

Walter Sabo is chairman of Sabo Media and partner in Sabo Mason International Initiatives. He is former vice president of ABC Radio Networks, executive vice president in charge of the NBC-owned FM stations, and director of the ABC FM radio network. Dan Mason is a consultant to companies such as First Media, Ibiquity, CBS Radio and many others. He is former COO of Infinity Radio, president of CBS and Group W Radio and president of Cook-Inlet. Contact them via www.sabomason.com. 