

THE RADIO WAVE
"Keeping Radio People in Touch"

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Issue #7

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THE RADIO WAVE
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"The Beginners' Guide To Becoming A Radio Star"...
is a far reaching e-book for radio beginners or people who
want to make radio their career. All the information you'll
discover here is "the basics" of radio. Stuff that applies
anywhere in the world where professional commercial radio
is established.

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GREETINGS AND G'DAY.

This issue sees the number of folks subscribing to this
newsletter swell by an additional 62. This as a result of a
kind mention by Steve Ahern on the AMT website. (See "Top
Radio Prepsites" toward the end of this screed for more
about AMT and it's new name and look.)

For our first-timers let me explain that this e-letter is
designed for people who'd like to be in radio, newbies
who've just started and full-time professionals.

If there's anything you read in it on which you'd like to
comment ...feel free.

Anything you need help or advice with...ask. If I can't
provide the answer I'll find someone who can.

Anything you want to market or promote (even yourself)...
go ahead.

If you'd like to contribute an article...do it.

(For example, what about the biggest gripe among radio people these days? Money. Or lack of it. Owners are getting away with paying pitiful wages because they know there's always a waiting list of people who'll take an on-air job for peanuts.

This is because of the small number of jobs available and that is because of the high incidence of networking and automation.)

Through THE RADIO WAVE we can keep in touch with each other regardless of where we are in the world.

You can reach me at radiowave@allaboutradio.net

MORE ON HOTMAIL

Last issue I mentioned that many of my subscribers receive this newsletter through a Hotmail account and that, if you take more than five minutes to read your newsletter, any active links go dead.

Thank you to the "Radio-Wavers" who suggested the reason why links in Hotmail email messages expire after 5 minutes.

It seems Hotmail does this because it likes to keep track of who goes where from Hotmail. If the link is not used in a certain amount of time, MSN moves on, giving up on learning your preferences.

If you don't want Hotmail checking on your movements just paste the link into a new browser window, opened outside of Hotmail.

MUSIC NEWS: THE MUSIC INDUSTRY IS IN TROUBLE.

People in radio who are also close to the music industry have been aware for some time now that all is not well in that sector. This article by Edna Gundersen published in USA TODAY pretty well sums it up.
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No wonder pop fans are singing the blues. Radio sounds like a broken record. CD prices are heading off the charts. Labels are out of tune with the digital age. New acts fail to strike a chord with listeners.

It's time to face the music. The \$14 billion recording industry, struggling through its first sales slump in a decade, faces challenges on several fronts, not the least of which is a tarnished image in the eyes and ears of fans who feel ripped off by greedy, tone-deaf bean counters.

In 2001, album sales dropped 2.8% compared with 2000, the first dip since SoundScan began tracking sales in 1991.

The gap widened in this year's first quarter, when sales fell 8.3% from the same period in 2001, far steeper than the 1.2% drop from 2000 to 2001.

Eminem's return with his third album, *The Eminem Show*, generated some excitement, selling nearly 300,000 copies in its first two days in stores and, it is estimated, up to 1 million more this week.

But industry observers see few other sure bets in the near future. Even the once-robust current-hits CD franchise, *Now That's What I Call Music*, is slipping, presumably because of a declining inventory of radio smashes.

While the tsunamis of hip-hop, grunge, rap-rock and boy bands drove sales in the past decade, no strong trend is galvanizing the masses. Billboard's top 10, formerly an exclusive club for albums selling 100,000-plus copies a week, now accommodates acts selling half that.

Illicit downloading continues to chisel away at label profits, prompting lawsuits and generally ineffective countermeasures.

As for today's music offerings, well, fresh bands grow stale overnight while The Beatles continue to sell quite steadily. In this singles-minded era, fans forge only feeble bonds with momentary artists.

"Rock bands have hits, but nobody knows who they are," says Alan Light, a former *Spin* editor preparing to launch a music magazine.

"It's the Nickelback question. They have the most-played song in modern-rock radio history (*How You Remind Me*), and you can't pick them out of a police line-up.

There's no story, and it's part of an enormous problem at the heart of the music industry. Artists are being prematurely dismissed or not signed in the first place.

"Part of me understands that," Light says. "The obligation of a multimedia corporation is to generate money for stockholders, not to make the best records, and it's naive to pretend otherwise."

A frenzy of mergers radically changed the recording industry from a diverse collection of scrappy and independent operations to a monolithic corporate machine dominated by the five "majors": Bertelsmann, Sony, EMI, Warner Bros. and Universal.

Embittered consumers and embattled corporations seem to be at loggerheads over blame and solutions.

NOTE FROM EDITOR: I'd be interested what YOU think of that report. Especially subscribers who are in the music industry.

Please send your responses to radiowave@allaboutradio.net

INDUSTRY NEWS: PORTABLE PEOPLE METER UPDATE.

As reported in an earlier issue of The Radio Wave, the age of technology is ushering in something new that could prove to be a lot better and a more reliable measurement of listening habits than the "listeners filling in the diary" method we've had up to now.

This is the Portable People Meter.

The big question is...so far, during testing, what differences have turned up when comparing results between the old diary system and the PPM's?

The edited article below is re-printed with the kind permission of the Online radio industry web site AMT (which has just been re-birthed under a new name...see below).
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PROGRAMMING IN A PPM WORLD.

How do personal people metres for Radio work and how will they affect programming?

In a detailed article for AMT David Rogerson, from SMS Pacific - the Asia Pacific consultant for Arbitron, and Mike McVay explain. (Arbitron is currently competing to win the next contract for measuring radio ratings in Australia.)

The initial results coming out of the Arbitron Portable People Meter (PPM) tests suggest the current approach and thinking we apply to programming our radio stations in the future may have to undergo a thorough review.

Until now, our thought processes have been focused on how we play the ratings game bounded by the rules that a diary-based system overlays on us. We've self-imposed rules like placing highest appeal songs or strong news issues of the day in the first Quarter Hour.

Continuing to re-enforce the call sign and frequency after every song so those diary keepers will recall it whenever they fill out the diary has almost been paramount in our programming minds.

While important, less emphasis has been placed on cume in recent times, particularly with cuts to marketing budgets limiting our available external media advertising resources.

Part of the problem we've experienced is the age old question of "I know half of my marketing budget works, but I'm not quite sure which half!"

The PPM is a simple device that looks like a pager that clips on your belt, goes into your pocket or purse, and works passively. In other words, no pencils or paper like the diary system.

An inaudible code is embedded into the audio of radio and TV stations, cable channels, Internet audio, and any other audio media that participate by installing the encoder.

Respondents simply dock their PPM at the end of their waking day. The data is then automatically downloaded over night to Arbitron's computers.

The positives are also clear for advertisers and agencies alike. The PPM captures cross media listening and viewing.

These positives also flow through to radio - imagine being able to track when your TV commercials are placed and what percentage of existing and potential listeners saw your TV commercials, and even further how many of these people then tuned into your station and at what time.

Well, quicker than you can wave Harry Potter's magic wand, what you imagine has become reality. In tests conducted in Manchester, England, a station there has already been able to calculate the percentage of new listeners that their television campaign brought to their radio station.

The PPM ratings estimates are based on actual rather than reported listening that is currently measured by the paper diary. Diarykeeper error, rounding off listening times, misperceptions, and even misidentifications of stations listened to will all be eliminated.

You'll even get credit for short-term listening such as channel surfing or that in-car button pushing that diarykeepers may choose to self edit based on shorter listening occasions.

Another of the many benefits of the PPM technology is its ability to accurately measure a person's exposure to a large number of stations. This is a task that has become increasingly difficult where capital city stations can be heard along with those broadcasting from the local area.

While there are functional limits to the size of a paper diary and just how many stations you can print before the diary becomes the size of a senate ballot paper, a single PPM has the potential to detect exposure to thousands of encoded stations.

The greatest impact on programming will be in the way we approach average share (a function of TSL) and cume (a function of TSL) and cume (a function of marketing). Let's take a look at how this affects the way we program in a PPM world:

PPM numbers suggest that cume is up significantly for radio. PPM showed an average daily cumulative audience of 75.9% vs. 66.0% from the diary. The PPM is picking up increased listening occasions, as well as the number of stations PPM carriers, your listeners, are tuned to.

It's something we programmers have suspected and experienced for some time in "real life," but had no great evidence to back up our anecdotal evidence. PPM listeners tuned in 4.4 times a day to radio as opposed to 3 occasions by diarykeepers.

The number of stations PPM carriers listened to is close to twice as many as diarykeepers.

Implication: The great thing is that it positively impacts all radio stations, almost regardless of format. As an industry we've got to be happy. As programmers it means we're now measuring all listening occasions to our station regardless of how much time listeners spend with us.

In actual fact, it's most likely been happening all the way along, it's just that the diary has not been able to measure it as precisely. While habitual listening will be less impacted, the behaviour of listeners who sample other stations for less than 5 minutes might not be recorded.

It depends on crediting rules, and that decision is made by the relevant industry research bodies in the countries where the PPM is being used. (In Australia, the current diary method calls for a diary keeper to tick off one quarter hour once 8 mins of listening has taken place)

Marketing Directors and Program Directors will need to spend more time together on working out how to attract even more cume to the station.

If people are tuning around the dial, your goal will be to have them stop down at your station.

That's the Marketing Director's objective pure and simple. Then, the Program Director's role takes over - holding them!

If your listeners are returning to radio 4.4 times a day, you have to market to them to remind them to return to your station.

Radio is very much driven by mood - new ways of marketing may consider hitting this responsive chord;
eg; "when you need to relax tune to MIX 107.8," when you need to know how the traffic's going - tune to News Radio 801."

Showing "usage" of your station will likely be the theme to use in your external marketing.

PPM numbers show equivalent audiences for radio - There's a notable methodology difference here - in the USA a station is credited with one quarter hour of listening when the PPM respondent has listened for a total of 5 non-continuous minutes within a Quarter Hour.

With the USA diarykeeper listening for 5 continuous minutes in a Quarter Hour credits a station with one quarter hour of listening.

Furthermore current programming "givens" about the value of the first and third Quarter Hours virtually go out the window. PPM carriers reveal almost equal percentages of start times around the Quarter Hour.

On average, 25% of start times occurred in the first, second, third, and fourth Quarter Hours. This contrasts dramatically to the diary start times where 47% of listening start times were noted in the first Quarter Hour, and 28% in the third Quarter Hour.

Implications: Programmers will have to concentrate even more on product development. We want to keep those listeners with us as long as possible, to drive up TSL, and consequently station share. But it's more than just playing the right songs . . . it's also about horizontal and vertical promotion.

Horizontal - promotion is about what is coming up tomorrow in your show to create day-to-day tune-in. Vertical - promotion is what's happening later that hour in your show and in those hours that follow.

Remember PPM carriers are showing equal start times - this means ALL Quarter Hours are important.

You won't be able to hide away songs with less appeal. All songs will need to have immediate appeal. And the same goes for news and/or talk stations - the topics and issues you cover will require a careful balance right around the hour.

Marketing will grow in importance because while "habitual" listening will be less effective, the behaviours of listeners who sample other stations (for even 5 minutes) will be recorded.

Music testing, commercial load, jock content - in fact, all aspects of programming will now be subject to immediate and aggregative impact.

We're going to need to be better broadcasters and programmers more than ever, in all that we do . . . every day . . . if we're going to increase or even hold on to current TSL levels.

Current programming (givens) about the value of the first and third Quarter Hours will be rendered obsolete. The old thought of front loading a commercial cluster may mean nothing.

The ideal of loading the first and third Quarter Hours with all of the big "Power" songs will be useless. The People Meter will much more accurately show the real use of radio.

This means that programmers must work diligently at dotting the I's and crossing the T's. It increases the necessity for everything to sound good and be as best as can be.

Additional points to consider:

- This is an international roll out - no matter where you are reading this in the world the PPM will impact listening and viewing levels. There will, however, be some local cultural sensitivities you may need to observe; i.e., Mexico with siesta at 2:00 p.m.

- Impact on music testing - because minute-by-minute data is being collected you'll be able to compare and contrast the impact of certain music/songs/news bulletins/talk issues on your station.

Furthermore, you'll be able to plot where your listeners go to when they switch out. It's more than standard ebb and flow. You'll identify the key hot buttons that drive listeners

to your station as well.

Implication - play people's favourite songs frequently. Your research dollars will drive even further, you can see the immediate impact and benefit on Auditorium tests, etc.

• Measurement can be continuous 365 days a year, 24 hours a day - no rest for the wicked. Implication - you'll be on your toes 52 weeks a year, 24 hours a day, 7 days a week.

Remember . . . what we're now measuring is how an individual person divides up their available time they can commit to being entertained or informed (PPM measures radio and TV).

Arbitron is working toward a full PPM only, stand alone survey for Philadelphia (without diaries) in the first quarter of 2003. It then rolls out across the USA with a planned 100 markets using PPM's by 2008.

In the UK, the radio industry's research body RAJAR is already designing tests for electronic measurement, with the view to starting full time use in 2005. Interest in Australia is already high among radio operators, television and advertising agencies.

Further tests following up those conducted in the Australian summer of 2001/2002 are planned for this country. For programmers, it is therefore not too early to begin good broadcasting habits. Especially, given the fact that the PPM encourages good radio versus discouraging it.

Worrying about what diary-like terminology to use in a liner, where you run your commercials inside an hour, loading the 1st and 3rd Quarter Hours, and encouraging listeners to "write it down" will all seem antiquated within a matter of 90 days of the first national roll out of the PPM.

We would say that the future is here; but if it's here, then it's not the future. It's the NOW.

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NOTE FROM EDITOR: I welcome any thoughts on this article and will run them in the next edition of The Radio Wave. ALSO...if you're a radio newbie and found some of the above terminology confusing I'll also do a little explaining.

-----HOT TIP-----

Great on-air topics involve things that have had an emotional impact on you personally. Transfer this emotion to your listeners and watch the phones light up.

-----HOT TIP-----

TOP RADIO PREP SITES

<http://www.radioinfo.com.au/>

This site was originally created by Steve Ahern and called AMT from "Ahern Media & Training". It has since been taken over by radio packagers Radiowise but Steve still provides and edits all the radio news.

Although it's aimed at the Australian Radio Industry it has quite a number of features with international interest including show prep, technology news, world radio news, the news doctor, and RCS selector tips.

You need to register on first visit but it no cost nothin'

COMING UP

Some cool free multi-track editing software.
So what's the difference between cumes and averages and what's TSL?
PLUS: The End of the World - interviews available.

A FINAL NOTE FROM THE EDITOR.

The plan is to grow the list of people taking this e-letter, and encourage interactivity from our readers.

To do this I need your help.

If there is anyone you know either in or outside the radio industry who would like to receive THE RADIO WAVE please simply ask to be subscribed by sending a blank e-mail to:

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