

from the editors of
The M Street Journal

THE

1992/93 EDITION

**STREET
RADIO
DIRECTORY**

COMPREHENSIVE MARKET DATA:

AM and FM Stations

USA and Canada

Program Formats

Arbitron, Willhight, and BBM Ratings

The M Street Radio Markets

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THE M STREET RADIO DIRECTORY

1992/93 EDITION

Edited by Robert Unmacht

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M Street Corporation

New York, NY

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KSAQ/SAN ANTONIO	FLORIDA RADIO NETWORK
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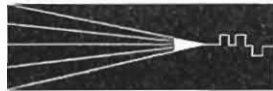
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Radio changes constantly; stations, personnel, formats, addresses, facilities and just about everything else about radio changes hourly. Our job, mission, and curse is to try to keep up with these changes. We update our database daily, report on those changes weekly in *The M Street Journal* and summarize them yearly in this directory.

We believe our directory is more accurate than others available today. More accurate thanks to a network of people interested in radio. It is these people who anticipate, locate, and report the changes in radio that make this directory possible.

As with any set of information this large and volatile, some errors are inevitable. We invite everyone to call, fax, or write with new or corrected information for this directory. Whether you run the largest station in the country or simply think radio is something special, we would like to hear from you. We can't be everywhere ourselves, but with your help, we can come closer than anyone else providing broadcast data.

The data found in this directory, compiled over the last nine years, is part of a much larger database that contains dozens of pieces of information on each station. We have selected the most frequently requested items for inclusion in this book. However, if you're looking for other information about a station or group of stations, chances are we can provide it. We do hundreds of custom lists, station and ownership reports, and data requests each year, as well as hundreds of thousands of mailing labels. Call (212) 473-4668; fax (212) 473-4626; or write us at 304 Park Avenue S., floor 7, New York, NY 10010 for details and rates.

GUIDE TO USE

Richland

KOL 1300 5000/5000w DA-N [CH] 5s 1s 7c 2t 8p
 +Smith Broadcasting, Corp. 509-555-9494
 815 N Columbia Blvd, Kennewick 99336 [KOL-FM]
 cp 10000/5000 DA-N app 10000/7500 ND
 Richland/Kennewick/Pasco Arbitron 2.2
 Willight 5.1 2nd market Walla Walla

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KOL 1300 5000/5000w DA-N [CH] 5s 1s 7c 2t 8p
 +Smith Broadcasting, Corp. 509-555-9494
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 cp 10000/5000 DA-N app 10000/7500 ND
 Richland/Kennewick/Pasco Arbitron 2.2
 Willight 5.1 2nd market Walla Walla

Richland

KOL-FM 94.1 10000w 298f [EZ] 8n
 +Smith Broadcasting, Corp. 509-555-9494
 815 N Columbia Blvd, Kennewick 99336 [KOL]
 cp 10000,1200 app add directional antenna
 Richland/Kennewick/Pasco Arbitron 6.2
 Willight 5.9 2nd market Walla Walla

Richland

KOL 1300 5000/5000w DA-N [CH] 5s 1s 7c 2t 8p
 +Smith Broadcasting, Corp. 509-555-9494
 815 N Columbia Blvd, Kennewick 99336 [KOL-FM]
 cp 10000/5000 DA-N app 10000/7500 ND
 Richland/Kennewick/Pasco Arbitron 2.2
 Willight 5.1 2nd market Walla Walla

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 Willight 5.1 2nd market Walla Walla

Stations are listed under their city of license in frequency order. AM stations first, then FM.

Call letters as issued by the FCC are listed above the frequency in the left margin.

Current power and facilities as well as any changes applied for, or construction permits granted are shown.

For AM stations, the day power is listed first and then the night power if any, followed by the antenna configuration:

- ND non-directional, full time
- ND-D non-directional, daytime only
- DA-D directional, daytime only
- DA-1 same directional day and night
- DA-2 different directional patterns day and night
- DA-3 different directional patterns day, night, and critical hours

FM stations list their effective radiated power (ERP) followed by the antenna height above average terrain (HAAT). FM stations whose ERP or HAAT is different for horizontal and vertical polarizations list the figures as (h) and (v). "DA" indicates a directional antenna is used.

Both AM and FM stations show a "=" to indicate a station that shares time with another station on the same frequency.

Program format codes follow the power/facility in square brackets. Please see the section **FORMAT CODES** for a complete explanation of our format classifications and their codes.

Since 1984, M Street has kept track of station changes. A code follows the last digit of the year of the change:

- c call letter change
- f frequency change
- l city of license change
- n new station on air
- s station sold
- t format change
- p facilities change

For example 7c means that the station changed its call letters in 1987.

Richland

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 1300 +Smith Broadcasting, Corp. 509-555-9494
 815 N Columbia Blvd, Kennewick 99336 [KOL-FM]
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 Willhight 5.1 2nd market Walla Walla

The owner of the station.

A "+" preceding the owner indicates the company (not necessarily under the same name) has an ownership interest in stations in other markets.

The phone number given is for the station's business office. If we do not have a phone number, the area code is given.

Up to two addresses are shown. The city and state are assumed to be the city and state of license unless otherwise listed.

An AM or FM affiliate, or sister station, in the same market is shown in square brackets following the station addresses. This may include a station operated under a local marketing agreement (LMA).

This is an example of a granted construction permit for 10,000 watts day, 5,000 watts night, directional antenna night. See the power and facilities section on the facing page for a complete list of codes used for power and antennas.

Applications filed with the FCC which have not yet been granted or dismissed.

The primary market area served is followed by any ratings (see **ABOUT RATINGS**) for the primary market. Ratings are not shown if a station has changed its format since the ratings survey. If a station has a significant presence in a second market that market is also shown. Ratings for 2nd markets are shown only in the **M Street RADIO MARKETS** section.

FORMAT CODES

As the broadcast industry itself evolves, so do radio station formats. Classifications and definitions are amended from time to time to reflect current trends. Here is the current set of format classifications in use:

AC Adult Contemporary

An adult-oriented pop/rock station, with no hard rock, possibly some non-rock music, and often a greater emphasis on non-current music. AC-OL would be an oldies based AC.

AP Album-Progressive/Modern/Alternative
Eclectic rock, often with wide variations in musical style.

AR Album - Rock

Mainstream rock & roll. Can include more guitar-oriented "heavy metal."

AS Adult Standards

Standards and older, non-rock popular music (1940-1980), appeals to older adults. Often includes softer current popular music.

BG Black Gospel

CH Contemporary Hit Radio (Top-40)

Current popular music, often encompassing a variety of rock styles. CH-RB would be Dance/CHR, CH-AR would be rock-based CHR.

CR Classic Rock

Rock-oriented oldies, often mixed with hit oldies of the 60's, 70's and 80's. sometimes called "Classic Hits."

CW Country

Country music, including contemporary and traditional styles. CW-OL would be country oldies.

DR Drama

Radio dramas, often pre-1950.

ET Ethnic

Programs in languages other than English, French or Spanish. Often brokered and/or block-programmed.

EZ Easy Listening

Gentle, background music often cover versions of popular songs. More uptempo varieties of this format include soft rock originals.

FA Fine Arts - Classical

Fine arts ("classical") music, often including opera, theatre, and/or culture-oriented news and talk.

FF French

French-language programming.

JZ Jazz

Jazz music, usually a loose and eclectic mix; sometimes black-oriented.

NA New Age

Mostly instrumental, often mixed with soft jazz and/or soft AC. Often called "New AC."

NX News

All-news, either local or network in origin. Also in format description if a significant block of time is devoted to news.

FX Farm News

OL Oldies

Formerly popular music, usually rock oldies, with 80% or greater non-current music. CW-OL indicates country oldies; RB-OL, black oldies.

PT Pre-teen

Music, drama or readings intended primarily for a pre-teen audience.

RB Black/soul - Urban

Black-oriented music and programming; can cover a wide range of musical styles, often called "Urban Contemporary."

RC Religious - Contemporary

Modern and rock-based religious music.

RG Religious - Gospel

Traditional religious music; can be black-oriented (BG) or country-oriented "southern gospel" (SG).

FORMAT CODES

RL Religious

Local or syndicated religious programming, sometimes mixed with music.

SA Soft Adult Contemporary

A cross between Adult Contemporary and Easy Listening. Almost wholly non-current, soft rock originals; can also be mixed with adult standards.

SB Soft Urban Contemporary

A mix of soft Urban, Adult Contemporary and Jazz, often heavy in oldies.

SG Southern Gospel

Country-flavored gospel music.

SS Spanish

Spanish-language programming. Spanish-language equivalents of English formats include SS-CW (ranchero music), SS-AC ("modern" music), SS-SA (salsa, tropical) or SS-VA (variety), and formats such as SS-EZ or SS-NX-TK, which match English language formats.

SX Sports

Listed only if all or a substantial block of a broadcast day is devoted to play-by-play, sports news, interviews or telephone talk.

TK Talk

Talk, either local or network in origin; can be telephone-talk, interviews, information, or a mix.

HT Health Talk

All fitness or motivational talk formats.

MT Financial Talk

All financial or "Money-Talk."

VA Variety

Incorporating three or more distinct formats, either block-programmed or simultaneously.

ADDITIONAL CODES:

Z	Station is currently off the air
r	Relays another station's programming
s	Simulcasts another station
*	Non-commercial format
&	Satellite programmed
X-Y	Formats combine
X/Y	Formats alternate (dayparted)
m	Morning
a	Afternoon
e	Evening
n	Night
l	Late night
-	Format is about to change or the format is not available
cp-new	Construction permit for a new station



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FORMAT STATISTICS

M Street format data produces the following format counts.

Counts as of June 1, 1992

Primary Format		Total	Commercial	Non-Com.	% AM	% FM	Simulcast	
1	Country	2,526	2,519	7	50%	50%	381	15%
2	Adult Contemporary	1,701	1,681	20	37%	63%	152	9%
3	Religion (Teaching, Variety)	763	450	313	49%	51%	82	11%
4	News, Talk, Sports, Business	747	619	128	82%	18%	47	6%
5	Oldies	721	720	1	48%	52%	57	8%
6	Top-40 (CHR)	666	597	69	8%	92%	40	6%
7	Variety	462	73	389	15%	85%	29	6%
8	Adult Standards	417	417	0	91%	9%	14	3%
9	Spanish	361	332	29	68%	32%	16	4%
10	Alternative Rock	339	73	266	3%	97%	11	3%
11	Classical, Fine Arts	329	46	283	5%	95%	95	29%
12	Soft Adult Contemporary	322	320	2	39%	61%	27	8%
13	Rock	311	301	10	11%	89%	25	8%
14	Urban, R&B	248	214	34	39%	61%	12	5%
15	Classic Rock	209	208	1	6%	94%	14	7%
16	Easy Listening	196	185	11	30%	70%	12	6%
17	Contemporary Christian	183	127	56	36%	64%	8	4%
18	Jazz & New Age	119	47	72	10%	90%	7	6%
19	Southern Gospel	104	99	5	80%	20%	6	6%
20	Urban AC, R&B oldies	97	96	1	59%	41%	13	13%
21	Black Gospel	88	83	5	97%	3%	1	1%
22	Gospel	63	54	9	79%	21%	2	3%
22	Ethnic	63	54	9	65%	35%	6	10%
24	Pre-Teen	3	3	0	100%	0%	0	0%
	not available or changing	27	19	8	65%	35%	0	0%
Total operating stations		11,065	9,337	1,728	43%	57%	1057	10%
Stations off the air		372	(269 AM and 103 FM)		72%	28%	simulcast	
Construction permits		939	(168 AM and 771 FM)		18%	82%	AM/AM FM/FM AM/FM	
Total stations and CP's		12,376			42%	58%		

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ABOUT RATINGS

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The M Street Radio Directory contains estimates of audience shares from surveys taken by the above ratings companies. The figures we show are taken from the latest survey published before our deadlines. The particular survey used in each market is shown in **The M Street RADIO MARKETS** section, but not in the individual station listings. Ratings are not shown for stations that did not meet minimum reporting requirements or stations who have changed their format since the survey.

The majority of these estimates were compiled through surveys conducted by either The Arbitron Company or the Birch/Scarborough Research Corporation who report their estimates on a quarterly basis. A number of radio markets in the Pacific Northwest are surveyed by Willhight Radio Research. Willhight's surveys do not always coincide with the Arbitron and Birch survey periods. The dates of the Willhight surveys are given in the **MARKETS** section. Estimates for Puerto Rico are from Asesores, Inc.

We are pleased to offer this year Canadian station estimates from BBM Bureau of Measurement. BBM is a cooperative that provides audiences estimates to its member stations, both commercial and non-commercial. There are some important differences between BBM's estimates and their American counterparts. Please see the introduction of the **CANADIAN MARKETS** section for more information.

The term "ratings" is used to describe the audience estimates published in The M Street Radio Directory, but "audience share" is a more accurate description. The published numbers represent the percentage of all radio listeners twelve years old or older (12+) who tune to a particular radio station in a theoretical "average quarter hour" on any day from Monday to Sunday between the hours of 6:00 a.m. and 12:00 Midnight (except for Canada, where the daypart is 5:00 a.m. to 1:00 a.m). This figure highlights some relative strengths and weaknesses of the stations competing in a market, however it tells only a small portion of the story of competition in a market.

Taken alone, the audience share reveals nothing about the actual size of a station's audience. An estimate of the number of people tuned to all radio stations in an average quarter hour is needed to derive the audience size from the share. These more specific figures are not included because of their volume, and because the ratings companies would have little to sell if we published them. Our inclusion of audience shares from the ratings companies is based partially on their hopes that persons needing fully detailed information will subscribe to their services.

UNDERSTANDING RADIO RATINGS

Why They're Called "Estimates"

by Steve Apel

Steve Apel is the President of Media Perspectives Research Corporation. Media Perspectives provides marketing and audience research along with strategic counseling for broadcasters seeking to maximize ratings and revenues. Prior to founding Media Perspectives, Steve Apel was a Research Project Director at the Arbitron Company and was involved in research and programming at a number of radio stations. He may be reached at Media Perspectives, 606 Cooper Landing Road, Building A, Suite 4B, Cherry Hill, New Jersey 08002, telephone 609-482-7979.

The Uses Of Ratings

Audience ratings have long played a key role in the radio business. Ever since the "Golden Age" of network radio programming, broadcasters have used audience ratings to set advertising rates and make programming decisions. Ratings provide broadcasters with the only measure of the product they actually sell - listeners.

While audience ratings still remain important as the key currency for negotiating advertising rates and assessing a station's performance, a new use for ratings looms on the horizon.

Ratings As A Regulatory Tool

The Federal Communications Commission wants to rely on audience ratings in order to form guidelines for the ownership of multiple radio stations in the same market.

As this article is being written, the FCC has modified the radio multiple ownership rules to, among other things, enable one company to own as many as three AM and three FM stations in the same market. Just how many stations in the same market one broadcaster can own, and which ones can be co-owned, may well be determined by the ratings. In general, the more stations appearing in the ratings, the more liberal the rules regarding operation of multiple stations in that market.

This new use for audience ratings in regulation implies that ratings are a factual measure. They aren't.

Ratings Are Just An Estimate

Audience ratings are produced through surveys of people who are selected at random. All random sample surveys have some degree of error.

Political poll results are often accompanied by a statement that the outcome is subject to an error of plus or minus some percent. Through applied statistics we can find out what this amount, the survey error, is.

An example is a poll in which Candidate A is the choice of 55 percent of the people and 45 percent of the people choose Candidate B. If this poll has a margin of error of plus or minus ten percent there is some likelihood that the two candidates are actually tied in popularity. There is also some likelihood that Candidate B is actually the more popular of the two.

This situation also exists in radio ratings. If two stations' ratings are extremely close it is possible that the stations may actually have the same number of listeners. It is also conceivable that the station estimated to have the smaller audience may have the larger audience. This margin of error can be quantified.

However, there are a number of limitations, peculiar to ratings surveys, which are likely to produce further errors which can't be measured. These limitations can distort the ratings. That's why ratings figures are always referred to as estimates. As a result, advertising, programming and regulatory decisions based on the ratings can be flawed.

The Accuracy of Ratings Estimates Cannot Be Determined

The accuracy of a radio audience estimate can be influenced by how the ratings survey used to produce it was conducted. As a result, broadcasters, advertisers and even government regulators need to understand the basic methodology of ratings surveys in order to use these estimates wisely.

Nearly all of the information concerning an individual's use of radio stations in the U.S. is provided by the Arbitron Company. Arbitron collects information about radio listening through a diary. This is a booklet in which respondents are asked to write down details of their radio listening over a seven day period. The BBM Bureau of Measurement in Canada also uses a diary. Willhight Radio Research, which provides ratings in some parts of the northwestern United States, uses personal interviews with radio listeners to gather information.

The personal interview that Willhight uses inquires about the radio stations that were listened to in the past twenty-four hours. Many of the flaws in the ratings produced through personal interviews are due to the fact that people are being asked to recall details of an activity, radio listening, that they give little thought to.

The diary, which people are asked to fill out while actually listening to radio and which encourages detail, would seem to be a much more accurate method of gathering listening information. However, it too has flaws.

Keeping a record of radio listening for a week can be a demanding task. Many listeners decline to participate in a diary survey for this reason. Others fill out their diary with great detail when they first receive it but then lose interest. These people either report decreasing radio listening as the seven days progress or fail to return their diary to the ratings company.

The choices people make in whether or not to participate in the ratings survey, whether or not to return a completed diary and the degree of care they take in recording information in their diaries are all sources of error. Unlike survey error, these errors can't be quantified.

Let's look at the reasons why ratings estimates are subject to error.

Surveys Are Not Always Representative

If all people were alike, gaining a representative sample would be rather simple. However, people are not alike. Variations in individuals' age, sex and ethnic background are demographic distinctions that radio broadcasters and advertisers consider important.

To be accurate, a ratings survey needs to represent each different demographic group in proportion to their occurrence in the overall population. If men account for 50% of the population, half of the surveys conducted should be with men. This rarely happens. For a variety of reasons, most of the time ratings surveys fail to represent demographic groups in proportion to their occurrence in the population.

When one or more demographic groups is surveyed out of proportion to their membership in the overall population, the ratings produced can be distorted. In general, audience shares for stations which attract listeners in the over-represented demographic will be inflated while those for stations which tend to attract listeners who are under-represented will be depressed. For example, a sample which contains too many women and too few men will tend to lead to artificially high audience shares for female skewing radio stations and incorrectly diminished audience shares for male oriented outlets.

Statistical Fixes Can't Always Compensate

To correct such deficiencies ratings firms "weight" each demographic group within the survey. Increased or decreased emphasis (or weight) is given to the answers of a particular group by multiplying or dividing by a number which adjusts for the degree to which they are over or under represented in the survey.

Weighting can compensate for some of the error that a non-representative sample produces but it can't eliminate error. Weighting can't create information that isn't there to begin with. When a particular demographic group is under-represented the ratings can't capture the full range of that group's radio listening.

Radio stations that only a minority of people within an under-represented demographic group listen to may not be reported in the ratings because not enough members of the demographic group were surveyed. For example, if radio station KXXX is listened to by only one in eleven members of a demographic group and only ten members of that group are surveyed, there is a chance that no one will report listening to KXXX. As a result estimates of the size of the KXXX audience will be depressed.

Non-representative samples that require weighting are not necessarily the fault of the ratings firm. Most surveys begin with a plan to obtain a representative sample, but some individuals in this sample will fail to take part in the survey. In addition to creating a need for weighting, failure to gain participation from all sampled individuals causes a problem known as “non-response bias.” This further limits the accuracy of audience ratings.

The People Who Take Part In A Survey May Be Different Than Those Who Don't

In most audience ratings surveys just half of all people who are asked to take part actually participate. While we learn about their radio listening habits, the behavior of the other 50% remains unknown. When so many people resist responding there is a question of whether their listening habits are substantially different from those who do respond.

It is possible that the people who elect to fill out and return a listening diary are more involved with radio than those who don't. They may listen longer or tune to different radio stations than the people who don't participate in the ratings survey. Non-response means that the estimates produced may not accurately represent the radio listening behavior of the population at large.

Even if there is no non-response bias the answers provided in a radio ratings survey may not be factual.

Ratings Surveys May Measure Awareness Rather Than Listening

It is possible that some ratings estimates have more to do with listener awareness of a particular radio station than with use of the station.

Although the people who agree to keep a radio listening diary are asked to make entries in the diary as they listen to radio, there is no guarantee that they will. There is some evidence to suggest that many people make entries in their radio listening diary some time after the actual radio listening has occurred.

Diaries completed some time after listening has occurred contain reports of what people remember listening to rather than an accurate record of radio listening. People's memories are not perfect. This is especially true in regards to a low commitment behavior such as radio listening. Since people pay no money for listening to radio and can switch stations easily they may not recall all the details of their listening. As a result, people may report listening to the radio stations they are most aware of and neglect to mention stations which have a lower profile, even though they listen to these stations as well.

Inaccurate Reports From Listeners Are Another Source of Error

Even if ratings survey participants fill their diaries out at the same time they're listening to radio and even if those who complete their diaries sometime after listening have perfect memories, the ratings produced may still be inaccurate. This is because ratings surveys depend upon un-aided response. People must volunteer information on the stations they listen to. Unfortunately, people may not possess the information they are being asked to volunteer.

Since people do not need to know anything about a radio station in order to use it, they may be unaware of the names of the radio stations they tune to. If they don't know the station's name or can't state its dial position they can't report listening. The station will get no ratings credit.

Lack of knowledge, confusion or carelessness may cause listeners to supply inaccurate information. In ratings diary reports people have been known to transpose call letters (calling WXYZ WYXZ for example), invent call sign and frequency combinations that don't exist (a person who listens to both KAAA-FM 99 and KBBB-FM 88 may enter KAAA-FM 88 in the diary), and confuse AM and FM stations with the same call sign (entering WXXX-AM when they in fact listen to WXXX-FM).

Ratings Inaccuracy Affects Broadcasters, Advertisers and Government Regulators

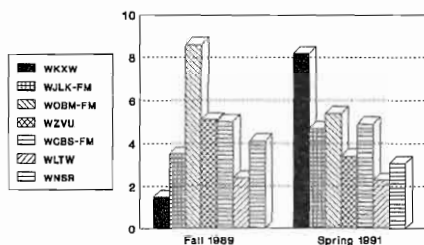
Since advertising rates are often based upon the size of the audience measured through ratings, inaccurate reporting can have a great effect on a radio station's revenues. Beyond this, since ratings may soon be used in defining the competitiveness of individual markets, inaccurate audience estimates may have unintended effects on the structure of the radio industry in years to come.

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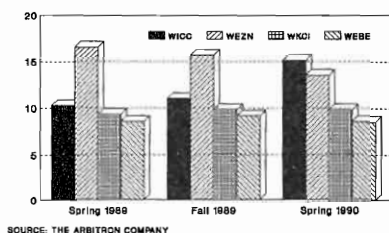
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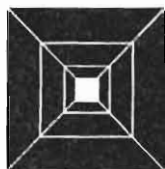
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1992 OVERVIEW

by Gregg P. Skall

Gregg Skall is a communications lawyer with the firm of Pepper & Corazzini in Washington, DC. He frequently represents parties before the Commission and the Congress to obtain desired policy objectives. In 1984, the National Journal recognized him as one of the leading radio spectrum lobbyists in Washington. He writes and speaks on topics of Federal Communications Commission administrative process, electronic mass media, and telecommunications. He may be reached at (202) 296-0600.

The 1991 - 1992 broadcasting year was one of historical significance to radio. No period in recent memory has contained so much change in radio broadcasting communications law. In this year, major pillars of broadcasting regulation and business strategy have come under scrutiny and change. These events affect two of the basic legal and financial qualifications criteria of a broadcast licensee under the Communications Act of 1934, the process by which those criteria are determined among comparative applicants in a hearing, and fundamental issues of program content regulation.

OWNERSHIP RULES

In the 1980's, the Federal Communications Commission added some 700 new FM radio stations in Docket 80-90. By 1991, this and other economic factors resulted in 197 AM and 30 FM radio stations being officially listed as off-the-air. As a result, the Commission issued a notice of proposed rule making acknowledging the critical economic condition of radio and the limits FCC rules impose in structural flexibility needed to respond to them. One such market response was the new phenomena of Local Marketing Agreements, known as LMA's and called "joint ventures" by the FCC. In an LMA, a station joint ventures with another to provide common programming resources, sales staff, advertising agreements or other methods to effect economies of scale. However, the legality of LMA's was quickly questioned.

LMA'S

In its NPRM, the Commission conceded that group ownership and consolidated sales and marketing efforts may provide the economies necessary to foster better news, public affairs, editorializing and independent programming. On March 12, 1992, the FCC issued its Report and Order revising its national and local ownership rules and time brokerage policies. The revised rules explicitly allow time brokerage agreements such as LMA's and joint ventures. However, in recognition of the relaxation of the multiple ownership rule and to avoid the possibility that substantial LMA activity could "undermine broadcast diversity and competition," the Commission decided that an LMA would carry an attributable ownership interest in the brokered station for purposes of the multiple ownership rules. Accordingly, a station will not be permitted to "LMA" another station which it could not own under the revised local ownership rules. Even if explicitly permitted, however, a licensee who "LMA's" its station to another broadcaster, must be careful not to step beyond the doctrine of licensee control. Under this doctrine, an FCC licensee must always retain indications of station control sufficient to avoid a presumption that it has transferred control of the station without FCC permission.

Multiple Ownership Rules

In its March Order, the Commission also adopted substantial changes to its multiple ownership rules. The new rules will allow for common ownership of up to 30 AM and 30 FM stations nationwide. Depending on market size, the common ownership of two or three stations in each service will be allowed. The new rules become effective August 1, 1992, but at this writing are still subject to FCC reconsideration.

The change in the rules that will affect the most broadcasters is the expansion of the number of stations a broadcaster may own in the same market. The "market" is defined in the new rules in several ways. For stations located in an Arbitron rated radio metro market, the number of stations is based upon the number of commercial radio stations in the market meeting the minimum audience survey reporting standards. The audience share limits are based upon the number of persons 12+, on

a quarter-hour basis, Monday through Sunday, 6:00 A.M. to midnight, expressed as a percentage of the average number of persons listening to rated commercial AM and FM stations in the market.

For stations that are not in a designated radio market, the market is defined as the number of commercial stations whose principal community contours fall, in whole or in part, within the principal community contours of the stations at issue. In other words, to determine the number of stations in a non-rated market, count the number of principal community contours of AM and FM commercial stations that overlap with both the existing station and the station being acquired. The total of such stations, including the stations at issue, is the number of stations in the market.

If the stations in question happen to be in different markets, the area in which the overlap of principal community contours takes place determines which market is applicable. If the overlap takes place in both markets, the limits applicable to the market with the smallest number of commercial stations are used, except that areas that are part of a designated radio market should not be included in doing the calculations with respect to markets that are not designated radio markets.

For various market sizes, these are the Commission's new limits on local station ownership:

-For markets that have fewer than 15 radio stations, an individual or entity may not have an attributable interest in more than three stations, of which no more than two stations can be FM stations, provided that the owned stations represent less than 50% of the stations in the market.

-For markets with 15 to 29 stations, an individual or entity may have an attributable interest in up to two AM and two FM stations with an overall limitation at the time of acquisition of additional stations of a 25% combined audience share.

-For markets with 30 to 39 stations, an individual or entity may have an attributable interest in up to three AM and up to two FM stations with a 25% combined audience share limitation at the time of the acquisition.

-For markets with 40 or more stations, an individual or entity may have an attributable interest in up to three AM and up to three FM stations with a 25% combined audience share limitation at the time of acquisition.

If subsequent to acquisition, a combination exceeds the 25% limit, divestiture will not be required. If the stations are sold, however, they cannot be sold as a combination if the combined audience share at the time of the sale exceeds the 25% limitation.

The Commission's new rules prohibit same service (i.e., FM/FM or AM/AM) simulcasting by commonly owned stations or time brokered stations in the same market for more than 25% of the broadcast day, if there is more than a 50% overlap of principal community contours. Simulcasting is defined as the duplication of identical programs within any 24-hour time period.

HEARING RULES

Since 1965, when the FCC issued its Comparative Hearing Policy, the process has been virtually unavailable to existing broadcasters. In the Comparative Hearing Policy, the Commission compares applicants on a variety of factors, including local ownership, integration of the proposed owners into the management and control of the station, past broadcast experience, proposed broadcasting service, diversification of media, and in more recent years common proposed minority ownership. Under the diversification criteria, a substantial demerit is dealt to a licensee who faces off against a non-owning opponent application. Further, an existing broadcaster who must attend to other station business is unlikely to propose 100% integration.

In a 1992 case before the U.S. Court of Appeals for the District of Columbia, the Commission's assumption supporting the integration of ownership criteria was challenged on the basis that the FCC had changed other rules which weakened this policy, and that no case could be found within the last ten years in which a licensee prevailed in a comparative hearing based upon its integration proposal and then built and operated the station for more than a year. The court held that the FCC had not substantiated the assumption supporting the criteria that the public interest is better served by an integrated owner/operator instead of another combination of management. It sent the case back to the FCC with instruction to reconsider its position. The Commission reacted by issuing a Notice of Proposed Rule Making in April by which it proposed major modifications to the comparative process. Included is a total re-evaluation of the integration, proposed program service, and past broadcast record criteria, and the manner by which these criteria are evaluated.

FINANCING

Broadcasting, as much as any other U.S. industry save real estate development, has been hard hit by the recession. Lending virtually disappeared for new station acquisitions and refinancings in 1990. In addition to general factors in the economy, financial institutions blame two regulatory problems. First, the Federal Deposit Insurance Corporation and the Federal Reserve System had issued guidelines for highly leveraged transactions (HLT) which made it difficult for banks to lend to broadcasting businesses due to the low value of tangible hard assets compared to overall station value. Further, several bankruptcy court judges, recognizing the precedent that a lender cannot have a security interest in an FCC license, limited senior lenders security to a station's physical assets.

In a joint Order earlier this year, the Office of the Comptroller, the Federal Deposit Insurance Corporation and the Federal Reserve System revised the HLT regulations so that they would not apply to broadcasting. In March, the Commission adopted a Notice of Inquiry and Proposed Rule Making to examine whether it should allow institutional lenders, former licensee sellers or other creditors to obtain a security interest in the station's FCC license. In recognition of the industry's need for capital, the Commission also asked whether recognizing a security interest would improve the availability of capital to broadcasting or result in a more favorable treatment of broadcasting debtors.

POLITICAL BROADCASTING

The Federal Communications Commission has regulated political broadcasting from the very start. The original draft of the Communications Act of 1934 contained provisions to ensure fair and equitable treatment of candidates for public office and to assure the listening public of a full airing of campaign issues. Broadcasters, more concerned with pragmatic questions than abstract policy goals, have struggled with increasingly complex rules concerning the purchase and sale of time for political advertising. The Commission's rules though, have not always kept pace with changing selling practices in the broadcasting industry.

The issue came to a head in September, 1990 when the Commission issued a report summarizing the findings of an audit of 30 radio and television stations earlier that year. The audit reported widespread violations of the lowest-unit charge rule. The audit and accompanying statements by the Commission and staff touched off an unprecedented political season fraught with confusion and uncertainty for candidates and broadcasters. Some candidates alleged massive overcharging and hired lawyers to seek rebates amounting to hundreds of thousands of dollars per station. Although most of the rebates were made against television stations, the same principles apply to radio.

In response, the Commission launched a broad rule making proceeding in 1991. In December, the Commission issued its report and order, a massive overhaul of the political broadcasting rules. The report and order goes a long way toward clarifying the complex rules and revising them on a more practical basis. Political broadcasting and these changes are described in a separate section—**FCC PROCEDURES**.

TECHNICAL DEVELOPMENTS

Two technical standards matters, of extraordinary impact on radio and its methods of delivery Digital Audio Broadcasting (DAB) and Radio Broadcast Data Systems (RBDS) moved to center stage last year. Engineers in Europe have developed a system to deliver digital sound by radio known as Eureka. The National Association of Broadcasters had made provisional arrangements to license Eureka in the United States as a trade association function to its members. DAB is proposed for traditional terrestrial delivery as well as by a new method of satellite delivery directly to listeners. For a variety of reasons, including incompatibility with existing radio broadcasting, a new frequency band is required for the Eureka DAB system. Further, the Eureka system would equalize the coverage and power of all radio stations utilizing it.

Many in the broadcasting industry preferred an "in-band" system over Eureka. An in-band system would utilize the existing FM frequency band without interference to current radio stations. In-Band proponents launched an effort to develop a system.

In early 1992, a World Administrative Radio Conference (WARC) was convened to consider, among other things, an allocation for DAB. Most countries agreed upon a new L-Band location for DAB that would accommodate Eureka; however, the U.S. Department of Defense, which uses L-Band for military purposes, objected to its use for radio DAB band and it was not adopted in the United States.

The issue of the nature and frequency location of a DAB system in the United States remains uncertain and highly volatile. The Electronic Industries Association has formed a sub-committee to develop a standard for DAB in the United States, and broadcasters have sought to move that process to the umbrella of the National Radio Systems Committee (NRSC), a joint effort of the NAB and the EIA. This is an area which must continue to be watched.

DAB, however, is not the only, or even the first technology revolution with which radio broadcasters will have to contend in the 1990's. RBDS would enable FM stations to transmit a variety of data to "smart" radios, allowing them to perform additional information functions. RBDS radio receivers have an LCD display panel and are capable of several improved informational functions, including emergency alerting, traffic information, paging and messaging, and can scan tune the radio by format as well as by frequency. Each RBDS station signal contains several sets of code groups. One group can display the station call letters, city or slogan, and carry information about its translator or sister station frequency through which it can automatically re-tune the listener's radio to an alternate frequency when the primary station signal becomes weak. The RBDS standard is being developed under another NRSC subgroup and should be adopted by the end of this year.

INDECENCY

The FCC and some members of Congress are determined to enforce or bolster the law. Also, new developments are occurring that must be watched. The FCC has adopted a case-by-case approach in determining what programs come within that standard. They are consistently recommending that the Justice Department take broadcasters to court for violation of the indecency standard. The current "safe harbor" period for indecent speech is 8PM to 6AM. The Commission had attempted to expand the "safe harbor" for indecent speech to 24 hours, but was rejected by the Court of Appeals in a case called ACT (Action for Children's Television) II, and the Supreme Court refused to review the case. Nevertheless, the Commission's current policy is to continue to review indecency complaints, of which it receives about 6,500 a year and to fine broadcasters for violation of the standard. Cases are referred to the Justice Department for criminal prosecution in the District Court, where the case is tried over from the beginning in a trial *de novo*. The FCC has referred another case involving WLUP, Chicago. Evergreen Broadcasting, the licensee has refused to pay the \$20,000 fine and will go to court. The case should be watched for further definition of indecency. Finally, there is a movement in Congress to limit the safe harbor period to midnight to 6AM.

FINES

Finally, the Commission adopted important changes to the method by which it will inspect radio stations and levy fines upon them for noncompliance with its rules. Changes in the Commission's inspection and forfeiture policy are discussed in a separate section—**FCC PROCEDURES**.

SUMMARY

In summary, the Commission adopted new rules and initiated proceedings which will have enormous impact upon the radio broadcasting industry as we have known it over the last quarter century. Incredible technical changes are also developing which will also have enormous effect on radio during the remainder of this decade. Everyone in the radio broadcasting business must keep a watchful eye to these developments.

OPINION

by Sean Ross

Sean Ross is an A&R manager for Profile Records, the former radio editor of Billboard, and a frequent contributor to the M Street Journal.

If Klaus Meine and the Scorpions get tired of trolling Eastern Europe for the winds of change, they can always try American radio. As this volume goes to press, the FCC is locked in a game of chicken with congress over the FCC's plan to relax its duopoly and group ownership rules. It's hard to know just how different the landscape will look by the time it reaches you, or whether the winds of change will be any kinder to U.S. broadcasters than they were to, say, the people of Bosnia.

It's a safe bet, however, that the landscape will look different, if only because it's starting to change already. Two major changes have taken place over the last few years that will be magnified if the new ownership limits go into effect, but which could also continue to grow without them. Particularly:

* **The Canadianization of American Broadcasting.** For years, Canada's broadcasters have tried to put a good face on the plethora of restrictions to which they are subjected by pointing out that at least these regulations protect them from American cultural imperialism. If only they knew the extent to which their American counterparts were trying to ape Canadian radio these days, albeit unconsciously.

Besides their cultural protectionism function, the Canadian regs were also meant to insure that the marketplace never had more radio stations than it could handle. Even after a recent streamlining process, Canada's regs still require new stations to apply for a specific format, and to prove that the marketplace can support that format. Group owners, however, cut a more prominent figure in Canada than they do here, something that is particularly noticeable in a country with one-tenth the number of radio stations than America has.

Creeping Canadianism first became obvious last September, when, at an adjunct session to the National Assn. of Broadcasters' radio convention, station owners began making overt appeals to the FCC to reduce the amount of competition they had to deal with, whether it was by sanctioning the already-burgeoning practice of Local Marketing Agreements, allowing duopoly, forcing stations that had gone dark to stay off the air, or all of the above. It was at that session that one high-level FCC staffer all but apologized for the Docket 80-90 station growth of the previous decade, making it clear in the process that something along the line of the subsequent rule changes would take place.

What broadcasters were suddenly asking for, of course, was a little protectionism mixed in with the previous decade of deregulation that they had enjoyed. It was no longer enough that the FCC stay out of the way if broadcasters wanted to run 20 minutes of spots an hour or wanted to cut their news and public affairs programming down to the nub. Now it was the FCC's responsibility to help broadcasters make money by keeping the other guys out of the way.

Six months later, the National Assn. of Broadcasters, would also suggest—with much less fanfare—that the FCC overhaul its competitive hearing rules to eliminate the traditional preference toward first-time or on-site owners. Instead, the NAB suggested, the FCC should favor broadcasters who can demonstrate a need for new service, and the financial resources to keep that service afloat. This was perhaps its boldest gesture toward Canadian-style protectionism yet, although for some strange reason, the NAB has not suggested some of the more odious regulations that Canadian broadcasters deal with like the unusually high spoken word requirements or the rule that FM stations must play 51% non-hit music.

Because American broadcasters know, by and large, little about their neighbors to the north, one suspects that this sudden affection for the Canadian model arose not from an appreciation of that system, but as a knee-jerk reaction to the end of the mid-'80s radio boom. Had they seen the results of Canadian-style protectionism, they might not have been so anxious. In 1991, even more Canadian stations were losing money than their American counterparts. Regulations designed to keep AM radio competitive by, in effect, prohibiting top 40 on FM, hadn't helped AM stations much, but they were managing to ensure that few people under 18 actually bothered with the radio anymore.

Protectionism wasn't proving to be such a swell thing in the United Kingdom either. Over the last few years, London has added a jazz station, three urban outlets—only one of them a major player, a news/talk FM, and an easy listening station. It still has no album rock outlet and no real adult contemporary station. The top 40 outlet, Capitol Radio, still dominates all major demos, including 25-54 adults. Despite this, Capitol recently announced that it had increased billings, but had actually lost money last quarter because of the increased promotional dollars needed to fend off all the new competition.

None of which keeps American broadcasters from thinking everything would be okay if only there were fewer other broadcasters. Never mind that broadcasters had spent years insisting that more competition made everybody better. Or that the owners who had been allowed into the fray by that pesky Docket 80-90 were ostensibly minority broadcasters—although that had rarely been the case in real life. With the help of the FCC, broadcasters were gearing up at press-time for:

* A greater concentration of power in the hands of fewer broadcasters. This publication has long contended that the name-brand group owners controlled less of American radio than most people believe. That may be true, and it may continue to be true after August 3. But it will also be true that, with or without the regulation changes, group broadcasters will control more than they controlled a year ago. If the duopoly restrictions are not lifted, those owners will retain de-facto control of their competition through LMAs. If, somehow, LMAs are struck down, a lot of weak partners in LMAs will probably go dark—thus giving their competition greater control over the market anyway. With the more stations/fewer owners phenomenon goes:

* An increasingly national, or at least regional, approach to radio programming. The rise of the full-service satellite network was, of course, the first step, but it went unnoticed for years because major-market broadcasters don't tend to pay much attention to their small-market brethren, and because most satellite services didn't really try to maximize the potential of their medium, instead preferring to remain non-descript and perhaps pass for local radio in the bargain. Eleven years after the advent of satellite programming, that was finally changing. A higher level of talent was gravitating toward the satellite services. The satellite services' new networks were being pitched as large-market services, not small-market Band-aids.

Add to this the following:

* The rise of the national morning show. Nobody in commercial radio has been able to sit down and design a "Good Morning America" for radio, but WXRK, New York's Howard Stern seems to be getting there anyway, if only by virtue of having discovered the early '90s' common denominator: ill will. Stern's parent company, Infinity, seems to have similar plans for WFAN, New York's Don Imus. CBS is now syndicating WYNF, Tampa, Fla.'s Ron & Ron. Evergreen Media has announced plans to syndicate the contents of its WLUP, Chicago which tried one of the first national music-radio morning shows 10 years ago.

* The rise of local music programming webs like Colorado's Rocky Mountain Network, Pennsylvania's Allegheny Mountain Network, or the North East Satellite Network.

* The proliferation of talk networks, something which has received a boost both from the rise of all-sports as an AM format and the final evaporation of most AM music formats.

Nothing more typified this than KDKA, Pittsburgh's addition of Rush Limbaugh this year and the subsequent decision to phase out most of its music programming several months later. Already, it's nationally syndicated hosts like Limbaugh who are the common heroes to small-market broadcasters across the country, in the way that a Dan Ingram or John Landecker might have been 15 years ago.

* Digital audio broadcasting. Whether DAB is, as *Inside Radio* suggests, the AM stereo of the '90s, or whether it's right around the corner as its proponents believe, some of it will likely be national in form. The FCC has already said it won't stand in the way of national DAB service, and, as all of the above would suggest, many of the broadcasters who try to stop national DAB service will succeed only in looking hypocritical.

One of the ironies of the new FCC regulations is that their ostensible purpose, at least according to statements made by FCC chairman Al Sikes last April, is to foster greater localism. Sikes believes that allowing duopoly, and thus allowing broadcasters greater economies of scale will encourage more news and public service broadcasting, something broadcasters showed no inclination toward in the mid-'80s when they were still making money.

The above isn't meant to imply that localism is gone entirely, only that there will be—by this time next year—less of it. There are, of course, exceptions, but local radio stations aren't taking full-enough advantage of their gifts. The last incident that really illustrated the power of the medium on a local basis was in the late-'80s when KVIL, Dallas morning man Ron Chapman asked listeners to send money for no particular reason and they did. You want something like that since and you have to use national examples, like the talk-host-induced outcry against the congressional pay raise, or the appearance of the Democratic presidential candidates on Howard Stern's now-syndicated show, or Don Imus' about-to-be-syndicated program.

Those of us who love radio probably grew up with a mix of national and local programming anyway—WLS and CKLW at night, then the school closings on our local station the next day. That mix can, and indeed may, be back again after the landscape shifts. But all that implies that broadcasters understand that it isn't just the configuration in which one controls the airwaves that counts, but what one decides to do with them.

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MARKET RESEARCH IN RADIO

Targeting Listeners' Tastes and Needs for Higher Ratings

by Steve Apel

Steve Apel is the President of Media Perspectives Research Corporation. Media Perspectives provides marketing and audience research along with strategic counseling for broadcasters seeking to maximize ratings and revenues. Prior to founding Media Perspectives, Steve Apel was a Research Project Director at the Arbitron Company and was involved in research and programming at a number of radio stations. He may be reached at Media Perspectives, 606 Cooper Landing Road, Building A, Suite 4B, Cherry Hill, New Jersey 08002, telephone 609-482-7979.

Going Beyond the Ratings

Market research studies which attempt to measure the size of the radio audience are a well established part of the radio industry. Most people are aware that these studies take place. Not as well known is a type of research that measures what people think and believe about radio. This research is often responsible for the development of the strategies that make a station a ratings leader.

Research Helps Broadcasters Develop Strategy

When facing the intense competition for listeners' attention that exists in almost every radio market, broadcasters need to understand precisely why the listener chooses to listen to radio. Only with such an understanding is it possible to develop a strategy for building the largest possible audience. Market research provides a broadcaster with the insight that's needed to serve a targeted group of listeners better than any competitor.

Unlike ratings studies, the results of which are well publicized, the findings of market research studies are kept secret. These studies are highly proprietary. Broadcasters use the findings to gain an advantage over their competitors. Through the information they gain on listeners' tastes, attitudes, perceptions of radio stations and motivations for listening to radio, broadcasters are able to set strategies for programming and marketing their stations to attract more listeners.

Proprietary research provides broadcasters with the information needed to make smart decisions regarding format selection, program fine-tuning and the planning of advertising and promotions. The method used to gather proprietary information through research varies according to the broadcaster's needs and goals.

Some general observations regarding frequent uses of market research follow.

Frequent Uses of Market Research

Format Search/Selection Studies

A comprehensive study of the radio market is often done when a new station is being constructed or when an existing station needs to introduce new programming because its ratings are too low to generate needed revenue.

In such a study, telephone calls are placed to randomly chosen households throughout the market and people are asked to name the radio stations they listen to or have heard of, describe the characteristics of these stations and then compare these stations to their own idea of what a perfect station would be like. This provides a picture of the likely holes in the market. Sometimes this is all the information that is needed. Having identified a "hole in the market" the broadcaster can set about developing programming that fills the hole.

In very competitive markets, however, identifying the "hole" is not enough. In order to be successful, a broadcaster must develop a precise strategy for programming to fill the "hole" and marketing to raise awareness of the station and attract listeners to the new programming. When this is the case, there is a need for more information.

The same research study which identified listening patterns, radio station awareness and people's perceptions of radio stations can gain this additional data. This study can identify distinctions in listeners' tastes in music that provide a guide in the construction of a station's playlist. In addition, questions can be directed at finding out what it is that motivates a listener to tune to radio. Knowledge of listener motivations will enable the broadcaster to create a marketing strategy that gains sampling and heightens the listener's ability to recall using the station when reporting to an audience ratings survey.

The creation of a strategy for marketing a station to listeners' motivations may be the most important contribution that market research can make to the broadcaster's bottom line. Without the insight provided by research it is nearly impossible to position a station in terms of listener motivations. When a station is marketed directly to listener motivations higher ratings result.

More about this later.

Program Fine-tuning Studies

Once a station has been successful in developing a format and marketing to listeners, research plays a key role in helping to maintain this success.

Since listeners can easily switch between stations, station managers need to know what it is about their programming that can cause a listener to tune to a competitor. With this knowledge, changes that reduce the likelihood listeners will tune-away can be made. These modifications may be in the form of changes to the format designed to increase actual time spent listening to the station. Modifications can also be made to the marketing approach with the aim of convincing listeners that they tune-in for longer time periods than they do.

A variety of methods can provide station managers with the information needed to fine-tune their stations.

Gaining Information By Telephone

Random sample surveys are frequently used in gaining information needed to fine-tune a station's programming and marketing.

These surveys are often as comprehensive as the surveys that are used in finding the format and marketing approach that will make a new or under-performing station a success. The detailed information from such a study is of great value in determining the strengths and weaknesses of competing radio stations as well as the modifications needed to keep the station sponsoring the research strong.

Less comprehensive studies are also done. These may concentrate on specific areas of the station's programming or image. Broadcasters occasionally have questions such as:

“Do people like our air personalities?”

“Do listeners notice long music sweeps?”

“Do they view these as a benefit?”

“Do listeners understand the station's positioning?”

All of these are examples of the kinds of issues that can be addressed in such a study. The findings enable station management to take actions which will increase listener satisfaction.

Gaining Information Through Focus Groups

Many times when a broadcaster wants to gain quick feedback on listener perceptions and attitudes, a series of Focus Groups are convened.

These are structured discussions with a station's listeners or target listeners. Focus Groups provide an opportunity for people to explain their feelings in their own words. This is something that is not always possible in random sample surveys. In addition, interaction among participants in the group often uncovers issues of controversy or great importance to target listeners. An unexpected complaint or note of praise brought up by one person in the group may be shared by others.

Focus Group findings need to be used with caution. Since the groups use neither a random or representative sample, what is learned cannot always be generalized to the population at large. Often, a Focus Group is used to aid in the planning the issues to be explored in a random sample study. On occasion, a Focus Group may be useful as follow-up to a random sample survey in order to clarify the findings.

Gaining Information Through Music Testing

Music testing is a research technique specially tailored for radio. Music tests gain feedback on the popularity of the records contending for radio airplay.

In a music test, a broadcaster may gather target listeners in an auditorium or hotel meeting room. There, these people will hear extracts of records that are on the station's playlist or being considered for airplay. After hearing each extract, the participating listeners offer their opinions on the record. For each record they hear, respondents are usually asked whether or not they're familiar with the record, whether they like or dislike it and whether they want to hear the record played more or less often.

The selection of respondents who will participate in the Music Test is crucial to obtaining meaningful results. Only target listeners, defined as people who already listen to the station sponsoring the research or its close competitors, should be selected. They should be selected at random. Referral recruiting, in which people recommend friends for participation in the Music Test, and data base recruiting, in which people who are frequent research subjects are chosen, should never be allowed.

Anything less than a randomly selected sample of target listeners will provide the station with only the illusion of having done research. Programming decisions made on the basis of findings from an improperly conducted study may be more harmful to a station than no study at all.

When there is a need for information on listeners' feelings about current hit music, a telephone survey is often substituted for the auditorium setting. Extracts of records are played to randomly selected target listeners over the telephone. Following this, information about their impressions is gathered.

Research To Develop Marketing Strategy

Listeners, in general, care very little about radio. They don't need to. They pay no money to listen. If they don't like the station they're listening to they can tune to another. It costs them nothing to change stations and they don't need to know the name of the station they're changing to. They just press a button or turn the dial until they hear something they like. This is an example of "low commitment" consumer behavior.

While "low commitment" behavior is the rule in using radio, taking part in ratings surveys requires "high commitment" behavior. In completing a ratings diary, listeners have to know the names of the stations they listen to as well as when and where they listen to these stations. Unless the "low commitment" behavior of using radio can be brought to this "high commitment" level, listening is not converted into ratings and broadcasters don't profit.

Marketing appeals which tie into listeners' motivations for using radio increase the likelihood that a listener will "commit" to a station. Although he or she may not be loyal to or listen exclusively to this station, a "committed" listener will recall the name of the station when completing a ratings diary.

As a result, an understanding of listener motivations for using radio is often the most important product of marketing research. Since listeners often can hear no substantial difference between radio stations, advertising which appeals to motivations for using radio and creates an image that links a station with these motivations is far more effective in increasing audience and ratings than advertising which focuses solely on product differentiations.

Marketing research identifies the listener motivations broadcasters should appeal to and the image to be created. Without this understanding there is risk. Advertising that communicates the wrong image can undermine the best on-air product. Ultimately, it will result in lower ratings and require the investment of more money for the advertising needed to repair the station's image.

Research that supports development of marketing strategy is usually conducted through a random sample survey. Focus Groups are sometimes useful in preparing for this study or refining specific advertising concepts that are developed as a result of the study.

Even when a station's programming is on-target and ratings are solid, research should be undertaken prior to the launch of any new advertising or promotional campaign.

The Need for Custom Designed Research

Clearly, marketing research for radio is a highly specialized process. This is because radio is different from most consumer goods. Radio's consumers (the listeners) don't pay for radio when they use it. Their entries in a radio listening diary are what effects the broadcaster's bottom line. With no money changing hands between the consumer and the radio station, the kinds of marketing research studies used most often by manufacturers and retailers have little relevance.

In addition, since no two radio stations or market situations are alike, marketing research studies for radio need to be custom developed in response to a specific radio station and its market situation.

This need for customization and specialization places a great deal of responsibility on the radio station manager in assuring that an effective research study is carried out for the station. Broadcasters must investigate proposals for research in-depth before committing to a study.

A Checklist for Planning Research

In making this in-depth investigation the broadcaster should:

- Consult with a few different research firms: Different research professionals have different philosophies of research and different methods for getting the job done. Find one you feel comfortable with.

- Ask tough questions: Evaluate what they propose. If you don't understand what they're saying or what they're proposing to do, ask them to explain themselves in English not research-ese.

- Don't base decisions on cost alone: Be sure that the researcher is providing you with a true random sample and intends to ask respondents for the information you need to have in order to take action. When you invest in research you must be satisfied that what you will get is reliable and actionable information. Anything less may make a research study more harmful to your station than no study at all. Remember, the purpose of marketing research is to provide factual information upon which you can base decisions. Often, a low priced study will provide you with the illusion of research rather than sound data for strategic planning.