CHANGING THE CONVERSATION TO LOCAL THAT WORKS

IT'S TIME TO FOCUS ON THINGS WE CAN CONTROL, INCLUDING PROGRAMS, FEATURES AND ACTIVITIES THAT BUILD LOCAL CIVIC VALUE.

A preview of the issues to be discussed in the opening session of the 2016 Radio Super Regional Conference to be held in Pittsburgh, PA, October 25, 2016

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INTRODUCTION

“Reports of my death are greatly exaggerated.” — Mark Twain

For well over a year, observers have been sounding the death knell for public radio. It seems we are too old and too white, lack creativity, and are crippled by a business model that limits our capacity to compete. As some of our best-known hosts retire, we face an “existential crisis” in which public radio will be decimated by the same forces that humbled daily newspapers and the recording industry.

However compelling these arguments may sound, they fail to reflect the true picture of an industry in transition. Armed with strong revenue growth and targeted funding from the Corporation for Public Broadcasting (CPB) in collaboration and journalism, many public radio stations are playing ever-larger roles in their communities through journalism, support for live music, and new forms of civic engagement. Despite the very real threats and mounting competition, our system is changing and adapting. Most important, stations are learning to “be more local.”

This isn’t some new shift. In 2001, the Station Resource Group, in their Charting the Territory project,¹ found,

There is a powerful and broadly shared impulse toward community-focused and station-originated content that extends public radio’s core values, gives richer meaning to our ambitions for significant programming, and reinforces our importance to our audiences.

Indications of change surfaced in the fourth Futures Forum, which we presented at the initial Super Regional Conference in 2012 in New Orleans. Leading up to that session, I contacted more than a hundred radio managers. They told me their stations were (1) expanding their investments in journalism (2) investing in online and digital service, and (3) beginning to go more local. The aspiration to be “more local” was cited by 82 percent of the managers I interviewed.

With that in mind, in this twenty-first Futures Forum, which will open the Super Regional Radio Conference in Pittsburgh on October 25, our session will focus on five examples of how stations are realizing their aspirations to take that turn in the road and go local.

As we examined the five examples, I realized that the path forward is likely to be a cycle of “create–copy–improve.” One station or producer will discover some breakthrough. Over time, other stations will copy that idea, then adapt, refine and improve it. It’s a process that smaller and mid-sized stations will need to apply, again and again, to remain relevant and sustainable in the decade ahead.

¹ http://www.srg.org/chart/chart.html.
In the late spring of 2016, the GM corps in public radio was unusually pessimistic.

For more than a year, public radio had been taking punches from producers, journalists, and media critics who—often for good reason—viewed public radio as a system in decline. Widely read online posts characterized public radio as a tired legacy medium. Speaking on Here and Now in November 2015, Nick Quah, author of the podcasting newsletter Hot Pod, put it this way:2

*When organizations get as big as NPR, they become less nimble, dynamic, and able to take on large-scale shifts in conditions—which is perfectly natural and totally something to be expected. ... Their original monopoly is no longer viable. [They are] no longer the strongest player in the market to produce news that’s good for the community, to produce material that’s being sold to own an audience.*

The coup de grace came in mid-June, when The Wall Street Journal weighed in with a declaration of “Public Radio’s Existential Crisis.”3

Laura Walker, CEO of New York Public Radio, pushed back. You’ve got it all wrong, she said—inviting stations and those leading the criticism to “join the creative disruption.” For Laura:

*One person’s existential crisis is another’s opportunity. ... From where I sit, at the helm of New York Public Radio, the news is overwhelmingly positive and the terrain is open for anyone bold enough to embrace what is undoubtedly radio’s next incarnation.*4

The next day, Jarl Mohn weighed in with a powerful defense of the NPR system, citing many of the facts, conditions and opportunities I have included below.

This was the backdrop as I met with the regional groups to develop a session for the conference that will take place October 25. Given the dour mood, my advice was, emphatically, “We need to change the conversation.” Shift attention away from things stations cannot control and focus on service opportunities managers *can* control.

A few weeks later, I started to design a session titled “Where Are We Going? How Do We Get There?” Soon, I settled on something a little less presumptuous and more concrete: LOCAL THAT WORKS.

That is the topic we will discuss on October 25.

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**DIGITAL DISRUPTION IS JUST ONE PIECE OF THE STORY**

Much of the doomsday analysis we read in the last year assumes a linear model of disruption, where legacy companies like NPR, faced with the dilemma of innovation, can’t let go of their “shrinking” customer base (meaning the 30 million people who listen to public radio each week). Over time their business model collapses under the pressure of insurgent “disruptors.” (That role, I think, has been assigned to podcasters.) All of this leads to a dramatic collapse, as we saw with newspapers and the record business.

The question I kept asking: does this model describe what we see in public radio?

I think you will agree that public radio has serious problems and weaknesses. AQH has been slipping. The average age of our radio audience is rising. Stations are struggling to reach younger and more diverse listeners. Diversity efforts have fallen short. Some weekend programs need replacement or renewal. Our digital efforts are, let’s say, underperforming. Practices that have sustained public radio for decades, such as seasonal pledge drives, are in desperate need of an overhaul. That’s a lot to worry about.

But other evidence points in the opposite direction: to stability, opportunity, growth.

**OUR DEATH IS GREATLY EXAGGERATED**

So far there are no signs of a “financial Achilles heel,” like the loss of the classifieds that so undermined the newspaper business model. In contrast, the economy of public radio remains solid. Gross system revenues have risen, almost uninterrupted, for 20 years, and a large portion of revenue gains have been invested in local program and production spending (chart, right).

Staffing is up, especially in journalism, supported by growth in individual giving. Two revenue streams, sustainers and major gifts, are on track to expand by $100 million, annually, versus 2005.

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Investigative journalism, one of the most expensive and hard-to-sustain news genres, has been expanding in public radio through station initiatives; collaborative efforts like Reveal; and leadership from NPR, APM, and PRX.

In music, AAA stations are holding up surprisingly well, considering the explosion of competition. Classical stations, which recently launched the “Classical Music Rising” project, sponsored by the Station Resource Group, are showing even greater resilience. In the Spring 2016 survey period, 14 AAA stations in top 50 markets saw AQH rise 7.8 percent (vs. Spring 2015). In the same period, 32 classical stations in these markets saw 9.2 percent growth.

Even when it comes to podcasting, which critics see as the big “disruptor” for public radio, NPR, WNYC, WBEZ, WBUR, PRX and other public radio-based companies are major players rather than crippled victims. Together, they dominate podcast rankings.

On the question of aging weekend programs, critics rarely examine the quarter-hour (QH) contribution of weekend programs, a key measure of program impact. When we looked at the schedule of a large-market East coast station (data provided by Steve Olson at Audience Research Analysis), we found that

- newsmagazines contributed 68 percent of total weekly QHs
- local and national talk pulled in another 22 percent of QHs
- All the one- and two-hour standalone shows combined accounted for 10 percent; Prairie Home and Wait Wait … Don’t Tell Me! led that list with 2 percent each.

Where news/talk is generating 90 percent of QHs, those freestanding weekend shows, which do need attention, are unlikely to trigger a full-scale “existential crisis.” And there are other reasons to think public radio might not fit a simple model of industry disruption:

- The relative cost structure of radio has distinct advantages versus newsprint or even TV (one reason public TV has not followed radio deeper into news).
- Our legacy audience, so often the subject of derision, has its upside: college-educated listeners have been willing to pay for media long before the advent of Netflix and Amazon Prime. Millions of them are becoming sustainers; tens of thousands are providing major and planned gifts. If you’re going to be “stuck” with a legacy audience, this is a good one to have.

And finally, we should listen to the advice offered by the person who first drew attention to the cycle of digital disruption, Clayton Christensen. He tells clients to ask this

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7 Data provided by the Nielsen Company, reported by the Radio Research Consortium. Analysis by the Station Resource Group.
fundamental question: “What job is your customer hiring you to do?“ It seems that millions of public radio supporters are hiring public radio stations to provide high quality, carefully crafted journalism. Stations delivering on that “job“ have flourished.

**Local Journalism Is the Big Opportunity**

These observations are especially relevant when it comes to local news.

Just a year ago, Joshua Benton, director of Harvard’s Nieman Lab, observed:

*2015 has felt like a turning point for the most threatened sector of the American news ecosystem. And I’m worried that some of what hopefulness remains in the system is being wrung out by changes in the larger digital world.* \(^8\)

A few months later, NPR News VP Mike Oreskes pointed directly to one piece of the solution Benton was hoping to find. Speaking to the New York Harvard Club in February, Oreskes noted, “In many cities, the second newspaper is now the public radio station.” Oreskes sees—as many critics do not—that a large cohort of NPR stations have figured out how to deliver *LOCAL (NEWS) THAT WORKS.*

Supported by round after round of CPB investments in local and regional journalism, we now have stations with scale, experienced editorial staff and the executive leadership needed to manage change.

**The Path Forward: Local That Works**

Here’s the rub: what I just described is a view from the top. Much of the growth is concentrated in large-market stations and state networks that are pulling away from “all the rest.” This, in my view, is our Achilles heel. If we want to preserve our integrated national/local service, we need stronger mid-sized and small stations, especially in rural areas, capable of delivering their own mix of *LOCAL THAT WORKS.*

For all these reasons, the forum in Pittsburgh is the first installment of a new leg in the Futures Forums. Over the next year, we will spend the majority of our time identifying *projects, features, and activities that help stations build local civic value,* our tentative definition of *LOCAL THAT WORKS.*

In Pittsburgh, we present our first five examples:

- **Precious Lives,** an extraordinary multiplatform collaboration that united Milwaukee Public Radio’s WUWM (89.7 FM); WNOV, a black-oriented commercial

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station; the Milwaukee Journal Sentinel; the Wisconsin Center for Investigative Journalism; community groups; and an independent media center, 371 Productions, to create feature stories about the damaging effects of gun violence in Milwaukee.

- **Texas Standard**, a breakthrough model for local and regional news, in which the four largest Texas stations joined together to create a daily weekday newsmagazine that meets the core values standard for public radio excellence. The show is now aired on 20 other Texas stations.

- **WXPN’s “doubling down” on local music**. Our only music-oriented case, but one with clear results, WXPN fused broadcast, online, and live performances and community engagement into a service program that lifted its local membership file to 30,000 donors, 70 percent of whom are sustainers.

- **Hearken**, the breakthrough Localore project, which is changing newsroom practice and attracting outsized online attention (measured by pageviews) at more than a dozen stations.

To complement these examples of emerging practices, we also present one project with a 20-year track record and deep implications for small rural stations:

- **CoastAlaska**, a collaboration among five small stations in Southeast Alaska, which allows each station to preserve a high level of local decision making while gaining efficiency and scale through shared backroom operations. This arrangement puts individual stations in a position to concentrate on local news and community information, with excellent results.

In researching CoastAlaska and the five other cases of "Collaborations that Worked" that we presented at the 2016 PMBA Conference, we heard the same refrain from senior staff: "We would never be able to do what we are doing today if we hadn’t changed."

In the coming months, we will stay focused on this topic, collecting and analyzing more examples, sharing the stories and lessons we gather through conference sessions, webinars and podcasts as well as online through our new website, publicmediafutures.org.

**Replicable, Repeatable Programs That Work Across Platforms**

The Pittsburgh cases share three key features. They are:

- **widely applicable** to large, medium, and smaller stations
- **repeatable**, in that they create content or services day after day; and they provide
- **multiplatform outputs**—broadcast, podcast, online, mobile and in-person.
**Precious Lives** demonstrates the power of cross-industry collaboration, which can surface in any size market. **Texas Standard**, created by major market stations, feeds a daily show to 20 smaller licensees. **Hearken** costs $400 a month (you supply the staffing); it’s affordable for every station. The **Coast Alaska** model, or variations of that approach, can emerge among any cohort of smaller and midsized stations—but you need the leadership and the will.

Regarding “repeatability”: a Free at Noon concert takes place every week at the WXPN building in Philadelphia; every July, thousands of fans flock to the XPoNential Music Festival in Camden, Penn. **Hearken** generates an endless stream of questions and story leads, while **Texas Standard** fills a major daytime hour every weekday, each week, all year.

All five examples create multiplatform content supported by social media and often complemented by direct, in-person community engagement—a major new tool in the service portfolio of leading stations.

Each project has revenue potential, from expanding memberships to creating major gift targets and grant opportunities for regional foundations. **Texas Standard** opens statewide underwriting sales opportunities for corporate and public service ad budgets. Subaru sponsors WXPN’s music festival, and the festival itself is now a powerful member-recruitment tool (half-price admission for members, a savings of $75).

Work in all of these areas has already started. Since 2010, the Association of Independents in Radio (AIR) has been building an R&D infrastructure that connects independent producers with select radio and TV incubators across the country with a mandate to “go outside.” That process created **Hearken**, iSeeChange,\(^9\) and the Austin Music Map.\(^{10}\) When I asked for examples of **Local That Works** among SRG members, I got 25 excellent examples, three involving **Hearken**.

Commenting on this approach, Sue Schardt, AIR executive director, observed:

*One thing we’re discovering is the primacy of—not social media platforms—but social platforms: bible study groups, circle dances, food pantries, hot dog wagons ... places where people share their stories of joy and grief, their dancing, cooking, celebration, mourning. These are the places we will build a new public media.*

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\(^9\) [https://www.iseechange.org](https://www.iseechange.org).

\(^{10}\) [http://austinmusicmap.com](http://austinmusicmap.com).
**Key Lessons From These Cases**

Looking at these five examples, I drew three rules that might help stations identify sustainable, effective, and competitive service in the decade ahead:

- **The best projects are both “more local” and “more national.”**

  Integrated local/national service with a local tilt is stronger than local only.

In his 2004 report to the FCC, titled "Less of the Same: The Lack of Local News on the Internet," Matthew Hindman examined ComScore reports for 1,074 “local news” websites. He found:

> Local news is a tiny part of Web usage; collectively, local news outlets receive less than half of a percent of all page views in a typical market. ... Are these grim numbers for the local news audience because of low news consumption overall, or because local news outlets are losing out to national news sources? The comScore data shows that the answer is “both.”

I doubt this has changed in the last 12 years.

Here’s what I see in Hindman’s analysis: local news is a tough row to hoe. It’s hard to attract attention; it’s expensive to produce. But it’s important, and that makes it a ripe opportunity for subsidized noncommercial development.

The limitation of local-only is a real barrier for the business model of online-only local news startups that surfaced in the wake of newspaper contraction. In contrast, NPR affiliates—which seamlessly combine local, regional and national news—provide a solid platform for maintaining some local journalism.

That’s what I see in *Texas Standard* and deep vertical feature series, like *Precious Lives* in Milwaukee. They extend and complement the NPR/APM/PRI news franchise. Milwaukee’s GM Dave Edwards put it this way: “WUWM covers Southeast Wisconsin the way NPR covers the world.” To my ear, that’s on target.

- **Collaborations give you more than capacity—they can give you reach into your community.**

  *Precious Lives* is the leading example on this point. By partnering with a black-oriented commercial station, a major newspaper, and an investigative journalism center, WUWM reached far beyond the ordinary boundaries of public radio. Using a Localore grant, they brought that broad, diverse community together for a story-sharing event in a way few stations have been able to do in any American city.

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11 Dennis Haarsager made this point, applied to PBS, in a prescient commentary he developed for the very first Futures Forum in February 2012: [http://current.org/files/archive-site/pb/pb1202haarsager-commentary.html](http://current.org/files/archive-site/pb/pb1202haarsager-commentary.html).

• The innovation cycle for *LOCAL THAT WORKS* is “create–copy–improve.”

At this historic period of transition, public radio needs both creativity and innovation. New ideas will often surface first in major market stations or state networks. Some new ideas will come from independent producers, such as Brad Lichtenstein, who launched *Precious Lives*, and Jennifer Brandel, who created *Curious City* (now *Hearken*). But the heavy lifting, the hard work of innovation, will take place over time at scores of stations, large and small, as PDs and front-line staff copy the new programs, features and community engagement methods and adapt them, refine them, improve them.

This is the way radio has survived and thrived for, now, a hundred years. Few stations at any time, anywhere ever invented anything. We moved forward by stealing ideas and applying those ideas in new ways. That’s how we developed basic formats, dayparts, newsmagazine clocks, song rotations, optimal effective scheduling, sustainer membership plans, and pretty much every other practice that now keeps stations afloat.

That process of “create–copy–improve,” applied to *LOCAL THAT WORKS*, will take at least half a decade to identify a portfolio of applications for mid-sized and smaller stations.

The time to start is now.

Long-term sustainability of public radio as a national system will come only when and if we see new, locally focused service models (that work) firmly established in dozens of mid-sized stations, smaller markets and rural stations all across the country.

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13 In 1917, a University of Wisconsin experimental station called 9XM transmitted radio signals. Later known as WHA, the station has existed longer than any other.