



# Marketing

.....  
*Community Radio*



# Contents

## **PREFACE III**

## **MARKETING 1**

- Mission Statement Objectives and Goals 1
- Market Segmentation 3
- SWOT Analysis 3

## **MARKET RESEARCH 4**

- Alternative market research 4
- Surveys 5

## **SUBSCRIBERS AND DIRECT MAIL 6**

- Designing a brochure 6
- Monitoring your results 7

## **PROMOTIONS 8**

- On-air promotions 8
- Off-air promotions 9

## **LOCAL SPONSORSHIP 11**

- Features of radio 11
- Methods to sell radio air-time 14
- Approaching business 15
- Qualifying 16
- The sponsorship proposal 16
- The written proposal 17
- The sample sponsorship announcement 17
- Presentation of proposal 18
- Objections to sponsorship 18
- Rate cards 20
- Cooperative sales 20

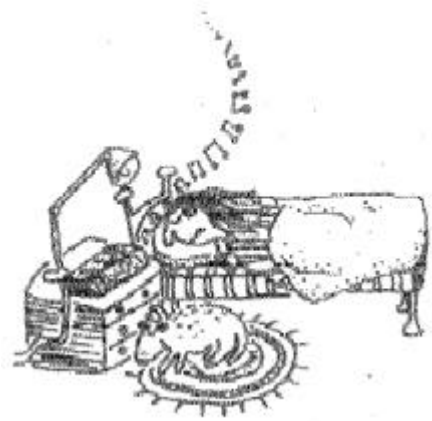
## **FUNDRAISING 22**

- Individuals 22
- Philanthropic Foundations 23
- Corporations 25
- Government 26

<b>RADIOTHONS</b>	<b>28</b>
Purpose of radiothons	28
Why people support community radio	28
Planning a radiothon	29
Role of producer and presenter	31
Asking for subscriptions	33
<b>APPENDIX A FUNDRAISING IDEAS</b>	<b>34</b>
<b>APPENDIX B MARKETING AUDIT</b>	<b>35</b>
<b>APPENDIX C SWOT ANALYSIS</b>	<b>38</b>
<b>REFERENCES AND RESOURCES</b>	<b>39</b>



## Preface



The Marketing Community Radio Manual covers a broad range of topics relevant to the needs of community radio. It originally began as a fundraising manual, but it became apparent that more information was needed about marketing techniques appropriate for community radio stations. The traditional supporters of non-profit organisations - government and philanthropic trusts have had increasing demands placed upon them and cannot be expected to significantly increase their involvement. Consequently, the most promising path for community broadcasters to take involves selling their stations, programs and airtime - that is, marketing. It is for these reasons that the sections on marketing and market research appear in this publication.

This publication has been researched and prepared by Max MacDonald for and on behalf of the Community Broadcasting Foundation as a guide for stations and to assist in promoting their services to their own communities and audiences. However, it does not necessarily represent the views of the Community Broadcasting Foundation as such.

Special thanks to Beth McRae and Barbara Baxter, Bruce Francis, Richard Greville, Jeff Langdon, Mark Newstead of MediaMark, Lucille Rogers, David Melzer and Michael Smith, Reece Lamshed, Roman Wolozynski, Trace Balla for the illustrations, and the many others who assisted with research, editing and production of this publication.

1<sup>st</sup> Edition Melbourne, 1995. This edition 2002.

# 1...

## Marketing



Community broadcasters, like any non-profit organisation, need to adopt strong marketing principles if they are to survive, grow and prosper. Generally within the non-profit sector there is some antipathy towards marketing. Marketing has the image of being a tool of the commercial world. It is strongly identified with selling, manipulating and profit and therefore inappropriate for the non-profit sector. This view is simplistic and outdated. Marketing has more to it than selling.

Marketing relies heavily on designing programs or policies which satisfy the needs and desires of its target market. It particularly involves research and promotion. Marketing is about discovering your clients and identifying their characteristics. More importantly, it is also about the type of radio station you are, what you want to achieve, how to go about it and how to measure your success.

For a long time community broadcasters around Australia have been involved in marketing in an ad hoc way. Any station which has held a fundraising event, whether a radiothon or a raffle, has been involved in a marketing exercise. The question for community broadcasters is how to approach marketing in the most effective manner. Everything you do must be carefully thought out in advance, approached and undertaken in an integrated fashion.

Before any marketing program can be implemented you have to know what you are about and why you exist.

### **Mission Statement Objectives and Goals**

The first stage in this process is to develop a *mission statement*, and determine your station's objectives and goals by asking several questions.

The first question is *'What is our business?'* In answering question, others may have to be asked:

"Who is the customer or client?"

"What is the value to the customer or client?"

"What will our business be?"

“What should our business be?”

Only listing the services or programming you provide is a description of what you are currently doing and not a definition of what you are.

A useful method to help define your mission statement is to reduce the above questions to three areas. The first one relates to consumer groups. *'Who is to be served and satisfied?'* The second, to consumer needs. *"What is to be satisfied?'* The third relates to technologies. *"How are the consumer needs to be satisfied? "*

This process should result in a statement which defines your station. The process should involve all the people associated with your station. This is essential, as your station is a collection of individuals and groups, all with an interest in the station but who may have different ideas on what the station is about.

It should be realistic and achievable to provide motivation and direction for the staff and volunteers. It should also be distinctive. The mission statement you eventually adopt describes where your station is coming from more than where it is going.

The next step is to develop a list of achievable objectives, There may be several objectives and they may change from year to year. One objective may be emphasised at the expense of others from time to time, but it is important that you have some concrete objectives. An example would be to increase the number of subscribers. Whatever your objectives are it is advisable to prioritise them.

Once you have objectives they must be restated in an operational and measurable form. Your objectives must be turned into goals. For instance, the objective to increase the number of subscribers can be restated into a specific and measurable goal. It could be to increase subscribers by 20% in the next year. A number of questions must be asked to determine whether this goal can be achieved. Questions such as *"Is the 20 percent achievable?" "What strategy would be required to increase our subscribers by 20 percent? " "What resources would it take?" "What activities would have to be undertaken? " Who will be responsible for achieving this goal? What process will be established to measure the success of this goal?"*

Once these questions have been considered it may become apparent that your goal is unachievable or that you could possibly achieve more. Consider this possibility before the goal is adopted as policy. The important point is that you have examined the options and feasibility of an idea before you attempt it and this can save a great deal of time and money.

Usually the goals which are adopted are understood by everyone in your organisation. However, situations can arise where goals are interpreted differently by different people and groups within the station. This can usually be prevented by encouraging involvement by everyone in the station in the goal setting exercise. It is also possible that the newly defined goals may contradict the overall objective. For example, by changing programming to attract new audiences but losing existing listeners.

## **Market Segmentation**

Market segmentation refers to the process of dividing a market up into smaller subgroups. It assists in developing carefully crafted programs directed at specific groups and is useful in developing a mission statement, objectives and goals. It can be used to identify various groups in the community which are currently under served by community broadcasting and also ways which other groups can be better served.

It is usually impractical to serve an entire market. The total market can be segmented or divided up in a variety of ways, and each segment must possess a number of characteristics. The segment must be of sufficient size. This involves not just the number of people in the segment but how often and how much they use a product or service. The segment must be accessible so its constituents can be communicated with. The segment must be measurable so it can be distinguished from other segments.

A market can be segmented geographically by region, urban, rural, city size, state, subculture, climate, population density etc. A demographic approach can be taken, such as by age, gender, educational level, income, mobility, ethnicity, occupation, marital status, religion and social class. A psycho social approach is another method. This can be done by identifying motivation, attitudes, learning, personality, perception or lifestyle. Usage rate can also be used to segment a market. This could be divided into heavy, medium and light users. The aim would be to keep the heavy users involved whilst simultaneously getting the medium users to use the service more heavily and the light users to use the service more frequently.

## **SWOT Analysis**

Once the mission statement, objectives and goals have been determined it is time to look at the organisation itself. The development of objectives and goals may have already highlighted organisational deficiencies of the station. A SWOT analysis on your station is in order. A SWOT analysis is a standard marketing tool which is used to examine an organisation's strengths and weaknesses, and any opportunities or threats.

Community broadcasters often have to compete against commercial operations and against other not-for-profit organisations for the attention and support of the public. This may be for financial support or for non-financial support such as attracting volunteer workers.

The greatest competition usually arises at the enterprise level. Community broadcasters need to identify their competition and *their* strengths, weaknesses and future plans. There are numerous sources of information from which to gather this material, such as annual reports, newsletters, planning documents, marketing brochures, advertisements, speeches and public statements and reports to regulatory authorities from the competitors themselves. Important sources of information are your own staff and volunteers, outside observers such as suppliers, trade associations, other competitors, newspaper and magazine articles. A SWOT analysis can be conducted on your major competitors similarly to analysing your own strengths and weaknesses.

# 2

## Market Research



Market research is under-utilised in many non-profit organisations including the community broadcasting sector.

Market research is valuable for many reasons. It is valuable for the information it can provide to help with decision-making. The success of attracting business sponsorship depends upon credible and accurate information about your listenership. It allows sensible and rational programming decisions to be made, based not on hunches but on hard data. Research needs to be done to ensure that the programming is adequately serving the needs of the listeners and not the station. Research also provides an early warning system for your station. If there are any problems occurring they can be detected and fixed while they are still small and manageable.

Unfortunately, market research is often only considered essential if there is a big financial decision to be made. However, if a cost/benefit analysis is used it will be apparent that there are two types of costs involved. One is the cost of the research itself and the other is the cost resulting from poor decisions which market research would have highlighted. Small decisions can often have a large impact on an organisation further down the track, such as a change in programming which leads to a loss of audience.

Community broadcasters need to be familiar with the basic principles of sampling, questionnaire design, interviewing and the presentation of survey results.

### **Alternative market research**

Market research does not have to be expensive, as there are numerous low cost small scale alternatives. Individual in-depth interviews and focus groups are two options. The former involves lengthy questioning of a small number of respondents. The latter involves a small group of between five to ten people discussing a specific set of issues. The aim of both methods is to get beneath the surface of an issue often revealing richer material as people will talk at length in a relaxed group or with a sympathetic researcher.

Experimentation is another possibility. This could involve different marketing strategies being directed to the same or different subgroup of a population. For example, a fundraiser could make a number of different pitches to a particular group and analyse the results to discover the most effective method.

Convenience sampling is another option. This involves interviewing respondents close at hand, such as your subscribers. Although the results may not extrapolate to the

general population, some useful information can be gathered. This method can be combined with snowball sampling which involves asking the people participating in convenience sampling to name others who could also be interviewed. For example, if you were surveying your subscribers about why they subscribed, it may be possible to get access to people who listen to your station but are not subscribers and interview them about the reasons they are not subscribers.

Piggybacking, or adding a few questions to surveys undertaken by others is another option. These are also called omnibus surveys.

Utilising the resources of your local educational institutions is another option. Students in business schools, psychology and sociology, departments often look for real-life projects to become involved in. It may, also be possible to get secondary students involved. However, there are potential problems if this method is used. Students are not the same as professional interviewers and should be closely supervised. Plenty of time should be allowed because the project will have to fit into the academic calendar and the station will have to be sympathetic to the educational institution's teaching norms. Another option is to get some marketing research professionals to join the board of your station.

Secondary sources should not be overlooked. Trade articles, government reports and a host of other material should be considered. If you have a local library, get to know your librarian and utilise their expertise to find the information you want.

## **Surveys**

Surveys are an essential component of the broadcast media. Community radio should be no different. Before any survey is undertaken you have to know what information you require and whether you are prepared to act on the information. If you are not prepared to make a decision on the data you collect do not undertake a survey. If you can find the information by another method do not do a survey. When planning a survey define the problem. This will assist in making a decision about whether a survey is appropriate. Community broadcasters should also regularly survey their subscribers.

# 3...

## Subscribers and Direct Mail



The financial sources for community stations should be as diversified as possible. Subscribers are the lifeblood for many stations. Every station should aim to increase the number of new subscribers each year and to aim for a 100% renewal rate.

There are many things which can be done to expand the subscriber base. Like all things, the more work that goes into planning the greater the success.

There are several general rules about subscribers and subscriber drives which should be made clear at the outset. The first rule is that it is harder and more expensive to get new subscribers than to keep existing ones. The second rule is not to wait for a subscriber to volunteer, they have to be actively sought. The third rule is persist. If it costs you \$50 to get a subscriber and your subscription rate is \$51, then you have succeeded.

### Designing a brochure

Developing a mailing list is the first task. Designing what will be mailed is equally important. The brochure is the central element of any subscription promotion campaign. If other methods are also used to gain subscribers these can positively effect the returns from the brochure mailings. The major aim of the brochure is to attract new subscribers and encourage existing subscribers to resubscribe.

Clarity is vitally important. If people are unable to understand what the brochure is about they will ignore it. Even if they are interested they may feel too stupid or embarrassed to call the station for clarification. There should be no question in the person's mind that the station wishes them to subscribe. The information contained in the brochure should not only include the basic information, but it should also include enticing elements concerning who you are, what is so special about the station and its' programming and why subscribing is so vitally important to them and to the station.

In designing a brochure steer clear of unusual sizes. Stick to the conventional. The brochure should be able to be easily opened with the application form right next to the main elements of the information section. Always include the application form on a section which can be easily separated from the main part of the brochure. This adds a subliminal element. Reverse printing and black on white are two good options. Mention should be made of the programming on the station as well as the station itself, but not just the station. If your station has had increases in the number of subscribers trumpet this fact.

There are several things which can be done to differentiate your mail from all the other unsolicited mail. The envelope itself can be used as an "advertising billboard". If this is too costly then hand writing the addresses (even if there are thousands to go out, get every presenter of a program to do a couple of hundred each) and affixing a large number of small value stamps should gain their interest.

The application form should be laid out in an uncluttered manner, with a large clear typeface, contain no abbreviations and should not be used as a questionnaire. You are asking for a subscription. Go straight for the jugular!

## **Monitoring your results**

Whatever methods or combinations of methods are used it is important to track the sources of all your subscribers. This information is useful in assessing how effective your subscriber drive has been and will highlight areas where improvements need to be made.

This information can be coded by post code, distance away from the station, the median income of the subscribers, by geographical location, the number of subscribers in each area, the number of previous subscribers in each area, the number of application forms sent out last year, etc. The point is to get an overview of which areas are performing well and which ones could be improved.

Just as one of the strong points of radio in selling sponsorship to business is repetition so it is with a subscriber drive. Repetition works. How many times a brochure is sent to the same address is up to your station, but many subscriptions have been gained on the second, third and fourth attempts. If the cost of getting a subscriber is equal to or less than the subscription level itself then do it. It is harder to gain new members than it is to get current ones to re-subscribe and cheaper to get them to re-subscribe.

Some effort is required to get existing or lapsed subscribers to re-subscribe. Your aim should be a 100% renewal rate. If it is below 60% not enough attention is being paid to this area. Lapsed subscribers are easier and cheaper to get than new subscribers.

# 4

## Promotions



Promotions are a form of self advertisement. The rationale for self promotion is to keep the listeners interested and tuned to the station, to increase the number of listeners and as an aid in attracting business sponsorship. The two types of station promotion are on-air and off-air.

### On-air promotions

On-air promotions are the most prevalent form of station promotion. To maintain and increase listener levels a number of promotional aids are employed.

The most obvious promotional aid is the station's callsign. The callsign is an essential part of a station's image, evoking an association with a particular sound or program format. The main object is to create instant recognition. It is the same reason commercial stations constantly promote their call sign and frequency. When surveys are conducted people instantly recall the stations, particularly telephone surveys which rely on prior knowledge of the station. This recognition increases the attractiveness of a station to a potential sponsor.

The callsign needs to be heard more than once during a half hour program. Callsigns can be placed before and after all breaks between music. Callsigns can be grafted on to the time, the weather report, the traffic report, the news or any other regular feature on your station. The more frequently this is done the greater the chance the listeners will remember it during rating periods and your station will generate your share of listeners.

On-air competitions are another form of self promotion. Promotions which include prizes keeps the audience interested. There will be a small percentage that directly participate and the other 99 percent who listen to these promotions vicariously. The view that big prizes attract big audiences is certainly true, but low budget prizes (such as bumper stickers, T-shirts, CD's, tickets, dinners, coffee mugs, pens, etc.) are also very good at maintaining and increasing audience interest. People like to win something, no matter how small when the odds give them a reasonable chance of winning.

The competitions community broadcasters can run are limited only by the imagination. It is best if the prizes are donated or can be obtained as part of a sponsorship deal. For example, it is feasible to develop a sponsorship package with a competition as part of the deal. The sponsor could be charged a premium rate for the spots they sponsor and a competition run if they "donate" some product as the prize(s). The competition would fall outside the five minute per hour guidelines for sponsorship announcements and the

sponsor would get that little extra out of the sponsorship package. The winner of the competition would have to go to the business to collect the prize. This provides an opportunity for PR photos and even testimonials from the winner for future promotions.

Any competition should appeal to the segment of your audience which is listening at that time and enhance the station's "sound" or programming format. It would be inappropriate to give away tickets, to a symphony orchestra during the Thrash Metal Hour. The competition has to be as relevant to the listeners as the prizes to be won.

Community radio can offer quirky prizes. An example could be an old Holden painted with a fantasy or graffiti design. It is a "one-off" and unique prize.

On-air promotions are also invaluable in informing the listener about what the station has to offer, who the personalities are, when they are on, when the news is on and which programs or special events are coming up in the future.

## **Off-air promotions**

Off-air promotions are designed to attract new listeners. Numerous methods have been used to achieve this, such as bumper stickers, T-shirts, coffee mugs, calendars, key chains, pens, car rubbish bags and so on. All these should be emblazoned with the station's call sign, to get the station's name out into the community. The more people that are aware of your station, the more likely that they will begin to listen.

Other strategies include personal appearances by station personalities if you have them, and outside broadcasts which all help get the station out into the public view.

Since many of these promotional items cost money it is ideal if they can be turned into fundraising items themselves. Bumper stickers can have discount coupons printed on the peel-off backing of the stickers. It could be possible to use the bumper stickers as a form of raffle with a number printed on the back.

The most common-sense idea is to get a third party to pay for the station's promotional costs and at the same time financially support the station. The following example illustrates this.

An elaborate "Night Out" promotion was organised by one station. It involved the station gaining free premium concert tickets through a close association with a concert promoter. A sponsor was then found to tie in with the promotion. The store chosen was provided with counter signs and an entry box so that people could register for the Night Out at the store. The sponsor becomes part of the promotion and purchases some air-time to become further involved. Anyone wishing to enter is instructed to go to the store to register for the Night Out. The sponsor benefits by an increase in store traffic. The sponsor agrees to pay for the limousine to transport the winners to the concert. Another sponsor is brought in to provide a dinner before the concert. The local restaurant provides the meals in exchange for having their name broadcast whenever the Night Out competition is mentioned. The costs to the station are a number of phone calls, a cardboard sign, an entry box and some entry forms. Everyone benefits.

Direct mail is another option which community broadcasters can use. The largest demographic subgroup of the station's audience can be targeted. A brand manager or a district sales manager of any company targeting that demographic group can be directly approached with a marketing plan which emphasises promotion. Sell the service with either increased spot sponsorship rates or independently at a rate which undercuts local direct mail companies. The important thing is that it is mailed in envelopes emblazoned with the station's logo or callsign.

Promotion must reflect the station's image and be considerate of the interests of the regular listeners. Not all publicity is good publicity. One promotional scheme which failed involved air-dropping dozens of turkeys to a waiting crowd of listeners assembled in a shopping centre car park. It was not until the first turkey splashed down on the bitumen that the station organisers realised that turkeys were not very good at flying. Several cars were damaged and witnesses traumatised as the turkeys plunged to their deaths. The promotion was not as successful as the organisers had originally envisaged.

An illustration of a more successful promotion is the Great Easter Egg Hunt at a local park. It attracted over eleven thousand people. A local bottle company sponsored the event and provided the thousands of dollars in prizes. The station promoted the event on air for several weeks and did a small amount of off-air promotion. The promotion worked so well because there was a need for a large and well organised Easter event.

Another successful promotion involved a presenter breaking a world record by sitting in every seat of a large stadium which could hold sixty-five thousand people.

# 5...

## Local Sponsorship



Community radio should not be viewed in isolation to radio in general. It is one part of a broad industry. It is important to recognise that community radio, while different from commercial radio, has some similarities with commercial radio. Many of the techniques and strategies commercial stations utilise can be adapted by community broadcasters for their own benefit.

This section will deal with several issues. These are - the unique features of radio which distinguish it from other forms of media, methods to sell radio airtime, how to approach business, qualifying, sponsorship proposals, how to handle objections, presenting proposals, the use of rate cards and cooperative advertising.

Underpinning all of this is a knowledge of who your audience is, derived from the thorough research your station regularly undertakes. When this is done one can understand why the community broadcasting sector has grown from two stations in the mid 1970's to more than 230 licensed stations in 2002. Growth in the commercial sector over the same period has been very moderate in comparison. In recent years independent research by Roy Morgan Pty. Ltd. showed that the community radio listener base has grown to almost 8% of the population over the age of 14. This is clear evidence of a growing appreciation of the value of diverse specialised programming the sector provides. For more information on this national audience research refer to "the sector" – "statistics", section of [www.cbonline.org.au](http://www.cbonline.org.au).

### Features of radio

There are several features of radio which are unique to the medium. Most importantly, radio utilises the imagination of the listeners. It has been labeled the "theatre of the mind". Airtime relies heavily on the imagination. It cannot be seen or held. Once the time has passed the airtime ceases to exist. It is like no other form of advertising. An effective sponsorship announcement makes a strong and lasting impression on the mind of the listener. This is one feature which should be explained to your prospects to help convince them to sponsor your station. Remember when scripting your sponsorship announcements that the end of the announcement is what the listeners remember longest. An ideal place to put the business name.

Do not presume that your prospects know about the benefits of sponsoring community radio. It is up to you to paint a picture which will impress them. Detail the benefits which come from using the imagination where the listeners become involved.

Many business people consider radio advertising inappropriate or inaccessible to their business. Some do not even consider it an option. Retailers familiar and comfortable with advertising in the local newspaper are often resistant to change. Bear in mind that the local newspaper is a community broadcaster's direct competitor for the advertising dollar. As there is a perception that radio is an expensive and frivolous means of advertising, it is your job to make the businessperson worry about advertising in the local paper. Point out any similar business which uses radio to advertise, as radio is one of the most effective means of advertising when it is used correctly.

Frequency is another feature of radio which can be used to your advantage. This is the average number of times the audience reached by an advertising schedule is exposed to a commercial. "The more spots aired, the more impressions made, and the more impressions made the more impressed the client."

It is important to recognise the amount of time people spend exposed to the various media. Half the time is spent listening to radio, A rough guide is 21 hours per week listening to radio, 16 hours watching television, 4 hours reading the newspaper and one hour reading magazines.

Radio is a portable medium. People do listen to the radio while they are driving the car and while they are at work. The point of all this is that radio listeners have a far greater chance of being exposed to a sponsorship announcement than television viewers and newspaper readers. It is interesting to compare the frequency of the different media.

With newspapers the frequency of an advertisement is generally one. The page is turned, the advertisement may or may not be seen. If it is seen, it is more often than not glanced at, and then the next page is turned and so on. At the end of this process the paper is disposed of. Moreover, advertisements in newspapers are often placed together, so a competitor's advertisement appears next to or on the following page. This diminishes the effect of the advertisement.

These problems with newspaper advertisements can be used to the advantage of community broadcasters by doing the following. Suggest to the business person who advertises in print that they use radio to draw attention to the advertisement in the newspaper. Guarantee that their radio announcement will not be placed anywhere near a competitor's.

In television, the frequency is generally greater than one. However, television advertising is expensive and simply not an option for many local businesses. Viewers will go to extraordinary lengths to avoid the intrusion of television commercials. Television now has to compete with video, a medium which has no advertising. While people are watching videos they are not watching the television programs and do not get exposed to the advertisements. This means the television advertiser has to spend much more money to get at the desired audience because much of the time the audience is not watching the television when their advertisement is being broadcast.

Radio has the potential to provide a high frequency as it is listened to more than any other medium. Many people listen to only one station and it is only through the station that they can be reached. With radio the loyalty often belongs to the station. Additionally,

people who listen to community radio do so more "attentively" than commercial radio. All of these factors indicate radio is a powerful advertising medium.

The first time a listener hears a sponsorship announcement they usually show little or no interest. The second time the listener recognises the announcement. The third time they get the opportunity to make a decision to support the sponsor and the fourth, fifth, nth time they hear the announcement they get another opportunity to make a purchasing decision. This is how frequency works and why frequency should be an important consideration for every business which advertises. Radio does it best. The frequency advantage radio possesses over television and print is one of its strongest selling points. The benefit to a business which sponsors community radio is the far better response from their sponsorship compared to any other medium.

Another feature of radio is reach, which is the number of different people who are exposed to a schedule of announcements. It generally applies to those listening during a quarter hour when announcements are aired. Radio has the capacity to reach a large audience inexpensively. The term Cost Per Thousand is used to express the radio's basic unit cost. Market research could be conducted to gauge the CPT of each community broadcasting station providing useful information when approaching prospective clients.

Positioning is another radio attribute particularly well suited to "positioning" because of its superior ability in building frequency. Repetition is necessary in positioning. Research has constantly demonstrated that consumer awareness of any corporation or business can fall dramatically when their advertising is reduced or ceases. It is the role of the radio salesperson to help local business produce a positioning statement if they do not have one and get it on air. Always position with something positive, something which praises the prospect's business. Explicitly point out to your prospects that community radio is better than any other medium at positioning 'because of the advantage it possesses in frequency, the small amount of sponsorship announcements made (only up to 5 minutes per hour) and the attentiveness of its listeners. Listeners will hear the message and have a greater chance to hear the message several times and to act on it.

The local nature of community radio is another factor which can be used to attract sponsorship. If you do not have a large audience you will find it impossible to access sponsors through an advertising agency . If you do and can't prove it forget it as well. This means the community radio salesperson will have to "work the street". The radio station without large numbers of listeners sells itself on a more personal level, focusing on the special and unique programming it broadcasts.

The local nature of your audience which lives and shops locally is what you sell. Community radio can effectively target these market segments better than commercial radio which is directed more towards mass marketing. Community broadcasters should be involved in niche and carefully targeted marketing.

Individuals with different demographic characteristics listen to different radio stations. Conversely the people with similar demographic characteristics listen to the same stations. This point allows advertisers to deliver their sales messages to pre-selected

groups of prospects. Radio's lower costs and greater targetability match up well with many advertiser's needs. Radio possesses an ability to reach tightly defined market segments.

## **Methods to sell radio air-time**

This section will give some pointers on how to sell radio airtime, qualifying prospects, the sponsorship proposal and how to handle objections from prospects.

The key to all of this is *research*. Time spent thinking about who to approach and how to do it is time well spent. The experience of radio salespeople in the past highlights two important points. Many clients do possess an affinity for the medium but are concerned about not using it properly. This is important especially at a creative level.

There is a correct way and an incorrect way to sell radio airtime. The following are some general guidelines.

### **Do**

Research the advertiser. Be prepared. Have a relevant plan in mind.  
Be enthusiastic. Think positively.  
Display self confidence. Believe in yourself and your product.  
Smile. Exude friendliness, warmth and sincerity.  
Listen. Be polite, sympathetic and interested.  
Tell of your station's successes. Provide testimonial material.  
Think creatively.  
Know your competition.  
Maintain integrity and poise.  
Look your best. Check your appearance.  
Be objective and keep a proper perspective.  
Pitch the decision-maker.  
Ask for the order that will do the job.  
Service the account after the sale.

### **Do Not**

Pitch without a plan.  
Criticise or demean a client's previous advertising efforts.  
Argue with the client. This just creates greater resistance.  
Badmouth the competition.  
Brag or be overly aggressive.  
Lie, exaggerate or make unrealistic promises.  
Smoke or chew gum in front of a client.  
Procrastinate or put things off.  
Be intimidated or kept waiting an unreasonable amount of time.  
Make a presentation unless you have a client's undivided attention.  
Lose your temper.  
Ask for too little. Never undersell a client.

Fail to follow up.

Since local newspapers are your direct competition, this is a good place to start to find prospects. Get several back issues of the paper and look at who advertises, when they advertise and how often. Go back 12 months to discover who advertises what at what time of the year. The object of this is to produce a list of businesses in your area which advertise in the local paper. Contact the local newspapers sales department and in the country TV sales departments to get their rate cards. Once you have this information you will be able to work out how much money each business spends on its advertising. The results may surprise you. This process will also tell you which businesses in your local area do not advertise in the paper. Put these down on a separate list.

Use the local telephone book to see what sort of businesses operate in your area. Since you will know your programming backwards you will be able to match potential advertisers with specific programs. If for example you have a gardening show then appropriate advertisers could be businesses involved in the following: gardening wear, garden tours, farm and agricultural advisory services, forestry services, concrete supplies, agricultural and horticultural supplies, fertilisers, equipment hire, agricultural pipes, weed control advice, garden equipment, landscaping services, nurseries, quarries., irrigation and reticulation systems, lawn and turf supplies, sprinklers, garden furniture, garden ornaments, gnomes, shade houses, hothouses, hydroponics, fountains, fencing contractors, hardware stores, garden sheds, garden shredders, lawn mowers, wooden stakes, tools, indoor gardens, containers, parks and gardens, gardening associations, brick pavers, sand, soil, mulch, wire mesh, seed companies, etc. Do this for every individual program.

If you have current advertisers use them to help you sell airtime. If you have not granted exclusivity to any of your sponsors, use the example of your current sponsors to encourage similar businesses to advertise. If a bookstore sponsors your station, go to all the other bookstores in your area and point out that this bookstore advertises to people the other bookstore is missing out on. Conversely if no business of that type sponsors your station sell then on being the first.

Organise a get-together of your current advertisers and your prospects. This method has a number of advantages. Firstly it rewards your current sponsors. Secondly, your existing sponsors will support what you are saying to your prospects, adding *credence* to your claims.

Use testimonials from happy sponsors to help you coax other sponsors on board. You can even write them yourselves and get the business to authorise it. Show these to your prospects at every opportunity. Particularly use testimonials from people in the same business as the prospects you are approaching if you can get them.

## **Approaching business**

Once you have done your research of the local paper, the local telephone book and your existing sponsors you are ready to begin to approach businesses for sponsorship. When a salesperson makes the first call on a business, they should go in with a positive attitude that a sale will be made. If it is possible, make the sale and do not hang around.

Generally the first call is just that, an introductory call. If you cannot make a sale then and there at least get an appointment to call back with a more detailed proposal. Make an appointment when the businessperson has some time to devote to your proposal and get back to them in a couple of days at the latest. Do persevere, even if you have to return several times. When you do get a client, do not sell and run. Follow up service is vitally important in maintaining their involvement. Provide them with the times their sponsorship announcements will be aired. This provides them with evidence that they are getting value for money.

## **Qualifying**

Firstly, you have to decide who you will and will not accept sponsorship from. Whenever you accept a business's money you automatically accept what they are and what they do. Therefore, it is a good idea to mark on the lists you have already made those businesses which you will not accept money from and why. Every business which has been excluded should be periodically reviewed to see whether your policy is still relevant to that business.

When approaching a business for the first time it is imperative that you talk to the person who makes the purchasing decisions. How do you determine whether an advertiser qualifies to be on your station? The quicker you do this the quicker you can make a sale and the more prospects you can visit.

If a business has no advertising budget it is a fairly good bet that it is spending too much on advertising, with little control or planning. Part of your job is to get them to spend their advertising dollars as efficiently as possible.

This is how the consultancy sell works. Set up a qualifying sheet which is just a list of questions. The point of this process is to determine how much money your client is spending on advertising, who makes the decision to advertise (there could be more than one person) and where they advertise.

The first question to ask should be an easy one. A good opening question is "How long have they been in business? Most, if not all business people, like talking about their business and so you will get a response. The next question is designed to discover as much about when they sell as possible. "What else besides 'x' do you sell? Which products are selling best? Are there any new products you will be selling shortly?" The third question is to identify the decision makers in the business. Next, discover their advertising needs by asking about their market, their future plans and attitudes and experience with the media they currently advertise with and their competition. All this leads to the question "About how much do you spend?" If they give you an answer you can quickly advise them how much airtime they could get with your station. To ensure you have got access to the decision-maker it is important to ask "Who, apart from yourself, makes decisions about advertising?" If they do not make the advertising decisions then they will tell you who does. Once you have access to the decision-maker you can begin to sell to them.

## **The sponsorship proposal**

Most clients do not like being sold anything. If you make contact with a prospect do not say you will be back in a few weeks. Act fast! As it is a good idea to go in with a specific plan in mind, the information you gathered during the consultancy sell will be invaluable. Be back at the business in a few days. The sooner the better. And be back with a well laid out and attractively packaged written proposal, spec. tape or both. Brand your idea with their name and let them pinch it and claim the credit for it. Good ideas sell radio time.

If a sale is not made on the first contact, a follow-up appointment must be made. Call back as soon as possible to prevent the prospect going cold. The objective of the call is to close the deal. The time between the first and second calls should be spent preparing a firm proposal. Either refine your original proposal or produce a spec. tape to play to the prospect. Perseverance does pay off.

## **The written proposal**

The written proposal is an effective tool. It should be written in a conversational style they can read later. People can forget what you were saying very quickly so it is a good idea to leave a reminder with them.

The ideal proposal is one that is short, simple, clear and concise. One page is adequate or if the proposal is more complicated, then four pages will suffice.

The first page should be a brief summary of what they, have told you. You just tell them what they told you. They can hardly disagree. The cost should be included on this page.

The second page is the radio idea. Explain the idea. If it is very complicated, just summarise the idea.

The third page is a blend of the first and second pages, combining what they have told you they want or need and how your idea will satisfy their needs. Itemise the costs. It can be a good idea to provide a couple of different costing regimes to get them to consider which one to choose and not whether they will or will not buy it.

The final page is a summary of the whole lot. If the proposal is very complicated put the details in an appendix, if they agree to a sale always send them a thank-you letter.

## **The sample sponsorship announcement**

This method can be a highly effective tool to make a sale. It can turn a "no" into a "yes" very quickly. If the idea is good how can they possibly refuse? Speculative (spec.) tapes can also be used to reactivate lapsed sponsors and to get a current sponsor to increase their level of sponsorship.

If you have already made the first call you should have a fairly good idea what the business is about. This information can be used to produce a sponsorship announcement which directly appeals to the needs of the business prospect. Sometimes a spec. tape can be produced before the first call is made. Browse through the store to see what they sell. Observe the slow trading days and times. These times

are good times to approach the prospect, for the interruptions will be minimal. Look in the Yellow Pages for the correct address and opening times and the local papers to see if they advertise. All this helps you build a "feel" for the business. Listen to other commercials the business may run on other stations or the advertising similar businesses use.

Once you have this essential information, work out your idea. Avoid humour unless you have some first hand experience with the sponsor. What is funny to one person may be silly or offensive to another.

A good idea is to put a brief explanation on the spec. tape just ahead of your sample sponsorship announcement. This is unexpected and is guaranteed to get their interest. If it has their name and/or trading name on it even better. If you can, produce two sample sponsorship announcements to give the prospect the chance to say "I like the first one better than the second" and not an outright no. Once they have claimed ownership of the announcement they have bought it.

When you play the tape ensure that it is cued correctly so that there are no long pauses before the announcement. You want to get their attention and keep it. Once you have their interest do not let anything interrupt it. Record the same sample announcement immediately after the first one so that you can quickly replay it without rewinding the tape if they ask to hear it again. Also provide them with a script of the announcement that they can read while listening, which helps them concentrate.

## **Presentation of proposal**

When presenting your written proposal try to avoid being interrupted. Try to get your prospect away from the telephone and do not let them sit behind a desk. Once you have their attention you have about seven minutes before their concentration will begin to wane. If you go on for too long do something to bring them back. Read out your written proposal highlighting the benefits. Repetition is the key. The more times you repeat something the greater the chance they will understand it and act on it.

Take in a card detailing things such as how often their name appears on the sponsorship announcement. Before you play it point out how good it is. Once they have heard it you can normally bank on two reactions. Firstly they will say "not bad" and that they would like to hear it again. Secondly, they may well like to alter it. If they say this you have sold them the idea. They have claimed ownership. At this stage you could close the deal by asking them to authorise the contract and then attend to the changes, but you will need to be sensitive to this.

## **Objections to sponsorship**

People do not like being sold anything and will usually come up with one or more objections as to why they are not interested. A good salesperson will have a set of prepared responses for the more common objections. Such objections include:

### **Nobody listens to Community radio**

A good response is that people do listen to community radio, as independent national research and the research your station has commissioned will demonstrate. Additionally, point out that listeners to community radio do so attentively. Your message is not lost in the clutter of eight commercials in a row but is limited by law to five minutes of commercial sponsorship per hour.

### **Newspaper ads are more effective**

Point out the time people spend listening to radio as opposed to reading newspapers. The importance of frequency should be mentioned. Tell them radio sponsorship can make their newspaper advertising more effective by directing listeners to the page number of their newspaper advertising. If the prospect takes out full page advertisements, suggest they change to half page ads and spend the money they'll save on community radio.

### **Radio costs too much**

Have a list of how much newspapers charge, how much commercial stations charge, the importance of frequency, your station's rate card, etc.

### **Nobody listens to your station**

Refute this claim by the results of your audience research. Mention the importance of reach, of frequency, and show them the map on your rate card which shows how much area your signal covers. Also mention the attentiveness of your listeners and the clearly defined market segment your listeners hold.

### **We tried radio and it didn't work**

Do not directly criticise their previous efforts but try and discover what they did, with whom and suggest reasons as to why it was not as successful as it should have been.

### **We have already allocated our advertising budget**

This gives you a good opportunity to discover exactly where they are advertising. If it is with the local papers see earlier section. Discuss the important beneficial characteristics of sponsoring community radio, particularly its local nature.

### **We can get another station for less**

"Is it the right station for you?" Show them testimonials from your existing sponsors.

### **Business is off and we haven't got the money**

A well devised spec. tape should get them to reconsider. Show them how little it costs to get people through the door. Advertising is about store traffic.

### **My partner doesn't like radio.**

Attempt to speak to the partner. Find out what the specific objections are and proceed from there.

A general method for dealing with objections is labeled **LCPPA**.

**Listen** - understand the objections

**Cushion** - respond with empathy

**Position** - reslant the objection

**Present** - go back to your presentation

**Ask** - get an answer and close the deal.

If you get two objections answer the easiest one and continue with your presentation. You do not have to answer the second one. Often it will be forgotten. If they remind you, answer the second objection but leave the initiating to them.

### **Rate cards**

Rate cards are an essential tool for community radio salespeople. They should be clearly laid out and easily understood. In addition they help promote and market your station.

The rate card should include a brief statement on the terms of payment. Several different scales of rates should be included for different parts of the day. If your highest listenership occurs in the morning and late afternoon these times should be charged at the highest rate, say AAA. The second highest rate AA should be charged at a slightly lower rate and so on. Businesses will be prepared to pay more to have their sponsorship announcement exposed to more people. It also gives the sales staff the opportunity to increase the level of sponsorship a business has. The rate charges may increase depending upon seasonal variations. Before Christmas AA could be charged at the same rate as AAA. Rate protection should also be offered. That is, if a business buys a long term sponsorship the advertised rate will be all they pay if the rates are increased. Bulk purchases could receive a discount. The sponsorship announcements could be rotated within time classifications.

There are numerous other ways to structure the packaging of airtime sponsorship announcements. Remember, once the airtime is gone, it's gone forever.

### **Cooperative sales**

Cooperative sales are where a manufacturer offers a subsidy to a retailer to share the costs of advertising. They are potentially, a good source of income for your station.

Cooperative sales functions to move the product from the manufacturer to the retailer and to move the product from the retailer to the customers. Manufacturers use

cooperative advertising to maintain or increase a retailer's advertising expenditure above the levels they would otherwise be, resulting in higher sales to both parties.

There is no set method to gain access to such funds as many manufacturers will not openly publicise their existence. As cooperative sales are more likely to be involved with new product launches community sales representatives should be constantly on the lookout for these opportunities. Check the trade journals of various industries for advance warning of new product releases and ask the retailers if they are aware of availability of cooperative sales. You have to be at the right place at the right time and ask the question. It is part of your job to encourage the retailer to take advantage of this form of advertising.

# 6

## Fundraising



Fundraising is an important part of community radio. A station's fundraising success can be greatly enhanced by approaching the task in a thoughtful manner. The best fundraisers reflect an understanding of why people are prepared to part with their money. The major sources which community broadcasters can tap into are individuals, philanthropic foundations, corporations and government departments. Many non-profit organisations focus on one source, but it is more opportune to *diversify* your potential sources of fundraising as much as possible, then allocate the resources you will expend in proportion to the returns.

Information and resources on fundraising for non-profit groups are now available online. An excellent Australian site is [www.ourcommunity.com.au](http://www.ourcommunity.com.au). Our Community Pty. Ltd. is a private company that produces a range of resource guides and services for non-profit groups. They can be contacted on (03) 9320 6800 or via e-mail [service@ourcommunity.com.au](mailto:service@ourcommunity.com.au).

### Individuals

Individual donors are a major source of income for most non-profit organisations. A general guide is to target people who have high incomes, are in their middle age and have a high level of education. This does not mean you ignore other groups of individual donors, but you realise that the former group gives the most.

An understanding of why individuals give to non-profit organisations will be invaluable in increasing the success of your fundraising. Such motivation includes the need for self esteem and/or recognition from others, the habit giver, the nuisance giver, those required to give and those with a humanitarian concern.

Whatever the reasons for people giving they all expect something in return. This may not be materially tangible but all expect the money to be used wisely and efficiently, and expect some gratitude from the fundraiser e.g. a thank-you letter.

The various motives for giving suggest clues to the strategy which should be used to solicit funds. Essentially there are three types of individual donor markets. These are the responsible (donate without being solicited), responsive (donate because they are asked) and compulsion (donate because of pressure). Whatever the type of donor it is more productive to ask people to donate for a worthwhile program and not because the station is needy. People respond better to relevance, importance and urgency.

Segmenting the donor market is also important. There are many ways this can be done. Categorizing the donor's giving potential, whether they are small, medium or large is one way. The geographical area they live in is another. The connection with the station, whether they are a volunteer, a subscriber or relative, is important for determining how much effort and how many resources should be spent on each group, and what medium to use to approach them (telephone, mail, personal contact).

## **Philanthropic Foundations**

Philanthropic foundations and trusts are another fundraising option for community broadcasters. It must be remembered, as with all fundraising efforts, to allocate time spent proportionally to the potential gain. This is particularly relevant now as many foundations are receiving more requests than they have in the past and have changed their emphasis towards providing relief from immediate hardship.

Generally foundations fall into four categories. Family foundations, usually established by wealthy individuals to support a limited number of activities. General foundations which support a wide range of activities. Corporate foundations set up by commercial organisations and community foundations which are set up for the purposes of pooling bequests from many private sources.

If your station decides to apply for a grant from a foundation or trust ensure that the application is matched to the foundation's interest and to the scale of the operation.

Grant disbursement organisations have different guidelines for assessing who will be funded. The over-riding consideration when applying for a grant is to understand what the various philanthropic trusts will fund and how you can match your proposal to satisfy their guidelines.

Investigate the fields of interest the granting body is interested in, as well as what they will not fund. Many trusts will direct their funds to specific target groups, such as women, the aged, youth or the unemployed. Some will fund specific functions where a need can be demonstrated. Others will have geographic limitations to the organisations they will fund.

Once you have determined if you may be funded, there is other essential information to look at. The amount required for your proposal may be a limiting factor. What is the maximum grant they will disburse? What are they prepared to fund with the money? Some trusts prefer to fund one off capital items. Others may fund salaries and administrative costs but not capital items. Some will fund travelling expenses others will exclude such things. Some trusts prefer that the applicant provide a proportion of the funding from other sources before they will become involved. Government funding is often looked upon favourably by some trusts when assessing applications.

The timing of the grant is another important factor. This can often determine whether the trust you approach is appropriate. Some trusts have a continuous funding cycle, where applications can be received, assessed, approved and the funding disbursed throughout the year. Others fund twice, three times or on a quarterly basis. These

deadlines must be adhered to if your application is to be considered. Others work on a first come first serve basis, although it is not uncommon for a really good idea to jump the queue. Some trusts will never approve an application the first time round but will fund a proposal if an application is made again. Many trusts will provide one grant per year per organisation, whilst others sometimes will fund a particular idea each year.

The first source to consult is the *Australian Directory of Philanthropy*. A copy of this publication may be available at libraries or can be purchased from

Philanthropy Australia Inc.  
Level 10, 530 Collins Street  
Melbourne VIC Australia  
Toll free: 1800 334 165, Telephone: (03) 9620 0200, Fax: (03) 9620 0199  
e-mail: [pa@philanthropy.org.au](mailto:pa@philanthropy.org.au)  
website: [www.philanthropy.org.au](http://www.philanthropy.org.au)

It contains over 400 trusts and granting bodies and many of which are appropriate bodies for community radio stations to approach. All of the essential information outlined above is contained in this book.

Once you have selected a trust to approach, get their application forms and funding policy or guidelines. It is a good idea to phone first and briefly describe your proposal to gauge whether you have any chance of success. Although many funding bodies have quite broad fields of interest, they sometimes focus on one or two of them, depending on the requests they have been receiving. The administrators of the grant will provide you with information and you should ask as many questions as you need. This will help in framing your application to fit in with their priorities. In addition it will be useful later on when your formal application is sent to them as they will already know something about your idea.

All grant-making bodies and trusts will require details of your organisation and the proposal. The information will be contained in their guidelines and/or the application form. Be as succinct and clear as possible.

The name and address of a contact person within your radio station, with a business phone number and an after hours phone number are musts. Submissions should include a brief summary of the aims and objectives of your radio station and a brief history. Details of your membership or subscribers should be included. The experience and qualifications of the station's management is also worthwhile including. Relevant tax and legal requirements are essential information for many trusts. This would include whether your station is an incorporated body, is exempt from income tax, satisfies section 78(1) (a) (ii) of the Income Tax Assessment Act (which allows donors to claim donations of two dollars or more are allowable tax deductions). The financial details of your station, such as a statement of your last years accounts should also be provided.

A title of your project or activity is necessary. The aims and purpose of your idea should also be clearly laid out. If you are unable to clearly and succinctly lay this out then do not expect the grant decision-makers to be able to understand it. Specifically you must address how you identified the need for the project, who will participate and who will it

benefit? Why does your organisation

have to undertake this activity and not someone else? How will you measure the success or outcomes of your project or idea? When putting this section together constantly refer back to the grant-maker's guidelines to ensure you are satisfying their criteria. It will also be sensible to describe all the activities which will be undertaken with the grant, budgetary details and a start and completion date or timeline for your project.

As part of your research you should also determine whether your project duplicates or is too similar to any activities already in existence. Double check your idea with other organisations in your area to ensure it is really needed. Encourage comments from individuals most likely to benefit from your proposal to ensure they really meet the needs you have identified. This will help you explain to the grant administrators that your proposal is worthwhile. Use the resources of your local library, council or shire, or government departments which can provide you with any hard data you may require. This also shows to the grant administrators that you have involved the community in formulating your plans. It is often a smart idea to link up with another group when making an application. Your proposal may be rejected if just your station is involved, but you may swing the grant-making decision-makers your way if you involve another group, particularly a recognised disadvantaged group or section of the population.

## **Corporations**

Australian business spends millions of dollars each year in sponsoring a wide variety of organisations. Community broadcasters can also tap into this source of funds. However, it is important to understand why corporations have sponsorship programs and what they expect from their involvement.

Corporations regard gift giving as a minor activity in contrast to philanthropic trusts where it is their major activity. Corporations vary the level of their giving with their expected level of income. Their first responsibility is to their shareholders. They are more likely to avoid controversial causes than philanthropic trusts and usually set up a separate foundation to handle requests so as not to involve the corporate officers personally in the decision-making process.

Sponsorship is a business relationship. It is subject to the normal scrutiny and evaluation given to any other part of the corporation.

Corporations become involved in sponsorship for a variety of reasons. These include, building or reinforcing corporate and brand awareness, reinforcing or changing the corporations. image, positioning a brand in a new market, targeting specific market audiences, building sales and distribution opportunities and supporting advertising campaigns. Major sponsors who already possess a high profile in the community use sponsorship as a means of perpetuating and reinforcing their corporate objectives and preventing their competitors from gaining at their expense. As corporations are concerned with their longer term objectives, sponsorship campaigns usually need to be constantly emphasised to have any long lasting effect. Research shows that consumer awareness of a corporation can fall dramatically once the sponsorship ends or is only continued spasmodically. Therefore, it is possible that a long term sponsorship will be

beneficial to both parties.

The increasing number and variety of media outlets offering advertising opportunities, and the sheer amount of advertising makes it difficult for corporations to get their message across. The costs of advertising can also be prohibitive and so it is natural for corporations to look at other avenues. Sponsorship is an attractive and cost effective method for achieving this aim. The listenership of each individual station could be an audience which could be exactly what a company is looking for and which they could only reach by an expensive advertising campaign.

Many large corporations have specialised sponsorship departments to handle this area. Their role is to examine sponsorship proposals, manage them and ensure the company is getting value for money. These departments will need to know how the proposed sponsorship will benefit the company. It must have a realistic price. You must be able to show that your organisation can produce the results the company is looking for. Perhaps the most important information required is the nature of your audience. Having up to date demographic information on your listeners will help you "sell" your proposal to them.

The current economic climate has forced most companies to be very selective in their selection of sponsorship projects. In addition, competition for the corporate dollar by non-profit organisations has also increased. This state of affairs means that careful research is needed before you approach any company.

**It is essential that you know the** company you are approaching. What is its business? What factors would influence them to take a positive view of your proposal? What would be the reason for the company to become involved in a sponsorship arrangement? Do they have any particular geographical needs which you could satisfy?

In addition, you need to know what you are offering them. Do you have a firm business proposal which would interest the company? Is it priced realistically? What things would be out-of-bounds for your radio station? All these factors need to be considered before you approach any corporation.

The stations which do the background research, are imaginative and entrepreneurial and offer projects which give good value for money will be the ones to benefit from corporate sponsorship.

## **Government**

The number of government funding sources available to the non-profit sector is quite vast. For community broadcasters the major one is the Community Broadcasting Foundation.

The Community Broadcasting Foundation Ltd. (CBF) was established in 1984 following widespread consultation with community broadcasters and Government as an independent, non-profit funding body. The primary aim of the organisation is to act as a funding agency for the development of community broadcasting in Australia.

The CBF receives an annual grant from the Department of Communications, Information Technology and the Arts, and a smaller grant from the Aboriginal and Torres Strait Islander Commission.

The CBF assesses applications for funding and distributes grants for development, programming and infrastructure support for:

- Aboriginal community broadcasting
- Ethnic community broadcasting
- Radio for the Print Handicapped (RPH)
- general community broadcasting
- the Australian Ethnic Radio Training Project (AERTP)
- sector coordination and policy development

The objects of the CBF are:

To solicit grants, donations, and other monetary contributions from Government, the private sector, institutions, groups and individuals

To provide seeding, sustaining and special purpose finance to community radio stations in Australia and groups which aspire to form community radio stations

To provide grants for research and development by groups aspiring to form community television stations

To provide innovation grants to community radio stations and non-profit organisations for experimental and other innovative programming for broadcasting on community radio stations; and to provide to community radio stations grants for training, research and study, publications and audience surveys

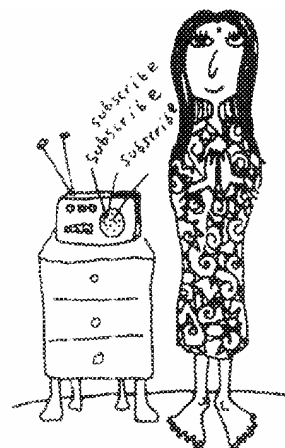
To make grants to enable special broadcasting projects to be undertaken and for such purposes as support the aims of community broadcasting

Detailed information on the funding available through the CBF is available from [www.cbf.com.au](http://www.cbf.com.au) or by contacting the Foundation directly on (03) 9419 8055.

Community broadcasters may be able to access funds from other government programs at Federal, state and local government levels. The Commonwealth Government maintains a website providing information on its grant opportunities at [www.grantslink.gov.au](http://www.grantslink.gov.au). State governments also have extensive grant opportunities. Most states that raise revenue from gambling return a proportion of these funds back to the community through a grants program, e.g. Victoria's Community Support Fund – [www.dpc.vic.gov.au/csf](http://www.dpc.vic.gov.au/csf). Western Australia – Lotteries W.A. – [www.lottery.wa.gov.au](http://www.lottery.wa.gov.au) has a specific program for assisting community radio stations. Most local councils have an annual community grants process – contact your local council for details. Stations should also consider the opportunities that the vocational training and work orientation programs offered through Commonwealth and State government agencies may provide for additional staff support and development.

# 7

## Radiothons



Radiothons are one of the traditions of community broadcasting. This section will detail what makes a good radiothon, some general pointers about what to do and why, together with the multitude of benefits which flow from a *successful* radiothon.

### Purpose of radiothons

The purpose of holding a radiothon is naturally to raise funds. However, there are other important benefits. Fostering long term support for your station is the ultimate goal. This can be achieved by encouraging as many of your existing members to re-subscribe, to get as many of your current listeners to begin to subscribe, to get people who do not listen to listen and to gain the support of local business. Gaining and developing greater community involvement in your station will ensure its survival and hopefully allow it to prosper.

### Why people support community radio

It is important to recognise why people financially support community radio. An understanding of this combined with a knowledge of your audience is invaluable information. The following tables originate from the United States experience, but provide some useful conclusions.

#### Motivation for pledging

Programming 75%  
Worthwhileness of station 48%  
Sense of personal obligation 26%  
Desire to keep station on the air 25%  
Lack of commercials 9%

#### Very important factors for pledging

Desire to support programming 88%  
Desire to support station in general 78%  
Actual radio appeal for pledges 37%  
Program just heard 35%

Conversely, an understanding of why people do not financially support community radio

is also important.

### **Why do you think people who listen do not support community radio?**

- They think someone else will give 66%
- They give to other organisations or the station is not a priority 44%
- They believe the station is already paid for by tax dollars, educational institutions, or businesses 37%
- They do not have the money 33%
- They already give to community television 28%
- They are annoyed at not hearing regular programs 24%
- They didn't know the station was asking for money 22%
- They are annoyed the station is asking for money 22%
- They don't believe the station really needs the money 20%
- They do not think the station is worth it 12%
- They do not like the incentives, prizes or premiums 10%

The prime conclusion to be drawn from this data is the strong and direct relationship between programming and the fundraising success of your radiothon. Good solid programming is the single most important reason why listeners donate money to a radiothon. Programming is considered to be the major motivation for financially supporting a station. It follows that stations with quality programs have a large number of listeners and potential financial supporters.

This sort of information greatly enhances the planning of a radiothon. Every station should consider a survey designed to discover why people in their community financially support the station. Additionally, the same survey should attempt to discover why people do not financially support the station. An ideal time to undertake the work would be when people subscribe during the radiothon.

### **Planning a radiothon**

The planning phase is very important in a conducting successful radiothon. The issues to be confronted are: to identify the major focus of the radiothon, to determine the amount of money you wish to raise, the time and duration of the radiothon, the forward promotion and advertising required, the motivation of your listeners, the motivation and level of involvement of your staff, programmers and volunteers, how to deal with any objections which may arise, the incentives you will offer, the administration required, the follow up of the pledges and an evaluation of the success of the radiothon.

A group of people need to be appointed to begin the organisation and planning of the radiothon. This should ideally begin around six months before the event is to be staged. This committee should regularly meet to check the progress, allocate tasks and inform, involve and encourage all those who are participating in running the radiothon.

The commitment of everyone involved in the radiothon, from staff and volunteers is vitally important. Everyone must believe in the importance of the station and the radiothon. The strength of this commitment will be communicated to the listener and if sufficiently strong

enough will elicit financial support. Getting them involved in the radiothon early on and allowing them to participate in the decision-making will give them some "ownership" of the event. This will engender and encourage their motivation and enthusiasm.

Special attention should be directed at the presenters. During the planning phase, the programmers should be kept involved and have input into the organisation of the radiothon. It is important to have them committed to the radiothon because if they are not this will be communicated to the listeners who will then be less inclined to part with their hard earned cash.

The motivation of your listeners and why they should support the station should be canvassed. Your programmers should be involved in this exercise because it is they who have the most contact with the listenership. Getting the reasons why the presenters think people listen to the station would be a valuable exercise. Pooling this knowledge will help to show why people listen to the station in general and why they listen to particular programs. The reasons may be different for different programs but it could highlight reasons other presenters have not considered.

The incentives or prizes offered during the radiothon need to be thought out. They are offered as an inducement to donate or donate at a higher level. Some stations leave it to the individual presenters to gather the prizes and this can work well. However, the experience of some stations shows that small giveaways are counter-productive as listeners stay tuned in until a certain prize goes off and then turn off the radio. It can also make the radiothon sound like a chook raffle. If we refer back to the statistics of why people donate to radiothons we can see that prizes are not as important as the programming. Therefore it would seem to be much smarter to offer a few large prizes rather than numerous smaller ones. *Everyone* who donates some money can then be in the draw to win the large prize. This has the advantage of maintaining listener interest for the entire radiothon, as outlined below.

There must be people who have responsibility to keep track of the pledges received. This can be organised in numerous ways but the essential information they need to get during the radiothon is the amount of money pledged and how much each program has raised. This information must be communicated to the programmers constantly so that they know how well they are going and whether they are reaching the goal they set.

The forward promotion and advertising required need, attention. Your membership should be notified early on of when the radiothon is being held, its purpose and how they can help. Any business which sponsors your station can be coaxed into providing a donation or assisting in the distribution of leaflets from their shops and encouraging their employees to become involved. Any sponsor who is happy with the service the station has provided throughout the year should be glad to assist. Any organisation featured on a program throughout the year should be approached for a contribution. Your station has helped them so it is quite reasonable to ask them to help you. The very least they can do is to notify their members of the radiothon and encourage them to support the event. The same process should be used with individuals. *Aim to get as much money as possible in the bank before the radiothon even begins.*

A process needs to be established for evaluation of the event. This post-mortem by

everyone involved in the radiothon is essential in assessing how successful the radiothon has been, highlighting any problem areas which can then be improved for next year's event.

## **Role of producer and presenter**

The role of the producer or co-ordinator is crucial for the smooth running of the event. The radiothon is essentially normal programming with the added emphasis of fundraising. The producer or co-ordinator is the person(s) whose purpose it is to ask for donations. The presenter and the producer should work together to raise as many donations as possible in the most entertaining and painless way. The producer is also responsible for the pacing of the program. If the pitches the producer and the presenter have produced meld effectively with the program and the producer treats the pitches seriously, they will produce an integrated program where the music and talk innocuously happen to ask for donations to support the radiothon. The producer, whilst responsible for eliciting donations, is also responsible for keeping track of the amount pledged and with altering the subgoals set before the show, if required.

The first principle in attracting a donor is to emphasize that the station exists to satisfy the needs, aspirations and expectations of the listener "We can do this if you support us now." "We can do this better if you support us now." Every pitch for a donation must recognise the need of the potential donor and how the station can meet that need if the listener contributes financially for the services provided.

The focus is always on the *donors'* needs and not on the station's needs. For example, it is preferable not to say we need a new transmitter, rather the *potential donor*, needs a strong signal that doesn't fade or that they can't pick up if they travel a few miles from home.

Since every listener probably has different reasons for deciding to donate to the radiothon no one single pitch will suffice. The pitches must be constantly modified depending on who is listening. No attempt should be made to reach everyone at once. Identify common needs of each discrete audience and target the pitches from this angle. The following is a summary of what people like and dislike about pitches.

### **What People Like About Pitches**

Presentation 5%  
Explanation of the need/sense of obligation 17%  
Honesty/sincerity 17%  
People involved 14%  
Good programs during break 7%  
Low pressure "sell" 7%

## What People Dislike About Pitches

Boredom/Repetitiveness 14%  
Interruption of programs or schedule 10%  
Tone/presentation/personalities 9%  
Frequency 7%  
High pressure insistence 6%  
Length 4%

The use of an "accelerator pledge", where a sponsor offers to match (or add 50%) to all money donated during a nominated hour of the radiothon is a useful method to encourage greater donations. Equally, donors should be asked to find a friend who would be willing to donate as much as they did. Get the donors to agree to find that out. If not for this radiothon then for the next.

The role of the on-air presenters is to run their *normal* program with the added emphasis of the radiothon. Your listeners expect a program to be on. That is why they tune their dial to your frequency. You must continue to fulfill their expectations. The program should not be substantially different from what they normally hear.

Once the radiothon has started it is essential to keep your audience listening for as long as possible. The longer they are exposed to the pitches the more likely it is that they will financially contribute to the radiothon.

The primary reason for the radiothon needs to be continually repeated, several times an hour if necessary. The audience has to know why the radiothon is being run and how their contribution can help. The pitches that your planning committee has determined should be simple, direct and built upon throughout the duration of the event.

Research has indicated that the way a pitch is made and how often is crucial to getting people to support the radiothon.

## Exposure To Pitches And Response Rate

Responded to first request ever heard 18%  
Responded to first request in that radiothon but had heard other requests in previous radiothons 3%  
Responded to second to fourth request before acting 12%  
Responded to fifth or more requests before acting 56%  
Responded to an unspecified number before acting 11%

The pacing of the program is also a vital ingredient of the radiothon. You are there to entertain and to encourage your listeners to financially contribute to the station. The program must constantly move along and must never drag. If it does you will lose your listener and their donations.

## Asking for subscriptions

The administration required during the radiothon is important for several reasons. Firstly, a record of pledges needs to be compiled for the follow-up, to get the subscribers' names broadcast on-air, and to keep the presenters informed about how they are going towards achieving their individual program and the overall goals. The information required on the pledge sheet should include the name of the subscriber (or organisation), their address and phone number, the program they responded to and the time the subscription was received (and possibly what motivated them to subscribe).

When the time comes for asking for subscribers, get down and do it. Finish a pitch with a specific call to act immediately. Always keep aimless commentary to a minimum. When you succeed in getting a response put on some music or something interesting to your audience that rewards them for giving a pledge.

The use of subscription *goals and sub-goals* is also an important aspect of running a radiothon. The point to remember is that people will subscribe when they feel their contribution will make a difference. Few people can donate \$10,000, but many will be able to donate \$20. Therefore, smaller realisable sub-goals can be established before you begin your program. Aim to get so many dollars in the first 30 minutes or 15 minutes if you like. Doing this allows you to keep track of how you are going and helps in keeping your mind on the task at hand. The sum of these sub-goals should eventually add up to your goal for your program.

Constantly remind your listeners what the money raised will be used for, how it will benefit *them*. The use of sub-goals by programmers being serious and sincere about the pitches does work. Don't just read your script out. Mean what you say.

If the calls are not coming in fast enough or not at all then try to raise calls. Pitch hard to get those calls and when you get them go back to your regular programming as quickly as possible. Do not get desperate when asking for pledges, a common characteristic of radiothons. The overall target should be mentioned rarely, if at all in the first half of the radiothon. Leave that to later when you are close to achieving the goal you set at the outset. If your program does not achieve its goal, keep positive, thank your listeners and encourage them to stay listening. The longer they are exposed to the pitches the more likely they are to respond. Maybe the next show will do it.



## Appendix A Fundraising ideas

The following is a list of actual fundraising ideas provided by community broadcasters from around Australia.

**Prize line:** Set up a prize line through a telco service provider. A percentage of the call charge goes to the service provider and the rest to the station.

**Auctions:** Do not buy the items – solicit them as donations in kind. Ensure you have enough goods and services of a high quality or the auction could turn into a fete.

**Business raffle:** This is a raffle with a difference. You sell the tickets only to local businesses. The prizes are a certain amount of sponsorship announcements. Draw the winner and give them the prize.

**Outside broadcasts:** Outside broadcasts in shopping mall or at exhibition or show where the shop owners or exhibitors sponsor the broadcast.

**Dances and parties:** Birthday, Christmas, Cocktail, Dinner, Garden.

**Art Exhibitions:** Parents are encouraged to buy their children's art works which are displayed in a public "hanging".

**Phone book/calendar:** Publication and sale of a community phone book or calendar.

Quiz night, Raffles, Bingo

**Recordings:** Recording of musical events and sale of CD's or cassettes.



## Appendix B Marketing Audit

What major demographic developments and trends pose opportunities or threats for this station? What actions has the station taken in response to these developments?

What major economic developments will have an impact on the station? What actions has the station taken in response to these developments and trends?

What concerns have been expressed about the station's role in conserving energy? What steps has the station taken to reduce energy consumption and waste? What can be recycled?

What major technological developments will affect the station? Are there any generic substitutes which might replace existing technology?

What new legislation could affect the station? What federal, state and local governments and other groups should be monitored? What actions has the station taken in response to these developments?

What groups (financial, media, governmental, local, general and internal) represent particular opportunities or problems for the station? What steps have been taken to deal with this?

### **Market Segments**

What are the major market segments your station is focusing on?

Who are the major competitors? What are the objectives, strategies, strengths and weaknesses of each competitor?

Should the station enter, expand, contract or withdraw from any market segments?

### **Information**

Is marketing research being adequately used by station personnel?

Are periodic reports produced to ensure the annual or current objectives are being met?

Is provision made to periodically analyse the profitability of different products, programs,

markets and territories?

Is provision made to periodically analyse, examine and validate the various marketing costs?

Is the station well organised to gather, generate and screen new product ideas?

Does the station do adequate concept research and business analysis before heavily investing in a new idea?

Does the station carry out adequate product and market testing before launching a new product?

### **Customers**

How do current customers and prospects rate the station, particularly with respect to reputation, program quality, sales and price?

How do different classes of customers make their buying decisions?

What are the evolving needs and satisfactions being sought by your customers and how do you know?

### **Sales**

Is sales forecasting carried out in your station?

Are sales quotas set?

Are they realistic?

Is the sales force large enough to accomplish the station's objectives?

Does the sales force have adequate training?

Are there procedures for analysing and assessing performance?

### **Resources**

Are enough resources (or too many resources) budgeted to accomplish the marketing objectives?

Are the marketing resources allocated optimally to prime market segments, territories and products of the station?

Are the marketing resources allocated to the major elements of the marketing mix, that is do they offer quality, advertising and promotion?

What is the profitability of the station's different products, customer markets and territories?

Do any activities seem to have excessive costs?

Are these costs valid?

Can cost-reducing steps be taken?

### **Programming**

Are there any particular programs which should be phased out?

Are there new programs worth adding, especially ones that your station has never done before or that are directed towards a group in the community you have never serviced before?

Would any current programs benefit from quality, feature or style improvements?

### **Training**

Are the station staff, volunteers and sales staff adequately trained?

What training options exist for your station personnel?

What gaps exist in your station's training needs?

How can these be rectified?

### **Sponsorship**

What are the station's sponsorship objectives?

Are they sound?

Is the right amount being spent on sponsorship?

Does your station have a sponsorship budget?

How is the budget determined?

Are the sponsorship themes and copy effective?

What do the customers and public think about the sponsorship?

Are the sponsorship media well chosen?



## Appendix C SWOT Analysis

Simply list any of your strengths in every area of your operation that you can think of. Strengths are anything which your station does well. Do the same with your weaknesses. Every organisation has them and before a weakness can be improved on and turned into a strength it must be identified. Any opportunities which exist, many of which may have arisen whilst looking at market segments, should be included. An opportunity is anything which can benefit your station. Threats, which may include anything which may hurt your station should also be identified.

This process can be as detailed and as comprehensive as you wish. The important thing to remember is that it is not worth doing unless there is a preparedness to deal with the issues which arise. See Appendix B for some questions which can be considered part of this process.



## References and Resources

The Community Broadcasting Association (CBA) Resource Library has a range of information and publications relevant to community broadcasting, including:

CBA Aspirants Book, 1995

Community Radio Station Management, 1995

Finding the Key to Listener Generated Funding, Brett Gleeson, 1989

Available for CBA members:

Community Broadcasting Association of Australia (CBA) Level 3, 44-54 Botany Road Alexandria, NSW 2015 Tel. 02 9310 2999 Fax. 02 9310 4545

The Australia Council has a range of brochures about marketing, cultural funding and sponsorship for arts related organisations.

Available from:

Australia Council  
PO Box 788, Strawberry Hills NSW 2012  
Tel. 02 9215 9000 Toll free (1800) 22 6912  
Fax. 02 9215 9111

Other titles available

Filthy Rich & Other Non-profit Fantasies, Richard Steckel, 1989, Ten Speed Press

*The Fundraising Ideas Book*, Michael Arnett, 1985, Shepp Books

*Media Law in Australia*, Mark Armstrong, David Lindsay, Ray Watterson, Third Edition, 1995, Oxford University Press

Selected Bibliography

*What Color Is Your Parachute?* Bolles, R.B. Ten Speed Press, Berkeley.

Marketing Non-Profit Organisations. Cherrie, B et al.

*The Credible Salesperson.* Crozier, Tom. Contact Tom at [tomcrozier@2rph.net](mailto:tomcrozier@2rph.net).

*Writing and Implementing a Marketing Plan.* Gerson, Richard F. Crisp Publications, Los Altos, 1991.

*Make a Profit with Promotional Gimmicks.* Ingram, Bruce. Radio World. Vol 17, No 4.

*Strategic Marketing for Non-profit Organisations.* Kotler, R and Andreasen, A. 4th ed Prentice Hall, New Jersey, 1991.

*Marketing Today.* Mentzer, John T and Schwartz, David J. 4th ed, Harcourt Bruce Jovanovich Inc, Sydney.

*Subscribe Now! Building Arts Audience through Dynamic Subscription Promotion.* Newman, Danny. Theatre Communications Inc, New York, 1977.

*Radio Advertising: The Authoritative Handbook.* Schulberg, B. NTC Business Books, Lincolnwood Illinois 1989.

General Community Broadcasting Online resources and information may be available from the following sector websites:

[www.cbonline.org.au](http://www.cbonline.org.au)

[www.cbaa.org.au](http://www.cbaa.org.au)

[www.nembc.org.au](http://www.nembc.org.au)

[www.rph.org.au](http://www.rph.org.au)