

KAB TRANSMITTER

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If you don't serve your industry well, it won't serve you well.



Chairman's Message:

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As Kansas radio and television broadcasters we have a unique opportunity to fund a large portion of the expenses of our association through the PEP (Public Education Partnership). Few state wide industries, such as ours have this opportunity. It was great news that KAB President Kent Cornish reported at our Board Meeting Tuesday in Wichita that interest and support in the PEP program remains strong.

He went on to report that interest from several new PEP accounts is building and he hoped we might see their new participation yet this year. This is particularly important in that our major PEP account for a number of years has been the US Army National Guard. As might be expected with the reduction in defense appropriations in Washington, this account might be reduced.

Of course the participation of your station is vital to the PEP program as it represents a great value of trading unsold broadcast time for revenues which pay a substantial portion of KAB expenses. Your running of PEP ads is critical to the success of the program. It is encouraging to note that most KAB members are great supporters of PEP and to those stations we say "Thank You Again Very Much!" For the few who do not participate we would respectfully ask that you reconsider your position and join the KAB PEP movement.

The reality is that as a federally regulated industry such as ours we vitally need representation for our interests in Topeka as well as Washington DC. The cost to do this from the vantage point of the single station or even a small group of stations would be prohibitive in today's world. The need applies to both television and radio stations.

Membership in the KAB is a great deal and a super value in services when compared to the small amount of broadcast time we contribute. Have a safe and happy 4th!

KAB Scholarships Awarded

This year, the scholarship committee awarded \$10,000 to eight broadcast students attending Kansas colleges or universities this fall. That brings the total scholarships awarded to since 1988 to \$280,000. Some of that funding comes from the KAB Foundation.

Not only does the committee spend time reviewing each and every application, but they also spend a day in Topeka interviewing these students individually. I'd like to thank the committee for their work: Chairperson Olivia Dorsey of KMBC TV, Cliff Shank of Ad Astra Per Aspera Broadcasting, Jim Allan of KTPK FM and Justin Fluke of KNZA AM/FM.

The students awarded scholarships were Victoria Baldwin, Lindsey Mayfield and Dylan Sherwood from the University of Kansas; Zachary Mitchell of Pittsburg State University, Tim Burns of Kansas

Wesleyan; Will Anderson of Kansas City Kansas CC; Austin Ditges of Dodge City CC; Bernie Verhaeghe of Johnson County CC.

2013 KAB Convention



The new Hilton Garden Inn and Convention Center will be the site of this year's event October 20-22. It's our first meeting back in Manhattan since 1999 and with the new Center we are truly excited!

You can book your rooms on line receiving the KAB negotiated rate of \$109 per night. Our "Early Bird" registration rates are good until October 1 and provide a nearly 25% discount. As in the past, the KAB offers a one station rate allowing you to bring as many people as you want – meals are extra. All the information is at <http://www.kab.net/ConventionInformation/>

Here is who we have booked so far:

- Program Directors - John Lund presenting "Be A Monster PD."
- Sales – Stephen Warley with "Prospecting With In Bound Marketing" and "Digital Tools Exchange."
- News – Al Tompkins with "One Story Nine Ways" and Les Rose (CBS News Photog) with "Down and Dirty and Deadline."
- Engineers – We have Lynn Claudy, Sr VP from the NAB Technology Division

While some presenters are still being confirmed, we can tell you that Stephen Warley has a brand new sales presentation titled "Sales Prospecting With In Bound Marketing" that your marketing consultants won't want to miss.

Thank You to These Convention Sponsors

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Individual Award Nominations Due August 1

We are taking nominations until AUGUST 1 for the individual awards KAB presents each year. There is a link below that will take you to these. Each one has its own criteria and instructions for nominating an individual. Each one also has list of previous recipients for the respective honor. Please note nominations must be sent by email – no hard copies please. In the case of letters which might accompany a nomination, they should be scanned and sent as attachments with the nomination. The awards are:

Distinguished Service Award
Hall of Fame
Mike Oatman Sales Award
Sonny Slater Award for Service to Station and Community

The link is <http://kab.net/KABAwards/KABIndividualAwards/>

Television Spectrum Auction

The FCC's auction to buy up television spectrum for sale to wireless companies is still on track to occur in 2014. Although no specifics or dates have been released, they continue to say those details will be unveiled later in 2013.

We will not know until after the nationwide repacking exactly how many or which specific stations remaining on the air will be assigned to different channels. Stations in large or small markets that occupy channels that are repurposed for flexible wireless use may be required to change channels in the repacking. Whether stations in a given market are assigned to different channels will be driven not only by demand for wireless spectrum in that market but by interference constraints. Stations that are located near one another may have interference relationships even if they serve different television markets. Thus, broadcasters that remain on the air may have to change channels even if they operate in smaller markets.

The FCC has a FAQ site you may want to click on
<http://wireless.fcc.gov/incentiveauctions/learn-program/faq.html#classa>

NAB Radio Show

The show is September 18-20 in Orlando, FL. I know some of you attend this annual event, but for those who haven't, you might want to take a look at this year's schedule as they have some sensational presentations – including Friday, September 20, is all about making money. A brand new training session, the Sales Consultants' Corner, will have attendees shouting, "chi-ching!" as they learn how to be the best and bring in the money. Radio sales pros get ready for hands-on training from industry experts. This fast paced power track will focus on strategies you can immediately use to increase revenue.

For more information on Money Maker Friday and great sessions at the show, click [here](#)

Quarterly Reports Due July 10

By *July 10, 2013*, all radio and television broadcast stations, both commercial and noncommercial, must prepare a list of important issues facing their communities of license, and the programs aired during April, May and June dealing with those issues. Radio stations must place this documentation in their public inspection files, while TV stations must post these documents to the FCC's online public file database.

By this same date, all commercial full power and Class A TV stations must prepare and file the Children's Programming Report on FCC Form 398 for the second quarter of 2013, and post online documentation demonstrating compliance with the limits on commercial matter aired during children's programming.



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Smart Sellers Always Calculate ROI



Nobody in media sales likes this surprise, “Cancel my advertising. It’s not working.” Wouldn’t it be a shame if the only reason the client called to cancel was based on false information? And more shameful because the seller, unaware that the false information was the only reason, timidly accepted the cancellation without any argument whatsoever.

This article will help you erase this problem forever, and at the same time triple or quadruple your local direct sales. At the end of the article you’ll find a link that contains gross margins of profit for 80 different product/service categories.

Cancellations based on false expectations about advertising results needlessly occur every single day. The decision maker for a manufactured housing lot falsely assumed that spending \$2,000 on your station should generate six new sales, when in reality he needed .17 new sales. Yes, that’s POINT 17 new sales. Here’s what I mean. Let’s say a new doublewide costs \$60,000. The client’s gross margin of profit (what’s left over after the cost of the home) is at least twenty percent. That would be a \$12,000 return on the \$2,000 advertising investment. Yes, and that \$12,000 would be less than one twentieth of the cost of one new home.

Incredible. And the client didn’t think he got his money’s worth? At 515% return on his advertising investment, I would certainly think that he did. So whose fault is that his expectations were so inaccurate? Well, you could try to blame the client, but if you are the one doing the selling, you’d have to look in the mirror when assigning blame.

Understanding and discussing average sales and gross margins of profit are critical to managing the client’s expectations about results. But it’s also important to know these things if you want ammunition for asking for more money, possibly tripling or quadrupling what the client thinks he should be budgeting for your station.

Here’s what you get from selling smarter and discussing return on investment with every single local direct client.

- **You are managing the client's expectations about results on your station. Remember that the client's perception means everything. If you do not explain ROI, then the client has no effective way to calculate an effective response to his advertising campaign. If you do not ask the client what his average sale and profit margin are and then compute the calculated risk, the client might have unrealistic expectations. If you do not educate him, he might think that eighty people should be lined up at his door spending \$100 each, when in reality he only needs three new customers to break even. By educating your clients properly, you will manage your client relationship instead of your client managing you. You'll have fewer nasty phone calls where the client says, "Cancel my advertising. It's not working." This "tail wagging the dog" syndrome causes a lot of unnecessary grief for media salespeople. However, when you know what you're doing, you have more credibility and the client is more likely to listen to you, trust you and confide in you, as they would listen to, trust and confide in their accountant, doctor or lawyer.**
- **You could double or triple the amount of money your client "perceives" he should be spending on your station. By properly educating the client, he will better understand how to realistically measure the effectiveness of his campaign. When the client understands this kind of logic, he might decide that instead of breaking even with just twenty customers, he might go for forty or sixty and double or triple the amount of money he is spending with you. An "uneducated" client probably has no logical basis for the amount of money he is spending. To him, advertising on your station is perceived more as a crapshoot than a logical calculated risk. "Uneducated" media salespeople usually do not have any logical basis for the budget they are asking for. In fact, most broadcast salespeople just pull a number out of thin air.**
- **You'll sell more local direct whether you're number one or number twenty. One of my favorite client objections is, "Well you're not number one." When I hear that I like to say, "What a coincidence. You're not number one in your product or service category, either and I don't have to be number one in mine. I still represent thousands of pairs of eyeballs, ears, and legs with wallets. Why wouldn't you want to reach these potential customers? Let's look at these Mediator numbers. See? We only have to reach (X) new customers and you break even. It looks like a good calculated risk to me." Then, by explaining return on investment, your market rank really doesn't matter anymore.**
- **You'll sell more long-term contracts. When you properly explain return on investment to a client, advertising on your station looks much less like a crap shoot and much more like a good calculated risk. When the client has confidence in your ability to deliver realistic campaign goals, he is less likely to balk at signing an annual contract on your station.**

Here's a bonus...a link that explains more about ROI and even has a chart with 80 product/service category gross margins of profit. http://www.paulweyland.com/gross_profit_margins.pdf

Once you start selling this way, you'll never go back to the old way, unless you enjoy poverty, humiliation and chronic disappointment. Know the truth and the truth will make you free...and make you lots of money.

Originally printed in *Radio Ink*. (Paul Weyland is a broadcast sales trainer, author and speaker. You can reach him at paul@paulweyland.com or at www.paulweyland.com or by phone at (512) 236 1222. Read Paul's book *Successful Local Broadcast Sales*, available on line or at bookstores)

If you have anything you would like to place in the newsletter send it to kent@kab.net