

grow the **audience**
for public radio

Performance of Classical Music Stations

June 2011

Station Resource Group
Walrus Research

Corporation for Public
Broadcasting

Classical music is increasingly a public radio franchise and recent high-profile acquisitions of classical stations by public media organizations have brought a sense of new energy to the format.

In 2008 the Station Resource Group and Walrus Research reported the performance of classical music stations in 30 large markets. We reviewed the significant differences in audience impact among these stations, explored factors that predicted those differences, and flagged a few top performers that might point the way for others.

We are returning to those questions with new audience estimates, a new audience measurement system (the Portable People Meter), and a larger set of markets and classical stations to explore.

In this first report we take a quick look at the classical “franchise” in the top markets to set the stage for our questions. We will continue with two additional reports:

- Predicting the audience for classical stations
- The relationship between audience and listener support

Reports and notes on methodology from the series are available on the GROW THE AUDIENCE website: www.srg.org/GTA

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CLASSICAL MUSIC STATIONS: The Sample for Our Study

The classical music format is increasingly a public radio franchise. Over half of Arbitron's PPM markets have a full-time classical station and all but five of them are public stations.

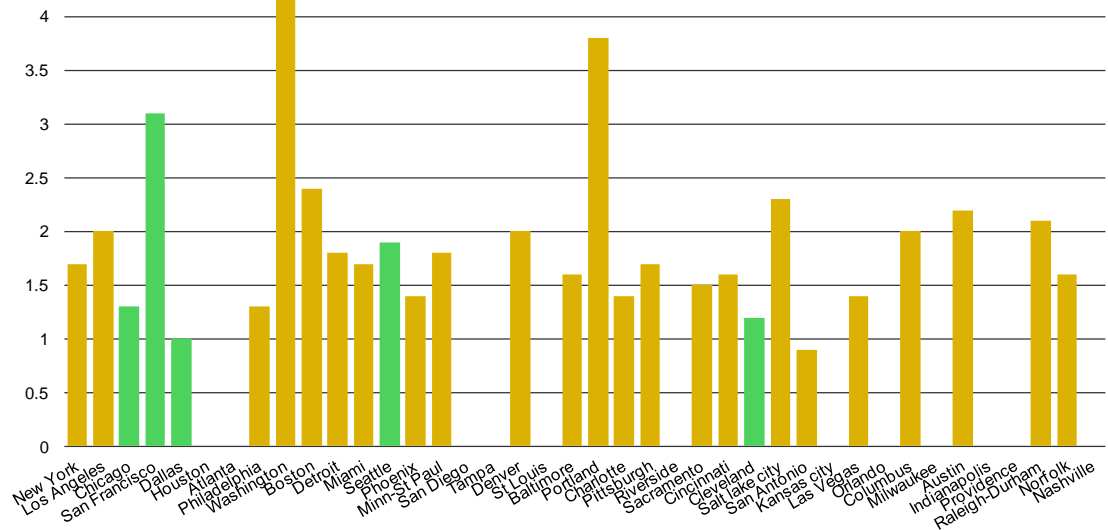
Four of the commercial stations are operated by nonprofit groups, one of which, KING Seattle, has recently gone noncommercial. The fifth commercial station, KDFC San Francisco has been purchased by public station KUSC.

This chart, arrayed by market size, shows shares of listening to classical music stations in the markets measured with Personal People Meters (PPM) as of Summer 2010.

The gold bars represent public radio classical stations; the green bars are commercial classical stations.

Classical Stations: Top Markets

Share of Listening, Metro Survey Area, Fall 2010



Source: Arbitron; Radio Research Consortium

Changes Underway: Houston, Tampa, Columbus, and Nashville did not have classical stations during the audience measurement period for this analysis. Public stations in these markets have since acquired an additional outlet on which to present full time classical music in 2011. In San Francisco and Seattle the classical franchise has changed from commercial to public in 2011.

The analysis in this series of reports does not include two public stations shown above – KBYU Salt Lake and WRCJ Detroit, which do not subscribe to Arbitron data through the Radio Research Consortium.

STATION SHARES: Classical Format

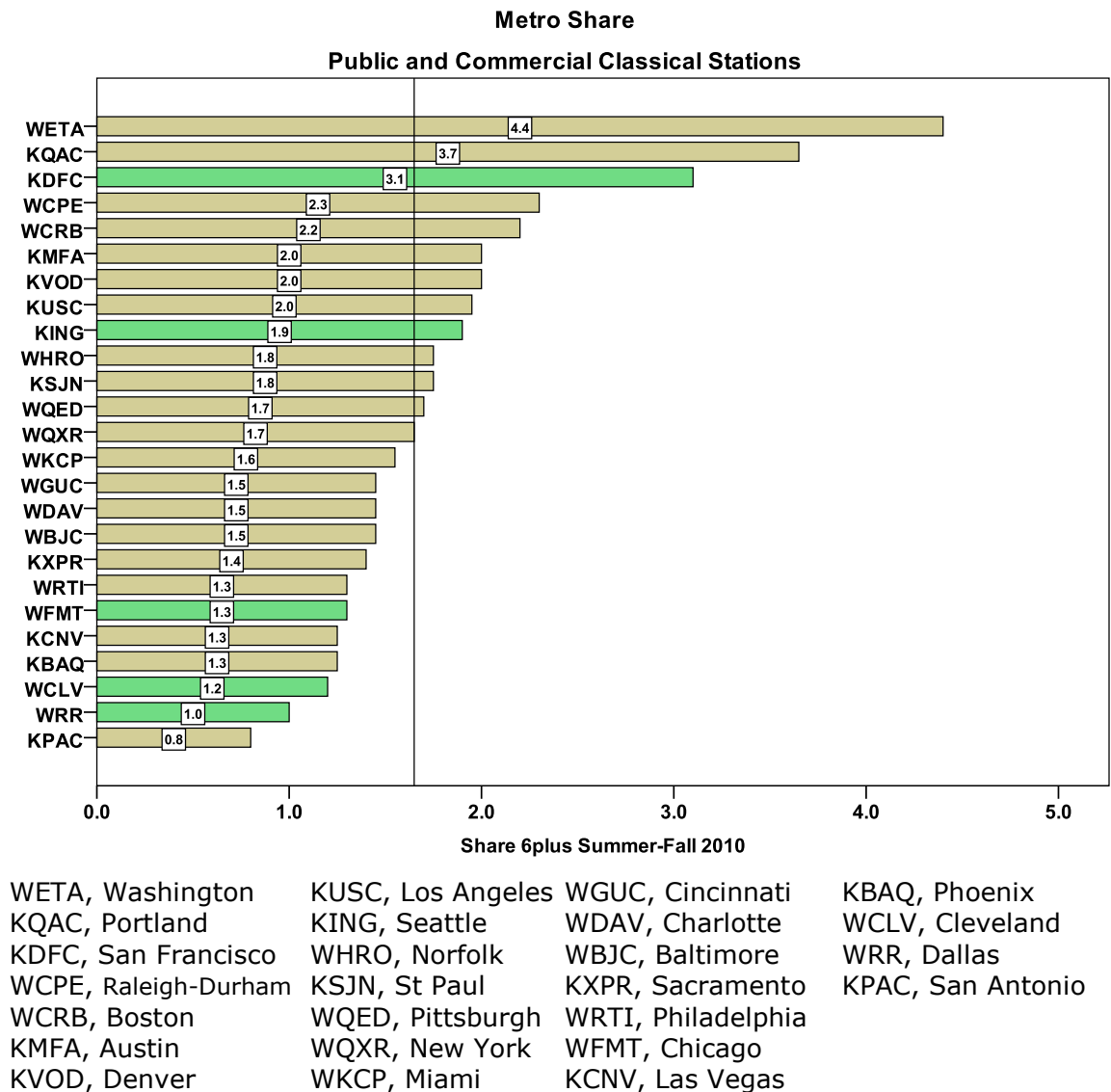
This chart ranks 25 classical stations by metro share. We are studying public and commercial stations together because prior studies have shown that patterns of use and audience value are the same for both groups.

The shares are the percentage of listening by persons age 6 and older in the metropolitan area, Monday-Sunday 6am-12 midnight. We averaged six PPM months from July through December 2010.

The highest share was 4.4 by WETA in Washington, DC, followed by 3.7 in Portland.

The median share was 1.7, as earned by WQXR New York.

Among commercial stations, shares varied widely. KDFC in San Francisco ranked third with a 3.1 share. WRR Dallas and WCLV Cleveland ranked near the bottom.



AUDIENCE SHARE: Market Reach

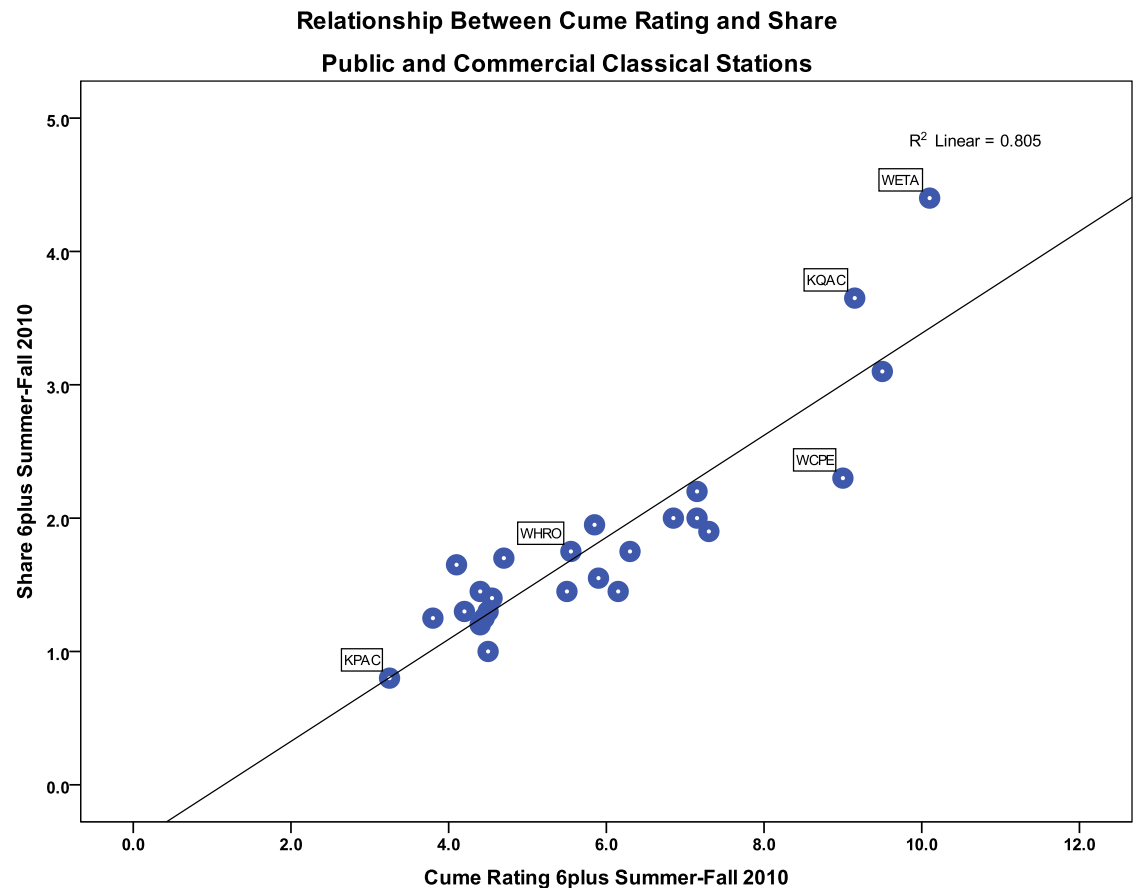
This chart plots each station by its share on the y-axis and its market reach or cume rating on the x-axis.

There is a very strong relationship between share and reach – 80 percent of the variance in share is explained by the station’s cume rating (and vice versa).

Share is the station’s percentage of radio listening in the market, while cume rating is expressed as percent of the population in the market.

WETA Washington and KQAC Portland generate somewhat higher shares than would be expected based on market reach. But stations like KPAC San Antonio and WHRO Norfolk fall close to the regression line, earning shares just as predicted by market reach.

In these reports we use share as the measure of relative station performance in public service.



Coming Next

In our next report we will examine factors that explain much of the differences in reach and share seen among these classical music stations.

We will then turn to the relationship between audience size and individual giving – how much do the differences in the size of a station’s audience translate to differences in the amount their listeners give?

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Performance of Classical Music Stations

Predicting the Audience

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A single factor predicts just over half of the differences in audience share among classical music stations – market educational level, as measured by the percent of adults who are college graduates.

Classical music stations cluster closer together in their shares of listening than public radio's news stations. All but a few earn between 1 percent and 2.5 percent of the radio listening in their respective markets. That said, we still observe that some classical stations claim audience shares that are two, three, and four times that of others.

What explains those differences?

In this report we use advanced statistics to evaluate the predictive power of numerous variables, some of which are attributes of the market and others that reflect patterns of use and the demography of the station's audiences.

Our examination focuses on classical music stations in the 44 markets measured by Personal People Meters as of summer 2010.

This report is part of a series examining the performance of classical music stations. At the conclusion of the series all of the reports and notes on methodology will be available on the GROW THE AUDIENCE website: www.srg.org/GTA

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MARKET SIZE: No Relationship

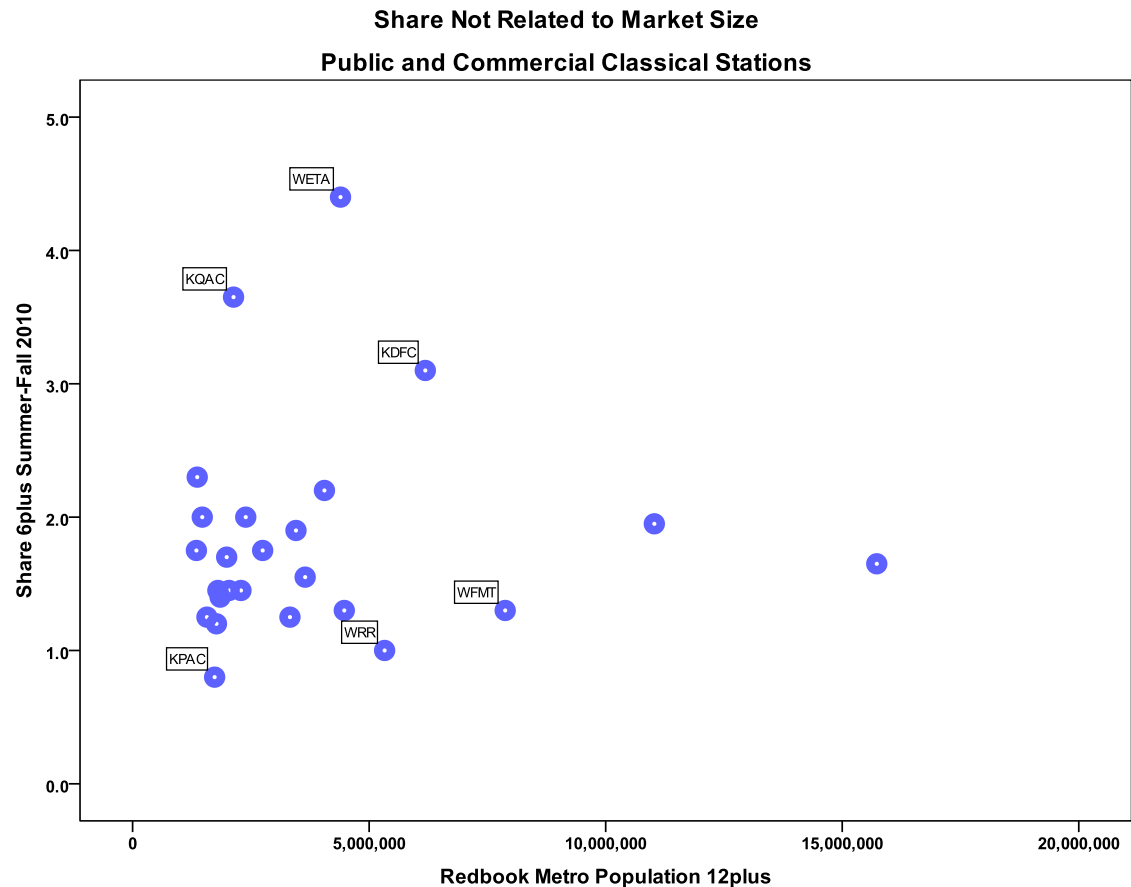
Some observers assert that it is harder for classical stations to capture audience share in a larger market with greater population.

San Francisco and Chicago are both very large markets. Yet KDFC's share in San Francisco is 3.1 while WFMT's share is only 1.3.

Washington is about the same size as Dallas, yet WETA's share is four times the share of WRR.

KQAC in Portland and KPAC in San Antonio are in similar sized markets, but with very different shares.

Statistically, there is no significant correlation between market size and audience share – thus no regression line.



X axis is metro market population

NUMBER OF STATIONS IN THE MARKET: No Relationship

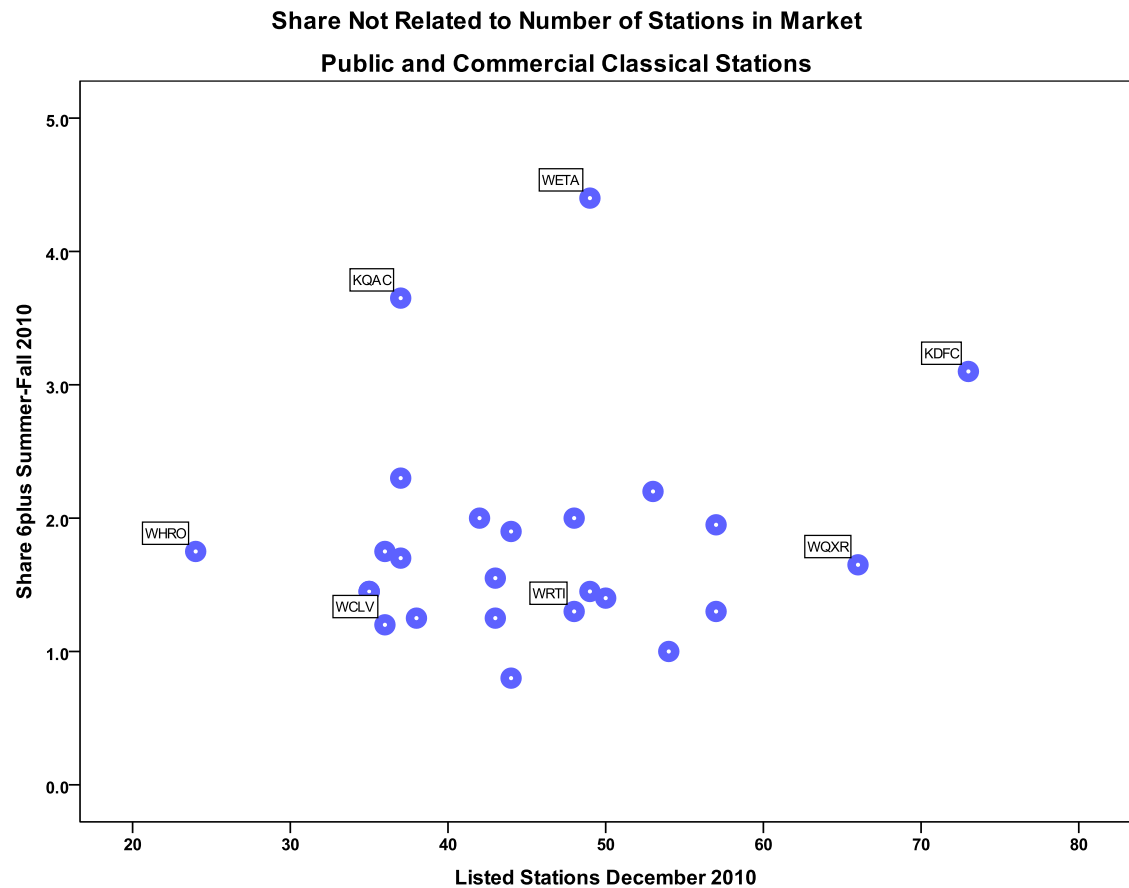
It is often assumed that more stations in a market make it harder for classical stations to capture shares of listening.

Arbitron lists 70 stations in San Francisco – KDFC does over a 3 share.

There are about 50 stations listed in both Philadelphia and Washington DC – WRTI earns a 1.3 share and WETA gets a 4.4 share.

The market with the fewest competing stations is Norfolk, but WHRO does less than a 2 share.

Statistically, there is no significant correlation between number of listed stations and audience share – thus no regression line.



X axis is number of stations listed in PPM ratings

MARKET ATTRIBUTES: Education

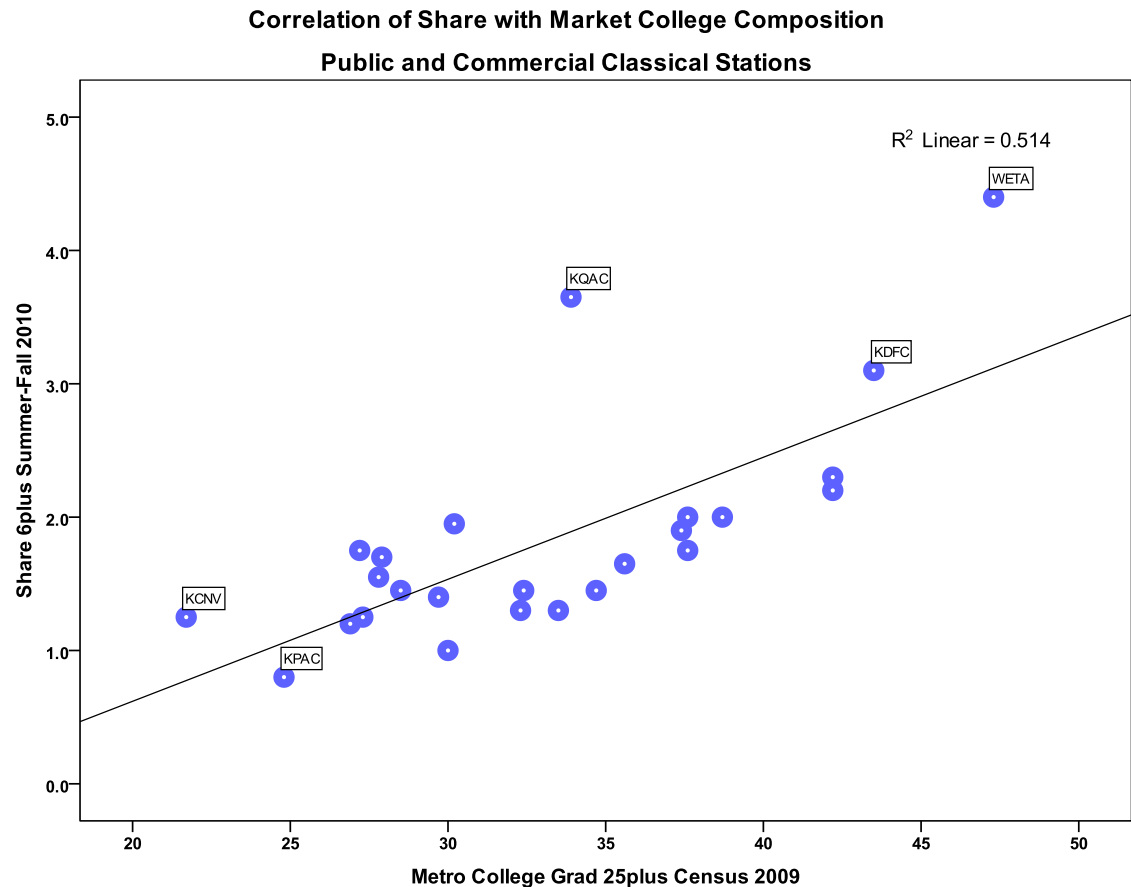
Population characteristics do matter – some markets are fertile ground for classical radio.

This chart shows share by market college composition 25 plus.

The education level of the market explains 50 percent of the variance in audience share.

Washington, the most educated market, approaches 50 percent college composition and, in fact, WETA has the highest share of all stations in the study. Yet WETA, along with KQAC Portland, performs even higher than predicted by education alone.

KCNV gets a 1.3 share in Las Vegas – that market has the lowest level of college education. KPAC gets less than a 1 share in San Antonio, where about 25 percent of adults are college grads.



X axis is metro college graduate composition 25 plus

MARKET ATTRIBUTES: Values and Lifestyles

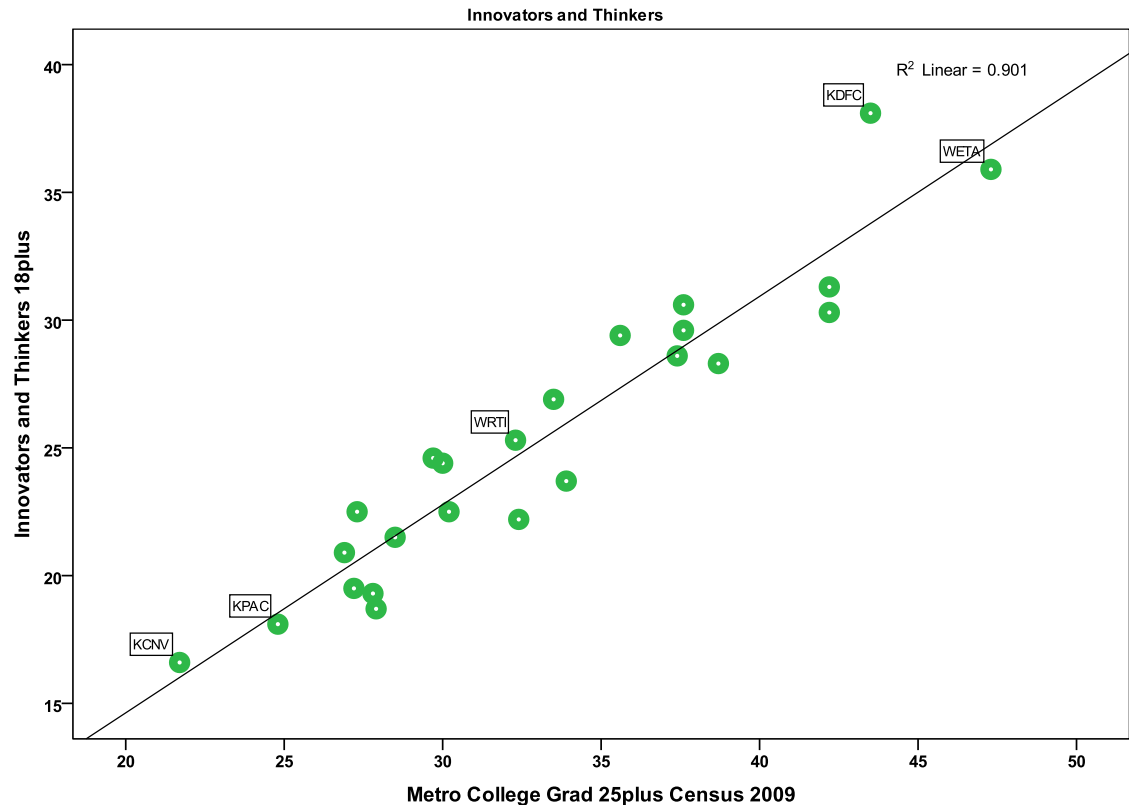
What about VALS? Populations may be segmented on the basis of psychographics. Two VALS types that dominate the audience for classical music are Innovators and Thinkers (the same types most attracted to public radio news).

Statistically, we investigated whether the VALS composition of markets would add predictive power on top of the market's level of education. It does not.

This chart shows why: whether we use VALS composition (specifically, the percent of Thinkers and Innovators) or level of education, we are essentially measuring the same attributes.

We prefer to use the market education variable – it is non-proprietary, readily available for every market, and continuously updated by the US Census.

Correlation of VALS with Market College Composition
Markets Served by Public and Commercial Classical Stations



X axis is metro college graduate composition 25 plus
Y axis is market composition of Thinkers and Innovators 18 plus
To learn more about VALS, go to www.sric-bi.com/VALS, the website of SRI Consulting Business Intelligence, Menlo Park, CA 94025

LOYALTY: Core Composition

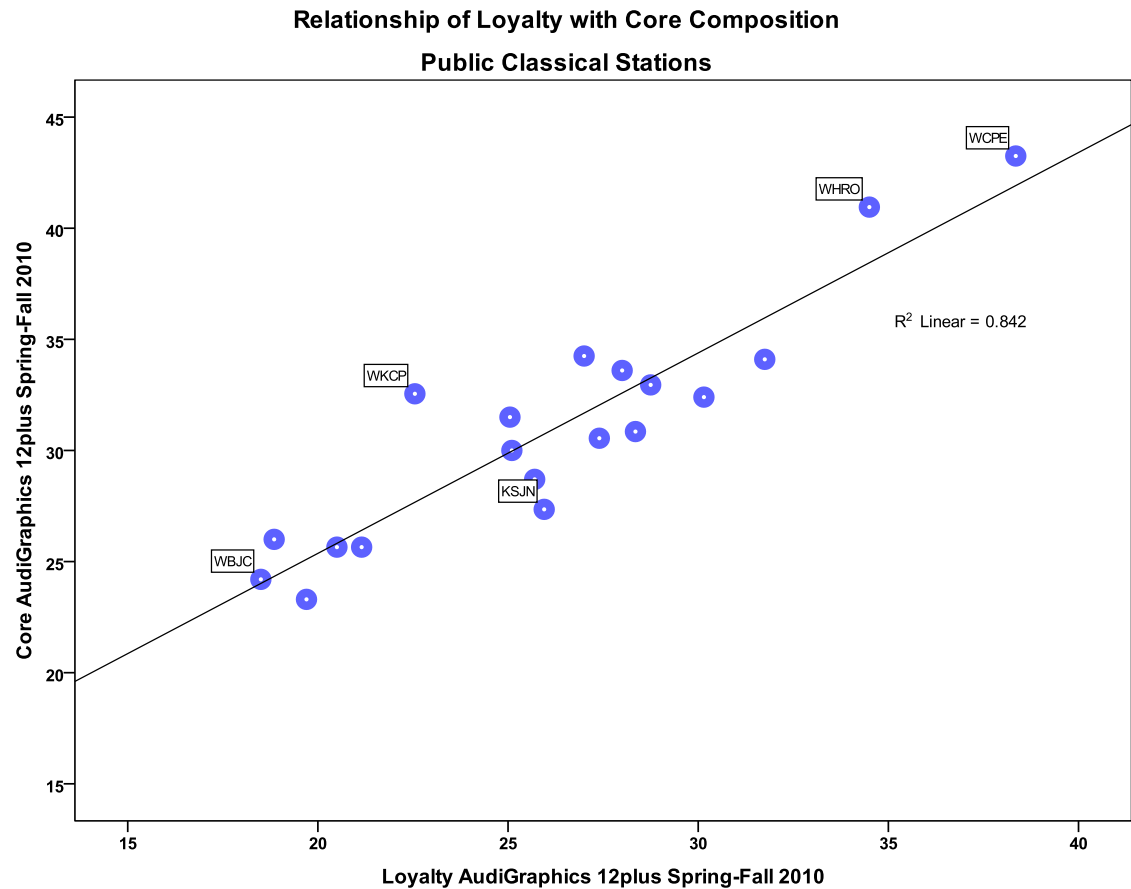
AudiGraphics measures the internal dynamics of a station's audience.

Loyalty is what percent of their radio listening goes to station.

Core listeners use the station as their first preference – it is personally important.

The chart illustrates the very strong correlation between these two factors – loyalty and core composition both measure the same thing, the value of the programming to listeners.

The typical classical station generates audience loyalty between 25 and 30 percent. About 30 percent of their listeners are core.



X axis is percent Loyalty among listeners 12 plus
Y axis is percent Core composition

AudiGraphics Spring 2010/Fall 2010

BEYOND EDUCATION: Exploring Other Factors

We examined whether audience loyalty or core composition helps to predict a classical station's performance in the market.

For example, would the combination of audience loyalty along with market education improve the prediction based on education alone?

The answer: no.

We ran statistical analyses using a number of audience variables – each station's time spent listening, median age, male/female split, ethnic composition – seeking additional predictive power with respect to audience share. We could not find any variables that added to the effect of market educational levels.

Internal Audience Dynamics That Do NOT Improve Prediction

When We Control For Market Level of Education

Loyalty
Core Composition
Time Spent Listening
Median Age
Male Composition
Ethnic Composition

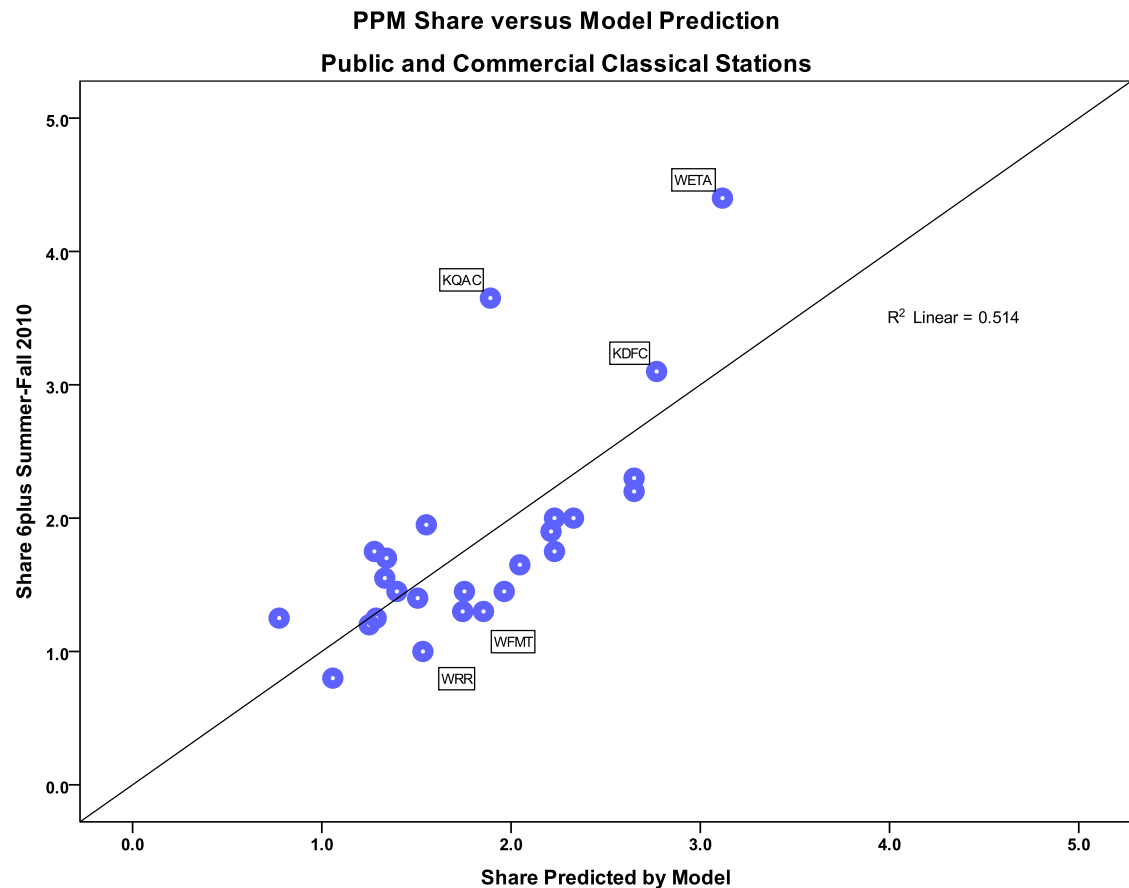
PREDICTING AUDIENCE: The Model v. Actual

We are left with a simple model.

This chart shows both the share that would be expected for each classical station, based on a single market attribute – the level of education – and the actual share.

The model accounts for a little over half (.514) of the variance among stations. Even so, most stations fall close to the regression line. For example, KDFC's share is just about what would be predicted.

SRG and Walrus Research's 2008 study of classical stations produced a similar one factor, market-education model. But it explained half again as much of the variance. Is the change a reflection of the switch from diaries to meters? The inclusion of additional markets in the analysis? Other factors? We are not sure.



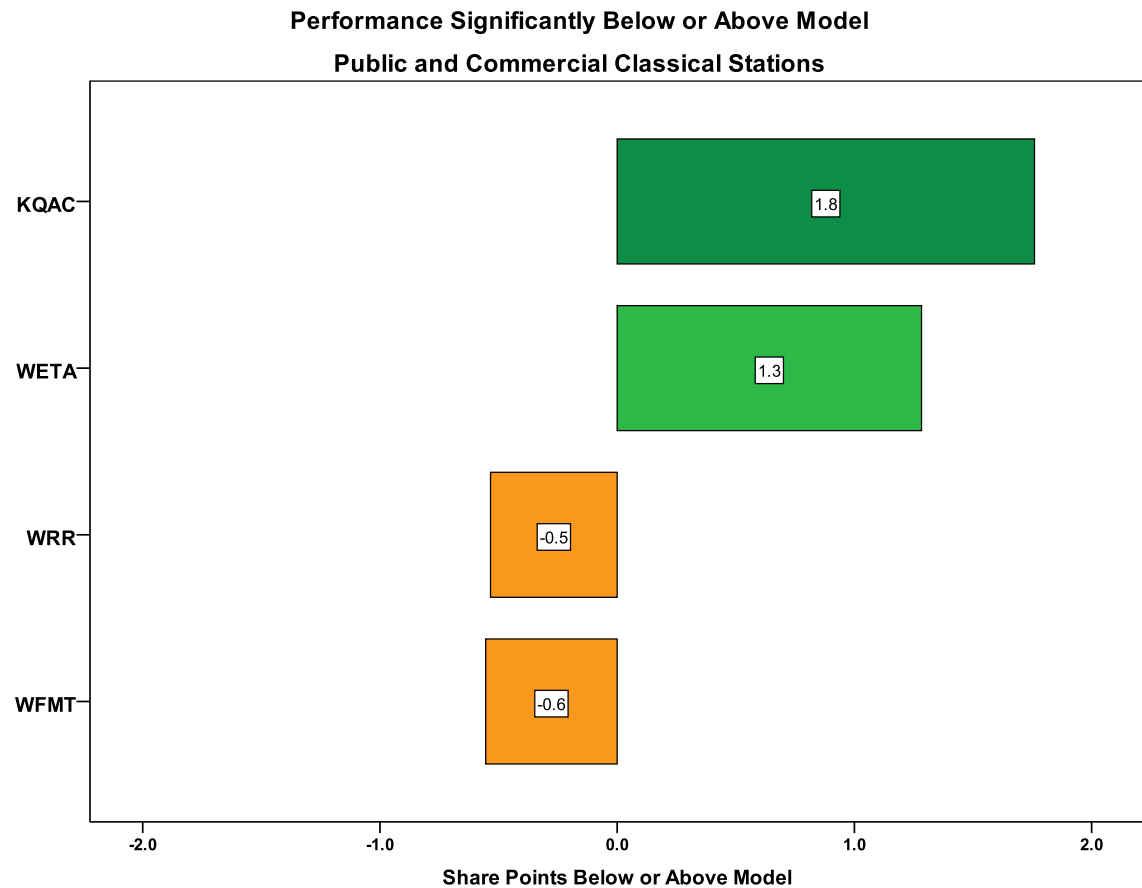
OUTLIERS: What Can We Learn?

There are a few stations that perform significantly better or worse than the prediction.

On the upside, KQAC Portland is extraordinary – 1.8 share points above expectation. We note that in our companion study of public radio news stations, KOPB Portland was also a big “over performer.” What is it about Portland and public radio?

WETA is 1.3 share points better than predicted. Why?

Statistically, WRR Dallas and WFMT Chicago are the worst performers, but in ratings terms they are only about half a share point lower than the model.



METHODOLOGY

For this analysis we identified classical stations that met the following criteria:

- Programming a classical music schedule on weekdays 6am-7pm.
- Home to a PPM market as of Summer 2010
- At least a 0.5 PPM share in its home market

We measured the Performance of each station in terms of audience variables related to public service.

For metro estimates such as AQH share and cume rating, we used PPM data for July-December 2010.

For total audience estimates such as AQH persons and cume persons, as well as loyalty and core composition, we averaged used AudiGraphics data for Spring 2010 and Fall 2010.

We included commercial classical stations in this report focused on audience performance. Prior research, such as PRPD and SRG's *The Value and Values of Classical Music Radio*, show that audience response to commercial and noncommercial classical stations is essentially the same.

We used SPSS to run partial correlations and linear regression.

Over 50 percent of the variance in station performance can be predicted by the market's composition of college graduates.

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Individual Giving

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The way to build listener income for classical music stations is to build public service – extending the reach of the station while maintaining the relatively strong core composition of their audience.

Individual giving is the largest single source of support for most public radio stations. Individual giving provides a larger share of revenue for public radio's music stations than for news stations and news/music stations.

Multiple studies have documented the basic equation of listener support:

- Giving begins with listening – regular use of the service.
- The importance of the programming to the listener comes next.
- Then, is it clear that the station needs support, that a personal gift will make a difference?
- Lastly, the listener needs to have some money to give.

SRG and Walrus Research took a close look at the relationship between audience and giving in the 2008 report *Individual Giving to Public Radio*. www.srg.org/funding/Giving.html This report updates that analysis, looking at the giving relationship between 10 classical music stations and their audiences in markets measured by Personal People Meters as of Summer 2010.

All reports examining the performance of classical music stations are available on the GROW THE AUDIENCE web site: www.srg.org/GTA

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LISTENER INCOME: AQH and Listener Hours

AQH audience is a powerful predictor of listener income for classical stations.

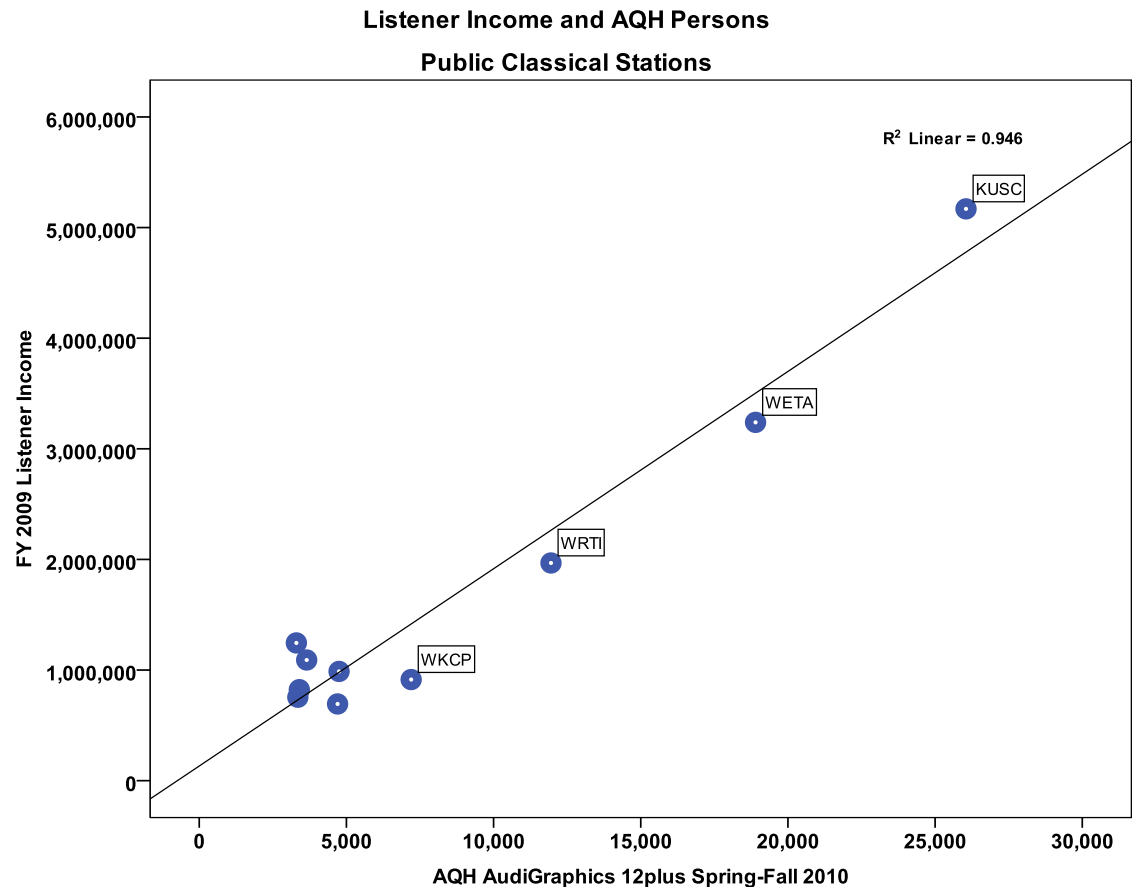
It explains 95 percent of the differences among classical stations in individual giving.

Because Listener Hours are a function of AQH, a Listener Hours chart would look exactly the same.

For classical music stations, the amount of public service – as measured by AQH or Listener Hours – strongly explains the amount of listener support.

We included total audience, beyond the metro, since the station pitches to all of its listeners.

Note: This analysis includes only the 10 classical stations that report their income to CPB and, in the case of co-licensed stations, account separately for listener support of the classical service.



X axis is the station's total Average Quarter Hour listening audience

Y axis is annual income from listeners per CPB FY 2009

LISTENER INCOME: Core Cume Listeners

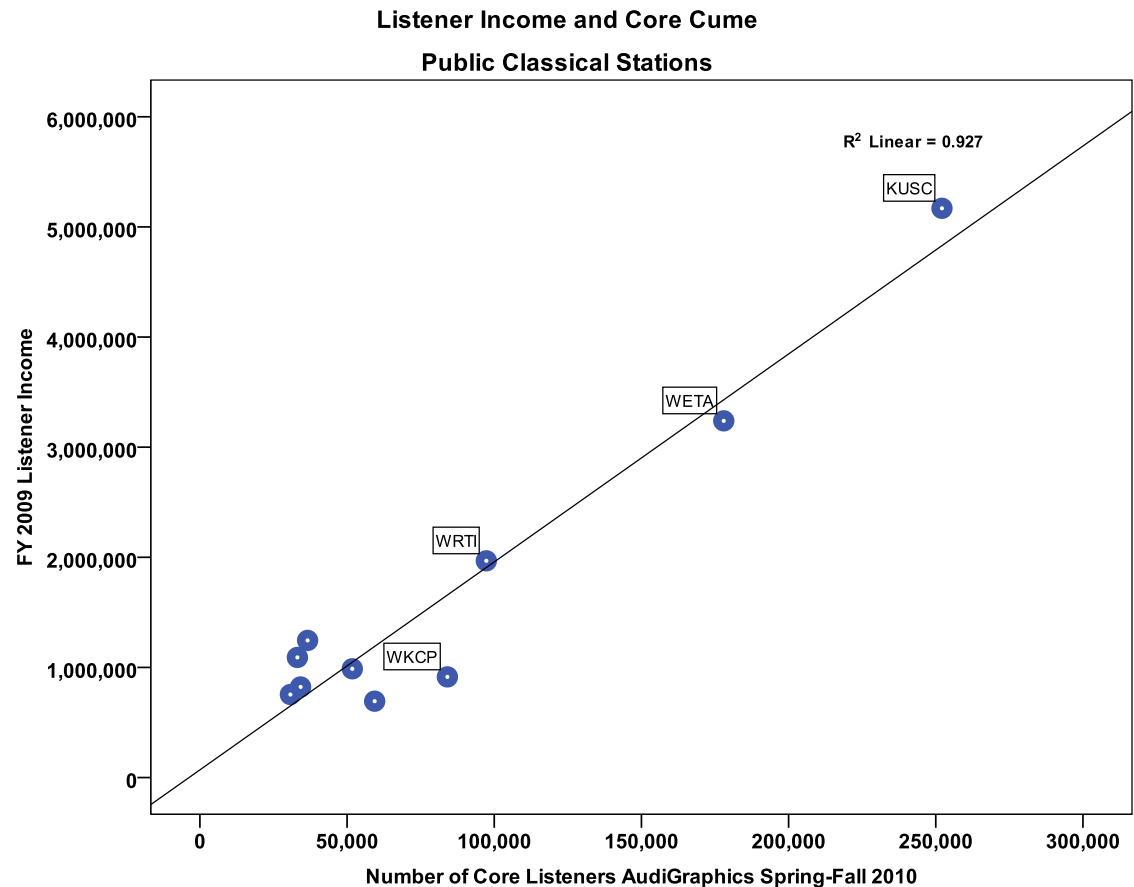
The number of core listeners is also an excellent predictor of listener income. It explains 93 percent of the differences among public radio classical stations.

AQH listening and the number of core cume listeners exhibit a near identical pattern with respect to listener support for two reasons:

Core listeners are those who make the station their first choice – they listen to it more than any other station. They tune in more often, listen longer, and thus account for a large portion of AQH listening.

Core listeners, because of their close relationship with the station, are more likely to give.

Stations will build listener income by increasing the number of their core listeners.



X axis is number of weekly cume listeners who are Core
Y axis is annual income from listeners per CPB
in FY 2009

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We measured the Performance of each station in terms of audience variables related to public service.

For metro estimates such as AQH share and cume rating, we used PPM data for July-December 2010.

For total audience estimates such as AQH persons and cume persons, as well as loyalty and core composition, we used AudiGraphics data for Spring 2010/Fall 2010.

Commercial classical stations, which we included in our report focused on audience performance, are not included here. Even though some commercial stations accept donations, we do not have their financial data. We also excluded public classical stations that are co-licensed with other public radio stations that provide a

different program service and do not report their classical financial data separately.

CPB provided listener support figures for FY2009.

The stations included in the giving analysis are:

KBAQ, Phoenix	WDAV, Charlotte
KMFA, Austin	WETA, Washington
KUSC, Los Angeles	WKCP, Miami
KXPR, Sacramento	WQED, Pittsburgh
WBJC, Baltimore	WRTI, Philadelphia

We used SPSS to run partial correlations and linear regression.

Over 50 percent of the variance in station performance can be predicted by the market's composition of college graduates.

Both the number of core listeners generated by each station and the size of each station's AQH predict over 90 percent of the variance in annual listener support.