

Radio and Television Stations Extending Their Brands in the New Digital Media Marketplace

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As we move into 2011, radio and television broadcasters, in particular, must be looking back fondly to 2010. After a disastrous 2009, local radio stations saw a 5.0% revenue increase and television stations saw a 17.0% increase. While this success was welcomed, radio and television broadcasters know it will be some time until the total industry revenues reach prerecession levels and that moving forward the competition for both audiences and advertisers will continue to increase. What can radio and television do to extend their brands and secure more revenues?

Broadcasters must continue to assess the significant assets they already have for "extending their local brand" into digital/interactive areas. For example, broadcasters have a well-known local brand which the local community turns to for local news and weather content. A recent Rasmussen poll just confirmed that, by a wide margin, the leading source of weather news for a majority of Americans is their local television channel—proving that the local station and its content are extremely valuable assets. Enhancing these assets, broadcasters have local sales staffs that have relationships with local advertisers, which gives them "feet on the ground" to sell to advertisers.

With all these advantages, many local broadcasters are already having success expanding and extending their brands. BIA/Kelsey's Media Access Pro™ database monitors the number of television and radio stations airing multicast programming streams, and so far, there are more than 1,600 multicast television and 2,100 multicast radio programming streams. With this additional programming, local radio and television stations are able to offer more and varied opportunities to local advertisers.

Radio and television stations are not only offering more opportunities over the airwaves, but also over the Internet. They are developing various types of websites that are of particular local interest. Hyperlocal websites, developed by local broadcasters, are being used as advertising vehicles for local businesses that cannot afford the stations' over-the-air advertising. These local sites are being fed by content already being produced by the local stations and are being heavily cross-promoted on the local stations. Stations are also using social media outlets to reach their customers on a more continuous and interactive basis—capitalizing on social media's value of keeping a station top of mind.

Will these radio and television stations be successful in extending their brands? Certainly some have already made significant inroads, and prospects for continued expansion are promising. Others are just beginning to move into these areas so their success is not necessarily guaranteed. Even if all of the efforts do not succeed, local radio and television stations need to investigate and experiment with new lines of business. Success in the new local media marketplace will no longer be guaranteed with just an over-the-air presence.