

Holland Cooke Newsletter • February '12

©2012 Holland Cooke. Unauthorized duplication is strictly prohibited. All rights reserved.

SUDDENLY, YOUR BLACKBERRY IS A RADIO

They hadn't even cut the ribbon to open the 2012 Consumer Electronics Show when the biggest radio story broke. Research In Motion admitted-to something Apple won't: There's a sleeper chip in phones already in-use, RIM's Blackberry Curve 9360 and 9380. Just download an app, and you activate the FM receiver you didn't know you were walking around with.

Why this is big:

- Suddenly, there are millions of new radios. Research presented at CES: half of all Americans now tote a smartphone.
- Radio is back in the pocket, for the first time since the 1960s.
- You can hear local stations' on-air signals, which doesn't consume your wireless data ration the way streaming does.
- Blackberry's move could nudge Apple to respond. Other smartphones already receive FM radio, and some 100 new smartphones were introduced at CES2012.

Why this is a win-win-win-win-win:

- Radio programming is an app that phone makers don't have to fund.
- All those other apps keep bringing people back to the device which now receives radio. Researchers at CES also told us that only 1-in-5 people use their phone only to make phone calls. And get this: Qualcomm Chairman/CEO Paul Jacobs told us that "most people look at their smartphones 150 times a day."
- PPM is listening.
- If you're listening to a transmitter, rather than a station's stream, you're unclogging the network.
- Phone makers are late to put a mandated Emergency Alert System in-place. Radio has one, and that recent test pointed to some weak links we can address.

This was a particularly smart move for Blackberry, the phone that was cool before iPhone came along. Suddenly, Blackberry does something iPhone doesn't. I'm reminded of when Major League Baseball and the NBA and NFL started charging to hear games online; and the NHL – the underdog sport -- let fans listen free. Blackberry is the NHL of smartphones.

That's the glass-half-full analysis. Glass-half-empty: Lighting-up the FM chip was a desperation move by Research in Motion, whose co-CEO founders resigned shortly after CES. The product once SO addictive people called it "Crackberry" got old.

Why this hasn't happened sooner? It got political when the NAB suggested mandating radio-receivers-in-phones as a bargaining chip in the ongoing arm wrestling over music royalty fees that now seem inevitable (a factor driving FM Talk).

CE is big business, it's our business, and business is getting better.

The Consumer Electronics industry was a consistent bright spot during the Recession. Smartphone sales surged 400% since the economy tanked in 2008. And CE is among sectors leading the Recovery. Remember the lines outside the Apple Store for both iPad debuts, and new iPhones? 2012 sales forecasts are for nearly a trillion dollars – that's twelve zeros – worldwide, \$200+ billion here in the USA.

Resist The New Platform at your own risk.

- Tom Hanks appeared at CES, to tout a video he's doing for Yahoo! Meanwhile, Kodak went bankrupt. Film, an AM-radio-era technology, now seems quaint, and most pictures aren't even taken with a camera any more.
- This isn't just a hardware issue. Technology makes **delivery systems** a commodity. Your transmitter is no longer a franchise, or the-only-place-listeners-can-hear-you. So **the programming** needs to be special, like those other apps.

Red flag: When radio gets an opportune new technology, and can't come up with content seductive-enough to drive use. HD Radio's was not the busiest booth in the 37-football-field-size CES Exhibit Hall.

“Zero progress in listeners’ understanding of HD Radio”

Researcher Mark Kassof, whose data, released since CES, demonstrates “a decline in awareness”

In this month's newsletter, and at www.HollandCooke.com, my notes from CES2012, and what it means to you...

Holland Cooke Monthly Newsletter

© 2012 Holland Cooke, PO Box 1323, Block Island RI 02807 USA
www.HollandCooke.com • Twitter @HollandCooke • 401-330-6868 • Fax: 720-293-0802 • newsletter@hollandcooke.com

NOT JUST A GADGET SHOW, CES IS A-WHACK-ON-THE-SIDE-OF-THE-HEAD

Got diabetes? There's an app for that! That glucose meter that samples a blood droplet? If you're diabetic, you probably keep a little notebook of test results, and show your doctor weeks or even months later. Now that little meter goes wireless, and results go into a private database, which you can permission your doctor to see. "Remote diagnostics."

Digital technology is changing almost everything we do, as FCC Chairman Julius Genachowski observed after exploring a 37-football-field-size Exhibit Hall. Declaring that "our 'apps economy' is the envy of the world," he predicted that the broadband build-out could create 100,000 new jobs in the next two years.

"I love coming to CES. Where else can you find a USB stick that's also a bottle opener?"

FCC Chairman Julius Genachowski, at CES, delivering his prepared remarks from iPad

"Can you hear me now?" in that TV commercial is the tip of the iceberg. Warning of "the looming spectrum crunch," Genachowski made a pitch for FCC control of spectrum auctions, which he figures can earn the U.S. Treasury \$25 billion.

- One third of the population – "100 million Americans!" – don't have broadband at home. Fixing that, and making mobile broadband more robust, will help keep the USA competitive, in his view.
- "The Internet creates 2.6 jobs for every job it eliminates," a factoid DARN-pertinent to broadcasting, a mature industry.

"The State of the Internet..."

...presented by comScore Senior VP Brian Jurutka:

- The number of unique visitors to the Internet is growing at double digits annually.
- 216 million Americans are online, averaging 39 hours/month.
- \$255 billion was spent online in 2011, up 12% from 2010.

The very term "web site" is old think. Jurutka says there's a purchase made every second on eBay alone, on a smartphone. Still skeptical about that Social Media research I recently summarized at Talkers.com and HollandCooke.com? comScore estimates that 1/6 of the time Americans spend online is spent on Facebook, up 57% in a year.

Roughly ten percent of Americans got a tablet for Christmas, according to figures published by the Pew Research Center.

- In mid-December, 10% of U.S adults owned a tablet computer. Now, that figure has jumped to 19%, which suggests that ownership doubled in a month. Similar numbers were also reported for e-readers.
- The Kindle Fire is the first non-iPad tablet that has sold in meaningful quantities (Amazon doesn't disclose individual product numbers, but says it was selling a million Kindles of all kinds per week in December).

In the CES session "Planet of the Apps," we learned that 1.2 billion mobile apps were downloaded in the last week of 2011 alone. And this session documented a newsradio-like consumption pattern that's being called "snacking," quick interaction, i.e., posting to Facebook and Twitter by phone, and see-something-buy-something mobile purchase transactions.

"Whatever you've gotten comfortable doing, be prepared to change."

Scott Jensen, from The Weather Channel, "probably the #1 location-based media company," which he claims is "the #1 mobile app."

For The Weather Channel, being "wherever the user might be" is the ball game, because "each storm brings new learning" about how people acquire -- and share -- weather information. With all the new-tech competition for listeners' attention, radio – the original, and most-portable electronic gadget – should think mobile, and observe usage similarly.

"Interconnectibility"

"Information moving from device to device," one of the 2012 CES Trends to Watch, according to CES Chief Economist & Director of Research Shawn Dubravac.
What it means to radio: Streaming is no longer an adjunct.

Holland Cooke Monthly Newsletter

© 2012 Holland Cooke, PO Box 1323, Block Island RI 02807 USA
www.HollandCooke.com • Twitter @HollandCooke • 401-330-6868 • Fax: 720-293-0802 • newsletter@hollandcooke.com

WOW FACT: OF 50 MILLION+ IPADS, 8M WERE PURCHASED BY SOMEONE WHO'D ALREADY BOUGHT ONE.

“Many of the biggest ideas won't be products, they'll be product experiences.”

James McQuivey from Forrester Research, in the session "Harness the Power of Digital Disruptive Innovation"

It was hard not to think of radio as he noted that, "when companies adopt technology, they do old things in new ways." But when companies "internalize technologies" -- i.e., making the station's web site more than just a brochure about the station -- "they create entirely new product experiences," which, clearly, users are embracing.

DISRUPT, OR BE DISRUPTED.

If you operate a radio transmitter – early 20th Century technology – this is no-less-than a survival issue.

"There's always been disruption," glib McQuivey reminded us, offering the printing press as an example. But digital technology has changed the game, by accelerating the velocity of disruption. Anyone can publish, so there are now more innovators, thus more innovation.

- Facebook now as 800 million + members, "the 5th biggest country in the world!"
- "TWO MILLION minutes of video are uploaded to YouTube every day!"
- "One billion dollars has been saved to-date with Groupon," itself a vulnerable business model radio can end-run.

What this means to radio: Turn audience into sponsorable programming, on-air and online, a focus area in my work with client stations.

“Mark Zuckerberg wants just-5-more-minutes each day.”

McQuivey's reference to Facebook's founder echoes a fundamental radio ratings tactic.

Now, broadcasters' engagement opportunity transcends the transmitter.

As I detailed in last month's newsletter (see back page): THE headline from a mountain of PPM data: The quickest, most-efficient way to grow share is to get people-who-listen-to-your-station-most to listen more times. In Arbitron lab coat speak: "additional occasions-of-listening from your P1s."

In the CES session "Finding, Growing, and Cultivating an Audience Online," a producer whose videos are approaching a billion views offered that "one 'engaged' viewer is worth 10 casual viewers."

- And that engagement doesn't happen by accident: "A fan can be invested in your content. You have to be just-as invested-in that fan."
- As we learn, sometimes painfully, reviewing Arbitron diary placement: EVERY engaged fan matters. "You don't need a thousand followers. Even 50 'super fans' can help you shape content, and can become evangelists."
- Tip: "Always put your own web address on YouTube and other third-party platforms."
- Tip: "The audience you set-out to attract may not be the audience you end up with. Constantly adjust."
- Tip: Invite and embrace feedback, positive and negative. "Passionate responses are valuable." People who tell you what you're not-doing or doing-wrong help you. "The worst comments you can have are zero comments."

The Big Idea for broadcasters, from CES2012: Talk with people, not just at 'em.

In the session "Essentials Of Social Success," Warren Whitlock, who wrote a book about Twitter, said: "I've never been someone who likes music-on-hold. I just love that I can Tweet a company and somebody will call me."

Many — maybe most — radio stations use Facebook wrong, according to research you can download at www.HollandCooke.com, where you can also click-to-listen to my reports from the Consumer Electronics Show.

Holland Cooke Monthly Newsletter

© 2012 Holland Cooke, PO Box 1323, Block Island RI 02807 USA
www.HollandCooke.com • Twitter @HollandCooke • 401-330-6868 • Fax: 720-293-0802 • newsletter@hollandcooke.com

5 IDEAS IN 5 MINUTES

1. Hosts: When you say “ironically,” do you mean “coincidentally?”

“Picky, picky, picky,” you’re thinking? Hey. Learn to tawk, willya?

Often, when I hear a radio voice say “IRONICALLY,” he/she should be saying “COINCIDENTALLY.”

The dictionary defines **irony** as “**incongruity** between the actual result of a sequence of events and the normal or expected result.” Are you, instead, describing the opposite, a **similarity** of events? That’s **coincidence**.

2. Remaining news people: “Yesterday” is a 4-letter word.

Your job is to deliver survival information that helps-listeners-along the road ahead.

Tell ‘em how whatever-happened-yesterday will matter to ‘em today.

3. To EVERYONE who talks on-air, east of the Mississippi: Repeat after me...

Try this aloud. It won’t hurt.

- Say “DOUBLE.”
- Now, say “YOU.”
- Now, put ‘em together.

Note: It’s NOT “dubba-yew.”

4. Sales: Jump-in-front-of the iPad parade.

I think I spotted a new term, coined in a Forrester Research report on “eCommerce Trends to Watch:”
The term is “T-commerce,” meaning E-commerce conducted on tablet devices such as iPad:

“Many retailers report that already half of what they consider to be mobile traffic is coming through tablet devices.”

What-this-means-to-radio, among other implications:

- Note how your web pages look on iPad, not just computer screens. iPad users are VERY engaged, and show things they see on iPad to other people.
- If your sellers don’t already own iPad personally (and anyone-selling-anything should), get one they can share; so when your reps are playing spec spots, they’re nonchalantly playing ‘em on iPad..which sends a positive message.
- Offer iPad as a prize, in station contests, and as a means of driving traffic to an advertiser. EVERYONE wants one.
- Offer advertisers virtual coupons, the tablet version of “print this page” coupons you should be offering on your web site. On-air ads tell iPad owners to “simply show the coupon, on your iPad at check-out.” This simple gesture will make your station AND the advertiser sound hip, and it’ll catch-the-ear-of iPad owners.

5. Baseball stations: Be there next month.

Find a way to be at, and report from, Spring Training, for a week. Sell sponsored coverage. Why to be there:

- Mathematically, baseball may be radio’s best friend. Milk the franchise. The games aren’t just “a feed” you take. This is six months of high-affinity, long-TSL night time programming, full of inventory that sells without numbers.
- Being there, with The Boys of Summer, pumps-up the package while you’re selling baseball.
- In March, every team is in first place. Even if it’s been a mild Winter where you are, Spring Fever hits pandemic levels in March. Put me in coach, I’m ready to play.

How to be there: I feel like I live on Southwest Airlines. Shop quick, and you might fly cheap.

Holland Cooke Monthly Newsletter

© 2012 Holland Cooke, PO Box 1323, Block Island RI 02807 USA

www.HollandCooke.com • Twitter @HollandCooke • 401-330-6868 • Fax: 720-293-0802 • newsletter@hollandcooke.com

ASK THE CONSULTANT

Go ahead, fire-away, via any of the inbound paths listed above. I could answer your question here, and/or one-on-one.

This month, something I'm asked often...

“How can I go about finding voiceover work?”

Admittedly not-having-heard the writer's voice, these thoughts...

Anyone can do voiceovers. Professional announcers can actually be disadvantaged in some cases, because we talk like...announcers. Which is why so many spots you hear on TV are V/O'd by famous actors. Tim Allen is making a fortune on Campbells Soup and Chevy. Jeff Bridges and Kevin Spacey and Stanley Tucci are doing a bunch of stuff now airing too. They're never identified, but their voices may sound hauntingly familiar. And they get the work because they don't talk like disc jockeys. So NOT-being-a-professional-announcer isn't necessarily a bad thing.

Even if you don't quickly recognize his name, my pal Nick Michaels' voice will sound familiar.

- He made a pile on Excedrin commercials and other national spots in the '80s, when was the-voice-you-heard-but-never-saw on Friday nights at 1130, as NBC jumped on the MTV craze with a show called "Friday Night Videos." Nick hosted, from 30 Rock, so he was available to schlep-around New York. And to get big money commercial voiceover work, you've gotta-gotta-gotta be in NY or LA.
- These days, you might know him as host of "The Deep End with Nick Michaels" (TheDeepEndWithNickMichaels.com) or for the knockout station imaging he's doing in various markets (NickMichaels.com). As you listen to his work, you'll hear what Nick means when he suggests that, "in an over-communicated world, a whisper becomes a scream." Translation: Be-the-opposite-of the sound-alike delivery that talks-at people.

Here are two other professionals I also use at various stations I work with, and on other projects:

- Tom Pagnotti was Tom Kelly, afternoons at WBIG Oldies 100, Washington's #1 station 25-54 in the late 90s, when yours truly amused-and-horrified my DC-area amigos by re-enacting my misspent youth as fill-in DJ there. Hear Tom, (ChoiceVoicePro.com), and you'll hear versatility is key.
- You might also recognize Kim Snyder's voice (www.KimSnyderMedia.com). She's done Hallmark and Sprint and some other nationals, and does lots of radio and TV station booth stuff. Because she's-a-she, I've used her to help station imaging and other messages I've crafted to stand-out-from the baritone-male-dominated audio landscape.

Don't get me wrong. I don't offer these three performer examples to intimidate. If you're looking to make a living imaging radio stations, you're barking-up-the-wrong-tree. Your real competition isn't other announcers, it's the station owners themselves. So many stations are now owned by a handful of big companies that the customer base is small. And, as I alluded above, national commercial work is a rat race. But there are other voiceover opportunities:

- There's what's called "Industrials," meaning non-broadcast narration, of training materials and other B-to-B production. This sort of work is done everywhere, if not on-an-ongoing-basis. There's lots of Industrial work in Washington, because so many causes are based there.
- Internet-based media are an opportunity, since there's SO much audio/video being produced for online consumption. Good-news/bad-news: There's lots being done...and there are lots of people seeking that work...and seeking it online. The trick is FINDING the business...and once you do, voiceovers is a great home-based business.

Suggestions:

- Start locally, because your-being a local radio "name" is a head start, especially for non-broadcast work. Remember how the Richard Attenborough character who owned Jurassic Park boasted that actor Richard Kiley voiced the pre-recorded soundtrack visitors heard in the tour vehicles? If you're a local radio personality, you enjoy that cachet locally.
- Set-up shop online, to demo your work to local prospects...AND because it's a World-Wide Web.
- Keep your day job. Freelancing is a scramble.

Holland Cooke Monthly Newsletter

© 2012 Holland Cooke, PO Box 1323, Block Island RI 02807 USA
www.HollandCooke.com • Twitter @HollandCooke • 401-330-6868 • Fax: 720-293-0802 • newsletter@hollandcooke.com

SOUND BITES

“Android is on a billion unit plan.”

Google Executive Chairman Eric Schmidt, at CES, noting that there are 700,000 Android activations per day.

“How did you come up with this idea?”

Interview question, frequently asked by Talk Radio gadget guru Dave Graveline, which often produces an amusing answer.

Dave's "Into Tomorrow" show is now in its 17th year. His multi-media production stage was a conspicuous presence even in the massive, mind-boggling CES Exhibit Hall. And the big team Dave brought to Las Vegas included his adorable 11-year-old granddaughter Caitlin, who reported on tech-for-kids. See their impressive CES video coverage at www.IntoTomorrow.com

“It is absolutely true that the value of the AM band is declining.”

Entercom CEO David Field, whose incumbent Boston sports AM WEEI added an FM simulcast, to defend against the CBS FM sports talker there. As he told the UBS Media Conference, “overnight we’re seeing dramatic double-digit ratings growth.”

FM sports talkers I’m consulting report unsolicited listener applause because evening play-by-play is now loud-and-clear...a copy point we make in Sales materials, with another baseball season on-deck.

“I do all of this with a \$75 Flipcam.”

Zach Kerker, host/producer/one-man-band, Channel1450.com, a web site about local high school sports – an instant money-maker – companion medium to a Springfield IL all-sports AM, owned and operated by my client Neuhoff Media.

“Save the environment after you sell.”

Jennifer Ames, with Coldwell Banker Residential Brokerage in Chicago, speaking at the recent National Association of Realtors convention. She recommends that home sellers “avoid energy-saving light bulbs, which don’t tend to photograph a room well.” Instead, she suggests incandescent bulbs in lamps and halogen floods in recessed lights, and eye-level lighting (such as two lamps on each night stand beside beds) to balance overhead lighting.

This is the sort of practical advice we offer on NAR's “Real Estate Today with Gil Gross” (www.RETradio.com), which smart affiliates combo-sell with another show I work for: “The Money Pit” (www.MoneyPit.com/affiliate).

Because homes are now selling below replacement value, and interest rates are at historic lows, and because ya gotta live SOMEWHERE, The Home is currently a topic of extreme listener interest, and Sales opportunity.

“Dealer service departments and independent repair facilities, as well as aftermarket parts suppliers will see increased business opportunity.”

Mark Seng, Global Aftermarket Practice Leader for auto data service Polk, interviewed in a USA Today article headlined “Average car age at record 10.8 years.”

The USA's aging fleet might also account for the pleasant surprise that new car sales finished 2011 so strong. Dealers tend to time advertising illogically. When sales are up, they figure they can afford to. When business sags, and they need advertising most, they cut-back. Fine. Things are good now.

“She f’d someone else’s husband.”

Interview comment about Callista Gingrich, by a 40-something female radio listener who doesn't abide The Other Woman as First Lady, Tiffany jewels and all.

If Newt hasn't dropped-out of the race by the time this ink dries, hear why his candidacy is doomed...why Talk Radio isn't talking about his formidable gender gap...and why Rush Limbaugh really, secretly, WANTS the president re-elected...as your consultant mouths-off on The Ed Schultz Show. Click-to-listen this month on the home page at www.HollandCooke.com

“Suppose you were an idiot. And suppose you were a member of Congress. But I repeat myself.”

Mark Twain, who wouldn't be surprised to see such low Approval numbers for Congress now.

“In today's economy, consumers are marginalizing sellers because of the marginalization they're experiencing in their own lives.”

That may be the most important sentence in this entire newsletter. Read it again. Really think about it, and you'll appreciate the implications for your station's Sales, Programming, Promotion, internal management...everything.

That's Jay Abraham, in his book “The Sticking Point Solution: 9 Ways to Move Your Business from Stagnation to Stunning Growth in Tough Economic Times.” If you run a business – any business – it'll make your scalp tingle.

FREE DOWNLOAD: THE ENTIRE BOOK. Hit www.abraham.com, and enter your Email address in the box at the top of the page. He won't spam you.

View EVERYTHING you do through this prism: “How do you make people feel special? By being mindful of their needs.”

- Are your promos barking boastful station-centric claims through reverb? Or conveying why you're a useful companion?
- Do your sellers walk into a store thinking “I'm going to sell 100 spots?” or “I'm going to sell 100 lawn mowers?”
- Are on-air hosts all “I,” “I,” “I,” or is there plenty of “YOU” and “YOUR?”

Jay Abraham is “The 9 Billion Dollar Man,” based on results of his 1800+ marketing success stories in 460+ industries. Admittedly, I'm sounding star struck...but he's a consultant who charges \$5000 an hour!

NOT A MISPRINT!

- Among the several dozen other free downloads you'll get at Abraham.com is Jay's book “Getting Everything You Can Out Of All You've Got: 21 Ways To Out-Think, Out-Sell, Out-Advertise, Out-Maneuver, Out-Compete And Out-Earn Your Competition.” I've read this book twice, and it WILL change the way you think about your business.
- Before he started giving it away free, Jay sold 72,000 copies at \$377 each. Do the math. That's \$27 million.

So imagine how flattered I am that Jay now reads my newsletter.

“Just read the newsletter. Man, that thing is chock full of GREAT information.”

Generous unsolicited praise for this humble monthly, from Trip Savery, Director of Sales, WBT AM/FM and WLNK, Charlotte. And here's more flattering feedback worth quoting in a Sales meeting...

“Thanks for a year of great reading and thought provocation.”

A longtime subscriber, whose renewal check came with a note which included these comments:

Just a quick thought on commercials and stop sets: You are “spot” on with the analysis considering commercials part of the programming and letting the advertiser voice the spots! It makes our very local station sound uber-local and engrained in the fabric of the area.

*Another key: price and item advertising. “Coffee only 6.99 a pound” “Open bar on New Years Eve only 40 dollars” etc. Commercials that actually provide useful **information** rather than lame attempts at humor and nearly useless over produced screaming. It helps.*

SEE YOU IN LAS VEGAS?

Planning to attend the NAB convention in April? Five tips you'll thank me for later:

1. Wear comfortable shoes.
2. Bring hand sanitizer. Lots of it. Germs-from-all-over-the-world travel to this event.
3. ALWAYS – repeat, ALWAYS – split aces and 8s, now matter what the dealer is showing.
4. Statistically, “Insurance” is a sucker bet.
5. **Talk to me, about** ratings and revenue. About weekend programming that's both “appointment listening” AND real profitable. About **making more money with that FM**. And quick-N-E-Z ways to **make money online**. And about a one hour event that will fill a room with local direct retail advertisers, and fill their heads with ideas for using radio. Our time at NAB is limited. RSVP ASAP if you'd like to grab a cuppa cawfee.

