

grow the **audience**
for public radio

Situation Analysis

July 7, 2008

Station Resource Group
Walrus Research

Corporation for Public Broadcasting

INTRODUCTION: Greater Use, Deeper Value

Public radio has significant opportunity to increase the public's use of its services and to deepen the value of those services to individual listeners, communities, and the nation. Realization of this opportunity requires a broad public service strategy and a focused, disciplined, and results-oriented implementation effort.

The many entities of public radio are focused on several different formats, have diverse ambitions with respect to the use of multiple platforms, and all seek to carve out their distinctive appeal and service to the communities they serve. Goals and tactics should speak both to those who devote significant resources to creating content and to those whose primary role is to assemble and present.

The current reality is that public radio has lost its broadcast audience momentum. The average listening audience to public radio peaked in Spring 2003, with the next four years flat to down. The loss of audience momentum has, in turn, caused stagnation in individual giving.

Given all the talent and resources in public radio, we can surely do better. With a common understanding of the facts, we can work together for strategic action.

We thank public radio researcher Craig Oliver, Ben Robins of NPR, and Paul Jacobs of Jacobs Media for their contributions and insights, with special thanks to Craig for his substantive work-over of an early draft of this report.

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SECTION ONE: Public Radio's Broadcast Audience

- **Recent Listening Trend Is Flat**
- **Last Wave of Growth Driven By News Format Stations**
- **Listening Trend Flat for News and Classical Formats in Top 30 Markets**
- **ATC Losing Listening, Morning Edition Flat**
- **Listening Trend Generally Flat Across the Largest Stations**
- **Flat Audience Trend Causes Plateau in Givers and Giving**

SECTION TWO: Public Radio's Appeal

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SECTION FOUR: Competition for Service

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NO GROWTH: 2003 to 2007

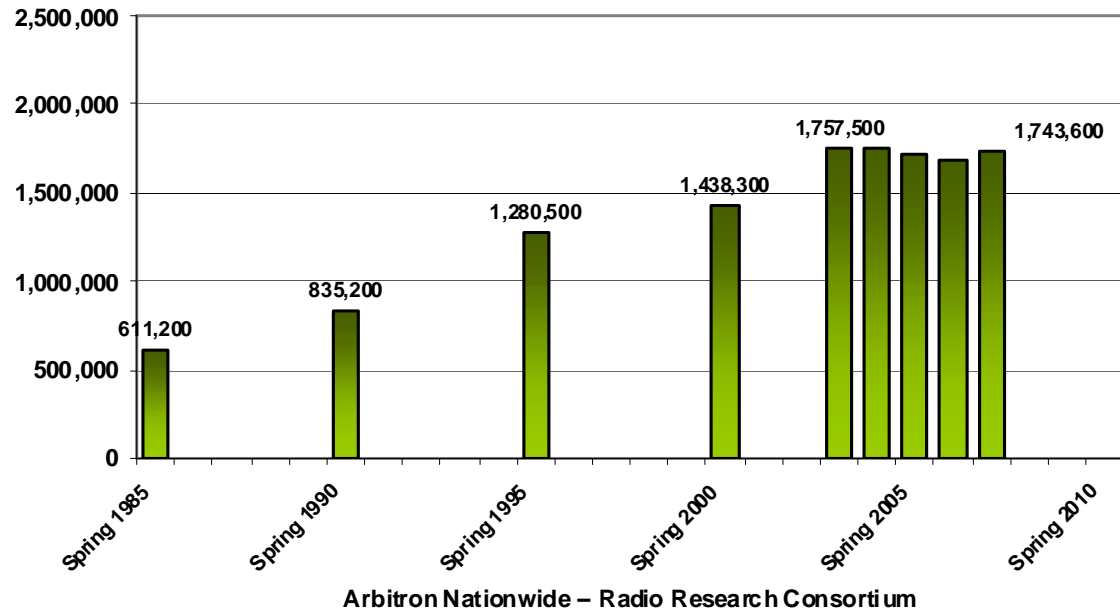
Recent Listening Trend Is Flat

Back in Spring 1985 the average listening audience to public radio across the country was 611,200 persons. Over the next ten years the audience doubled to 1,280,500 as of Spring 1995.

Linear growth continued into the new millennium topping 1.75 million persons listening as of Spring 2003. Then public radio lost its momentum. Nationwide listening has been flat to down in the last four years.

Many observers have speculated on the reasons for this change of fortune. The most thorough analysis was presented in *Audience 2010*, a series of reports by David Giovannoni and George Bailey commissioned by the Radio Research Consortium. The key conclusions: the loss of momentum is across a wide range of programs and stations, no one external factor accounts for the change, and the key dynamic is a small but important weakening in listeners' loyalty to public radio. The complete *Audience 2010* reports are posted at rrconline.org, walrusresearch.com and aranet.com.

Listening Trend to CPB Stations
Spring 1985 - 2007



The original source for the data in this chart is the Arbitron Nationwide diary database as processed by the Radio Research Consortium. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The figures are Monday-Sunday 6a-Mid 12+ CPB-Station AQH Persons

DRIVING GROWTH: News and Information

Last Wave of Growth Driven By News Format Stations

The dramatic increase in listening to public radio in the years leading up to the peak in 2003 happened at news and information stations.

SRG's *Public Radio Format Study* tracked 228 stations from 1999 to 2004 including 62 stations dedicated to the news and information format.

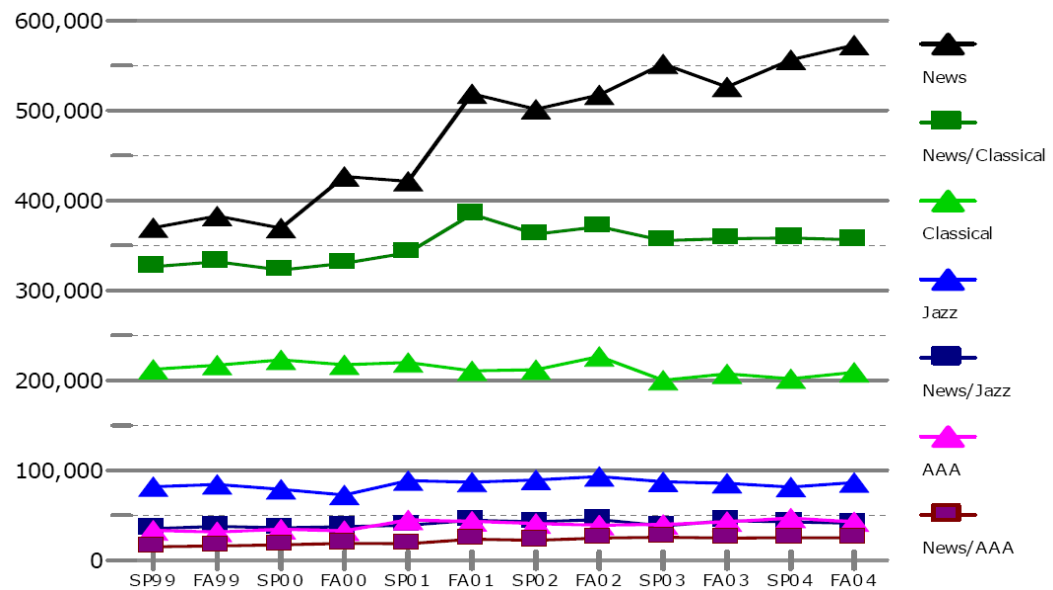
The 62 news stations added 200,000 persons to public radio's AQH.

In the same 5-year period, the combined audience of 40 classical stations was flat.

81 dual format, news and classical music stations did not make any significant gains in listening. The trend was also flat across 22 jazz and 4 adult alternative stations.

Each format group is a constant set of the same stations for the duration of the period studied – the years when public radio was growing its audience. SRG's *Format Study* is available at www.srg.org.

Listening Trends – Stations with Different Formats 1999 to 2004



The original source for the data in this chart is public radio's Arbitron diary database as processed by Audience Research Analysis for SRG's *Public Radio Format Study*.

Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The figures are Monday-Sunday 6a-Mid 12+ AQH Persons for the Total Survey Area.

TOP MARKETS: News and Classical Formats

Listening Trend Flat For News and Classical Formats in Top 30 Markets

SRG identified CPB stations that have focused their format on news or classical music. We added their AQH listening across 30 top markets to track the total audience being served.

Across 28 NPR news stations, the recent listening trend is flat. Their total AQH was about 464,000 in Spring/Fall 2007, the same as in 2004.

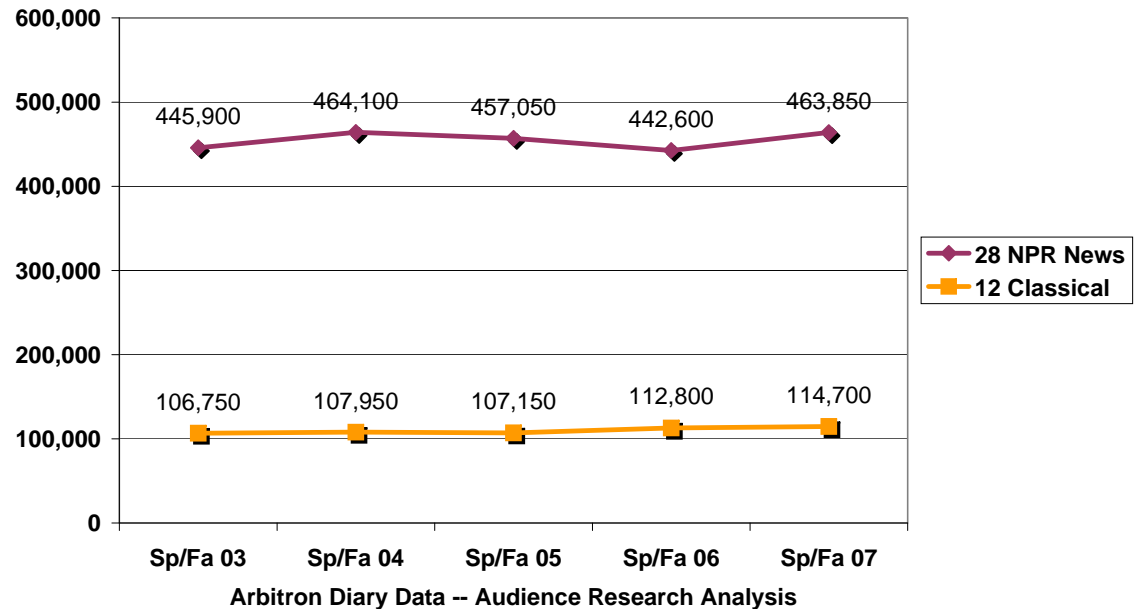
One news station in a top market has lost audience each year. Another has gained nearly 10,000 AQH since 2003.

Across 12 classical stations, the total AQH listening trend was flat from 2003 to 2005, but then the audience grew a little to 114,700 by 2007.

In fact, 9 classical stations lost audience from 2006 to 2007. 2 were flat. KUSC gained 12,000 AQH after commercial KMZT switched its format to country.

Excluded: PPM and embedded markets.

Listening By Format -- Five Year Trend
Total Listening Audience In Top 30 Markets



The original source for the data in this chart is Arbitron diary data as processed by Audience Research Analysis using AudiGraphics. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The figures are AQH persons 12+, Monday-Sunday 6am-12m, for each station's Total Survey Area, summed across the stations in each segment.

NPR news stations include WNYC A/F, KPCC, WBEZ, KQED, KALW and 22 others.
Classical include KUSC, KBAQ, KSJN, WBJC, KVOD, KBPS, WQED and 5 others.

SIGNATURE PROGRAMS: Morning Edition and ATC

ATC Losing Listening, Morning Edition Flat

NPR news drove public radio's most recent growth, but that audience has stagnated in the last three years.

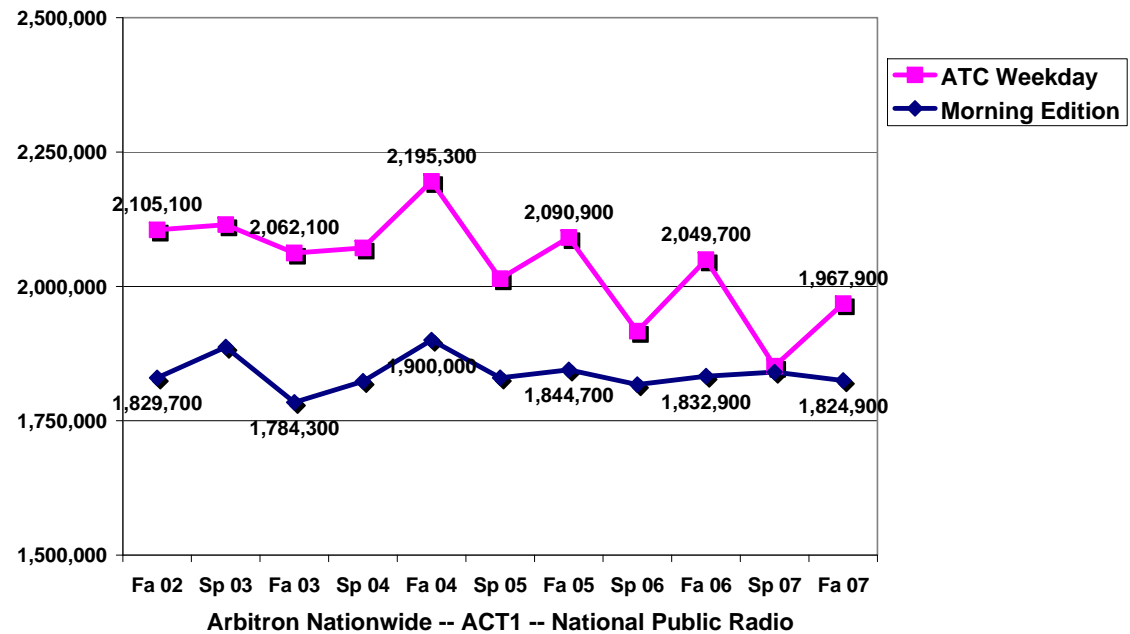
Each year since 2004 the Spring audience for All Things Considered was lower than the previous Spring, and the Fall audience was lower than the previous Fall. In Fall 2007 the average listening audience for Morning Edition was 1.8 million – no different than Fall 2002.

Beyond the audience service, average listening has financial implications: AQH is the key number for station payments to NPR. Underwriting is typically based on average listening per message.

In the last 5 years, carriage for ME continued to rise from 603 to 646 stations, while ATC rose from 595 to 640 stations.

The two different patterns in this chart may indicate that ATC and Morning Edition now operate in differing news usage environments.

Listening to Morning Edition and ATC
Fall 2002 - Fall 2007



The original source for the data in this chart is Arbitron Nationwide as processed by National Public Radio using ACT 1 software. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc. These are the official NPR Programming Audience Estimates for quotation to the media and funders.

The figures are AQH persons 12+, based on program broadcast times, Monday-Sunday Midnight-Midnight.

LARGEST STATIONS: Climbers, Divers and Cruisers

Listening Trend Generally Flat Across the Largest Stations

Audience 2010 segmented stations by their audience trajectories from 2002 to 2005. Stations that had been gaining audience up to 2005 were called climbers. But some stations were divers, while others cruised at level altitude.

We returned to the same stations and updated their trajectories through 2006 and 2007. The chart shows the recent trend in listening for the largest stations within each segment.

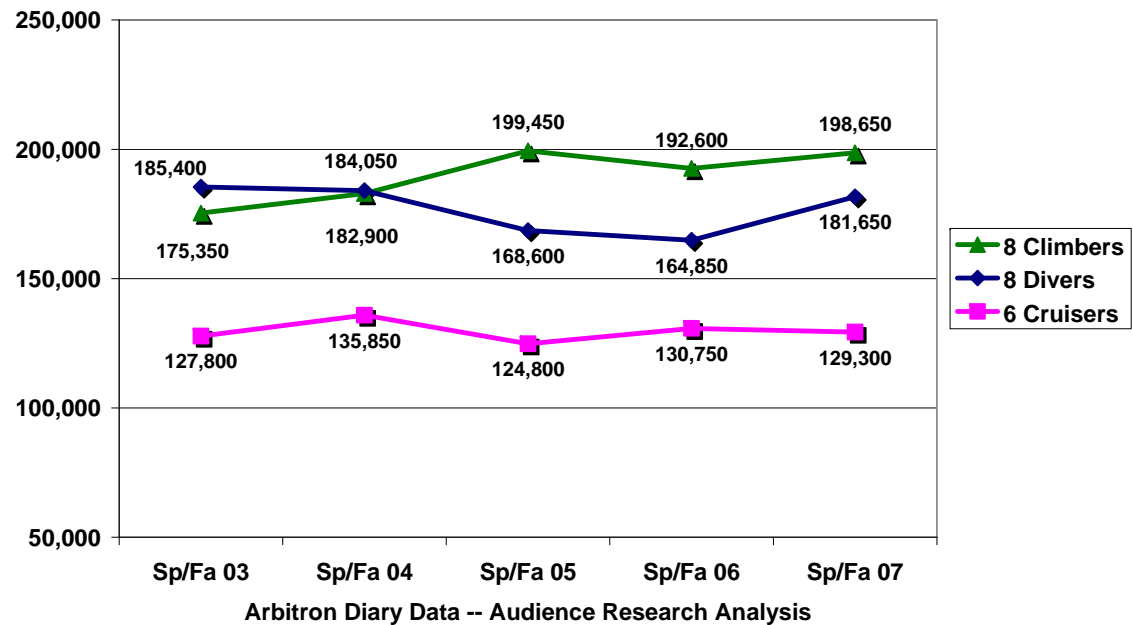
Adding the audience across 8 large climbers, we found no further growth from 2005 to 2007. They leveled off.

Across 6 large cruisers, we found no growth – the audience in 2007 was the same as 2003.

8 large divers continued to dive in 2006, but there was an uptick in 2007. That was entirely due to the end of classical on commercial radio in LA and WDC.

Not included: stations in PPM markets.

The Largest Stations -- Five Year Trend
Total Listening Audience



The original source for the data in this chart is Arbitron diary data as processed by Audience Research Analysis using AudiGraphics. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The figures are AQH persons 12+, Monday-Sunday 6am-12m, for each station's Total Survey Area, summed across the stations in each segment.

Climbers: KJZZ, KNOW, KOPB, KPCC, WABE, WAMU, WNYC-FM, WUOM
 Divers: KCRW, KPLU, KUSC, WBEZ, WBGO, WBUR, WETA, WNYC-AM
 Cruisers: KERA, KQED, KSJN, KUOW, WLRN, WUSF

LOST MOMENTUM: Givers and Giving

Flat Audience Trend Causes Plateau in Givers and Giving

The prerequisites of giving to public radio are first, that individuals must rely upon the station for their listening, and second, that the programming becomes personally important in their lives.

In the terminology of *Audience 98*, programming causes audience. Then public service leads to public support.

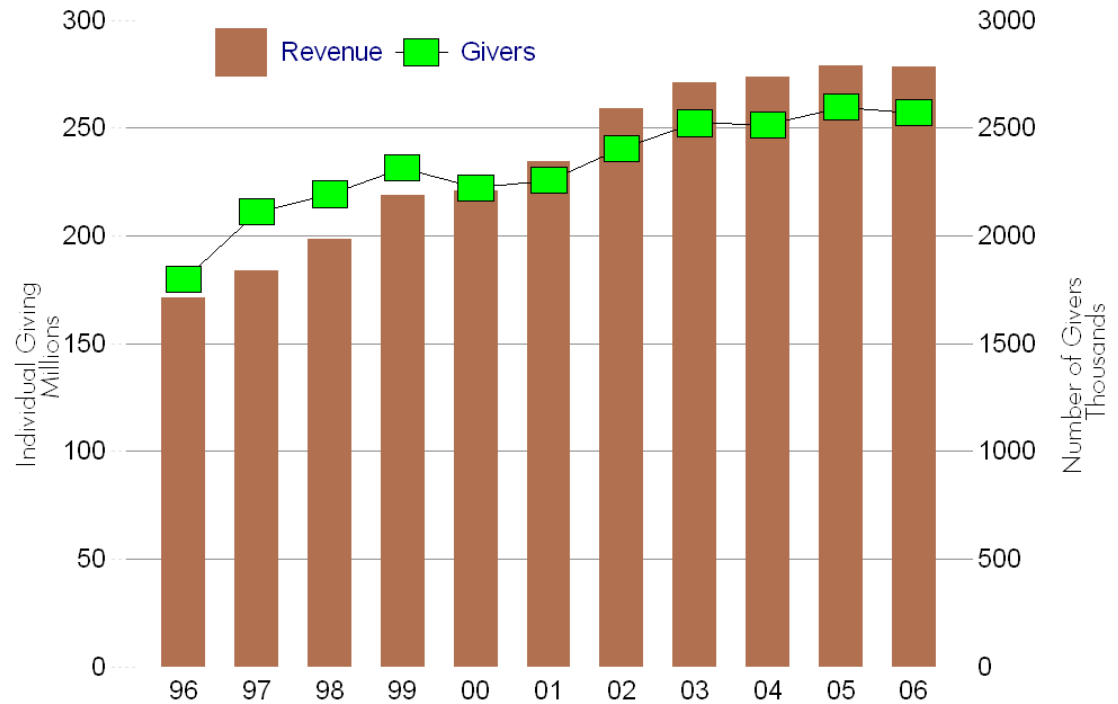
Thus it was no surprise that individual support of public radio hit a plateau in 2004-2006, both in the number of givers and the revenue from individual giving.

This chart is from SRG's new report on individual giving to public radio. It shows that the number of givers has stalled just above 2.5 million, while the amount given to public radio has stalled at about \$275 million.

SRG's new study on *Individual Giving to Public Radio Stations* is available at www.srg.org.

Public Radio's Givers and Individual Giving

Giving Adjusted for Inflation (2006 Dollars)



Source: CPB: Annual Financial Reports

Station Resource Group

The original source for the data in this chart is the annual financial report filed by CPB stations, as processed by the Station Resource Group.

SRG's 2008 report is titled *Individual Giving to Public Radio Stations*.

SECTION ONE: Public Radio's Broadcast Audience

SECTION TWO: Public Radio's Appeal

- **More Degrees After Your Name, More Likely You Listen**
- **Potential Audience for Public Radio Increases Every Year**
- **Asians Most Likely To Achieve College Education**
- **Greatest Number College Educated Asians, Blacks and Hispanics in New York**
- **Stations Encounter Different Realities Market To Market**
- **Market Education Can Predict Public Radio's Share**

SECTION THREE: Channels and Platforms

SECTION FOUR: Competition for Service

SECTION FIVE: Value and Values of Public Radio

PUBLIC RADIO APPEAL: Function of Education

More Degrees After Your Name, More Likely You Listen

The strongest predictor of who listens to public radio is an advanced degree. In fact, the more graduate degrees you have earned, the more likely you listen.

If your highest degree is the bachelor's, you are twice as likely (index 201) as the general population to come public radio.

A master's degree pushes the index up to 318 – three times as likely.

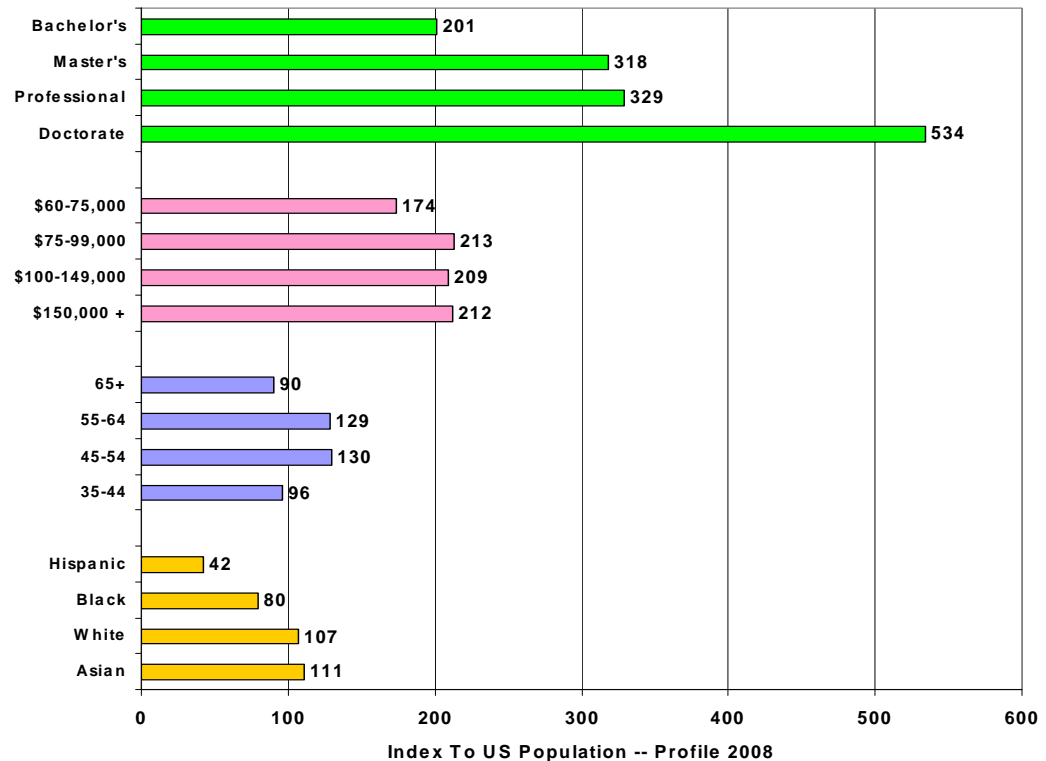
A professional degree indexes at 329.

A doctorate pushes the index up to 534!

Success at the university is the primary explanation for other, less predictive characteristics of public radio listeners such as their income or race/ethnicity.

For example, note that Asians (111) are more likely to be public radio listeners than Blacks (80), which is consistent with fact that Asians are more likely than Blacks to have earned advanced degrees.

Education Strongest Predictor Of Listening More Than Income, Age or Race/Ethnicity



The original source for the data in this chart is MRI Doublebase 2007 as processed by NPR Audience Insight and Research for Profile 2008. Income is by individual.

The figures are NPR/CPB station come composition indexed to the total US population.

GROWING POTENTIAL: More College Graduates

Potential Audience for Public Radio Increases Every Year

Although higher education predicts public radio listening, the majority of today's college graduates are still not public radio listeners.

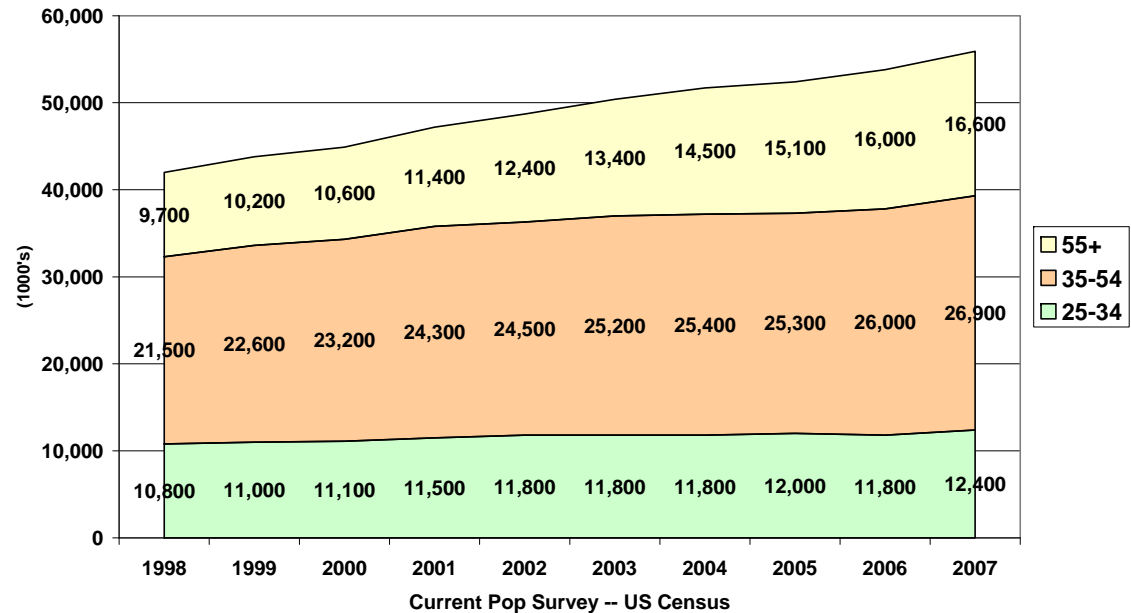
Over the last ten years, the number of college graduates age 25+ in the USA population increased by 14 million. As of 2007, there were nearly 56 million college graduates out there.

The 12+ public radio came as of Spring 2007 was 28 million, including listeners without the degree, so the majority of college grads in the US are not listeners.

Since 1998, the greatest population growth among college graduates has occurred in age 55+, an additional 7 million. This is because the Boomers keep getting older, rather than older people going to college.

The number of college grads in 35-54 has risen to over 26 million. Each year the potential audience for public radio keeps growing larger!

Number Of College Graduates In Population Ten Year Trend By Demo



The original source for the data in this chart is the annual Current Population Survey as analyzed by the US Census.

Numbers (in thousands) of non-institutionalized persons with four years of college

COLLEGE EDUCATION: Rising Across Race and Ethnicity

Asians Most Likely To Achieve College Education

Among the standard Census race/ethnic categories, Asians have achieved the best rate of college degrees. 52 percent of Asians 25 years or older have graduated college.

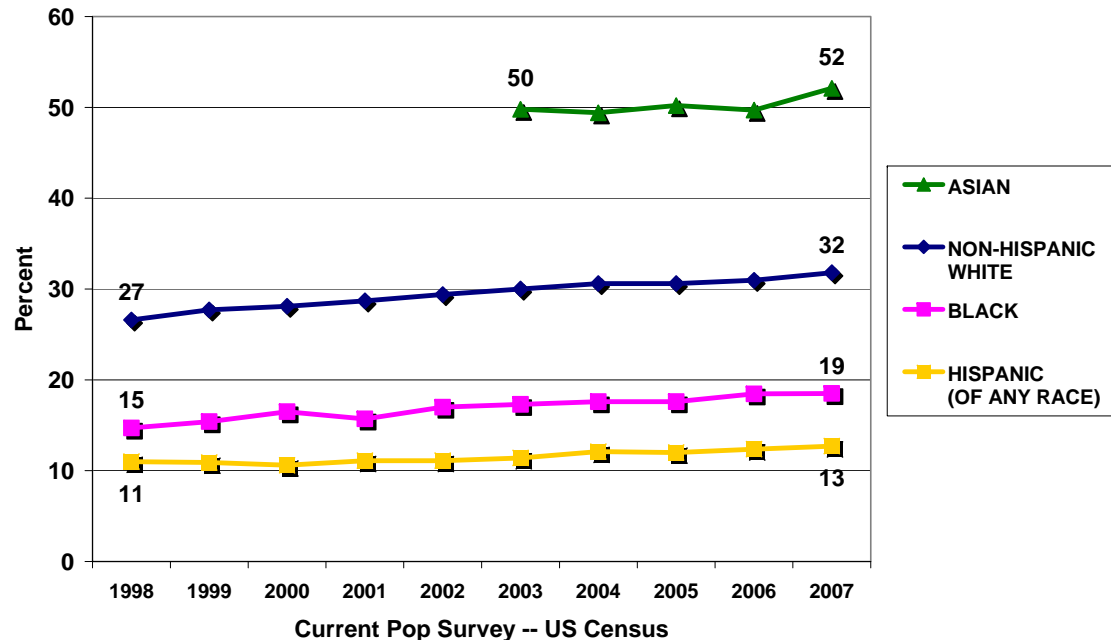
The college degree rate is 20 points lower among Non-Hispanic Whites.

Over the last ten years, education levels have increased across the Census race/ethnic categories. As of 2007, nearly one in five Blacks are college graduates.

The rate of education has been slowest to grow among Hispanics, up only 2 points since 1998.

Arbitron does not yet break out radio listening by Asians. Arbitron's categories are Black, Hispanic and Other, lumping Asians in with Non-Hispanic Whites.

College Education By Race/Ethnicity Ten Year Trend



The original source for the data in this chart is the annual Current Population Survey as analyzed by the US Census.

Figures show the percent of non-institutionalized persons age 25 plus with college degree.

TOP MARKETS: Asian, Black and Hispanic Grads

Greatest Number College-Educated Asians, Blacks and Hispanics in New York

In the New York metropolitan area, as of the 2006 American Community Survey, there were 616,000 Asians and 420,000 Blacks with a college degree.

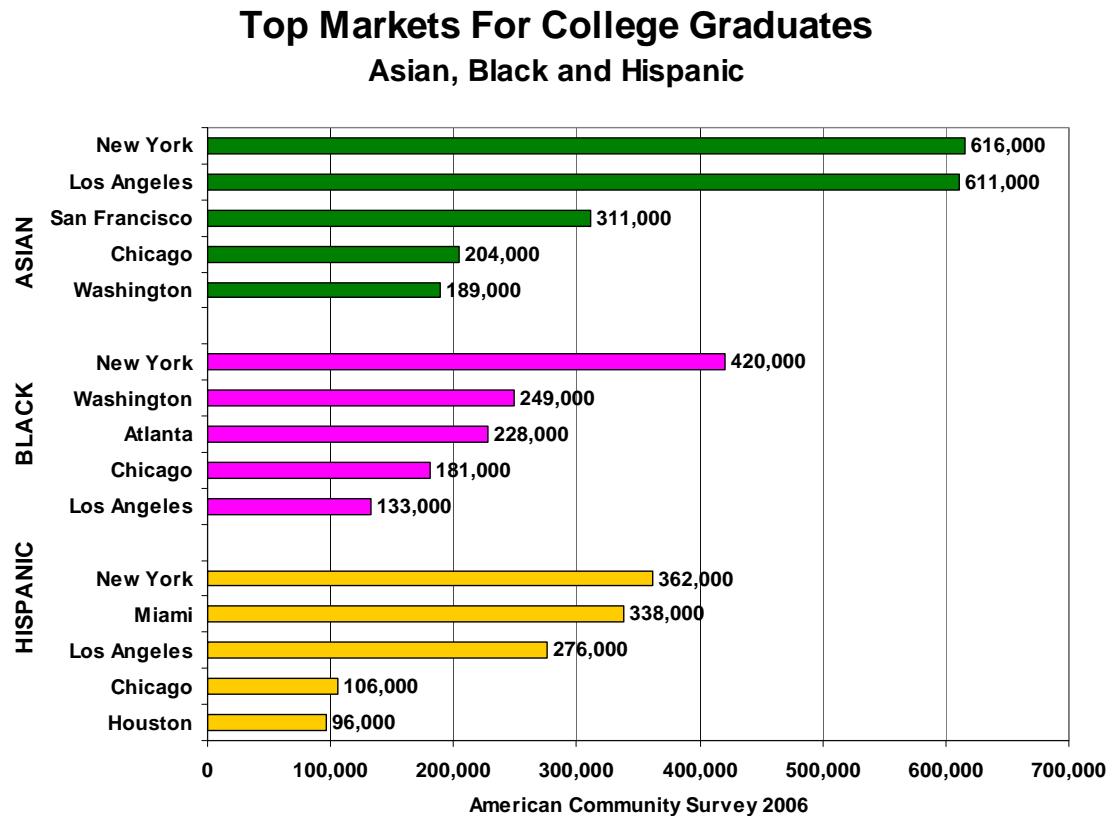
Also there were 362,000 college educated Hispanics, so New York offers the greatest potential in all three categories.

Los Angeles might be perceived as a Hispanic market, but in terms of college graduates it is much more Asian. There were 611,000 Asians with degrees in LA compared to 276,000 Hispanics.

Miami is a bigger Hispanic market than LA by the number of college graduates.

Beyond New York, the big markets for college-educated Blacks are 249,000 in Washington and 228,000 in Atlanta.

San Francisco does not appear in the top five markets for Black or Hispanic, but it included 311,000 Asians with degrees.



The original source for the data in this chart is the 2006 American Community Survey, based on metropolitan areas defined by the US Census.

Figures show the percent of non-institutionalized persons age 25 plus with college degree.

MARKET COMPOSITION: Different Realities

Stations Encounter Different Realities Market To Market

In-depth news and classical music appeal to highly educated and thus affluent listeners. The potential for such formats varies by each market's composition.

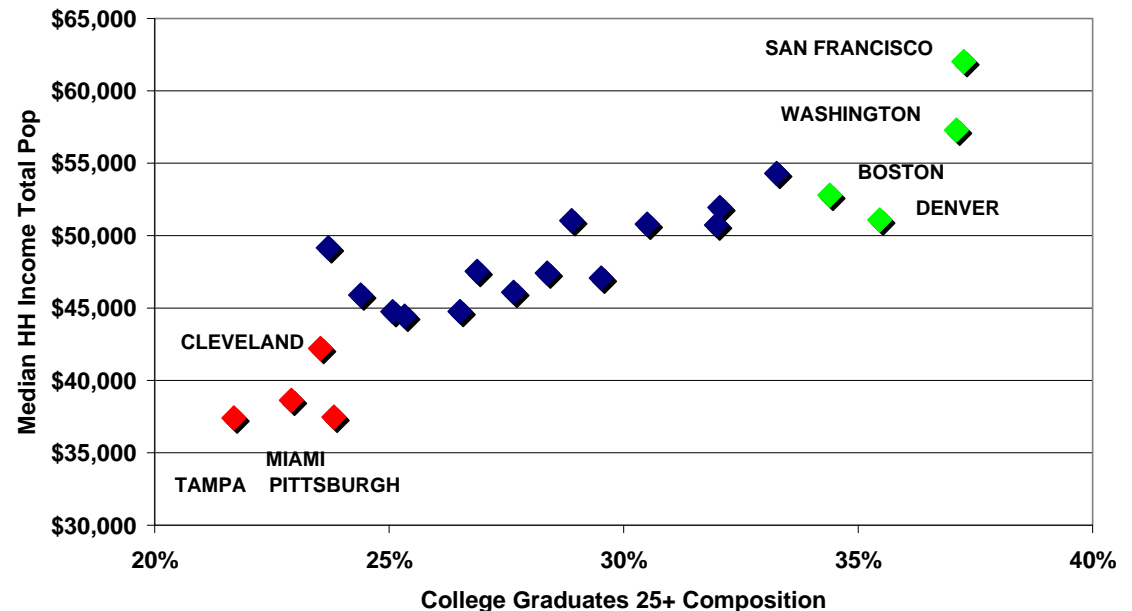
The chart shows the differences in education and income across 22 metropolitan areas with population of 2 million or more, as of the 2000 Census.

San Francisco is a dream market for public radio. Over 37 percent of adults 25 plus had college degrees. The median household income was \$62,000.

The reality is rather grim in Tampa, where less than 22 percent of adults 25 plus had college degrees. The household income was just over \$37,000.

Market quality can easily trump market size: Cleveland is a bigger market than Denver by Census population (2.95M compared to 2.58M.) But the number of college graduates in Cleveland was much smaller than Denver (461k vs 592k). So there is a greater potential in Denver.

Markets With 2 Million Plus Population Education and Income -- Census 2000



The original source for the data in this chart is the 2000 US Census by its definition of metropolitan areas – not exactly the same as Arbitron's metros.

Education is the percent of persons age 25 or older having attained a college degree, income is median household income across the total population.

Markets are 2000 US Census metropolitan areas with total population over 2 million.

MARKET EDUCATION: Predicting Public Radio Share

Market Education Can Predict Public Radio's Share

This chart shows that 40 percent of the variance (R^2) in public radio's share from market to market can be explained by one predictor – college education.

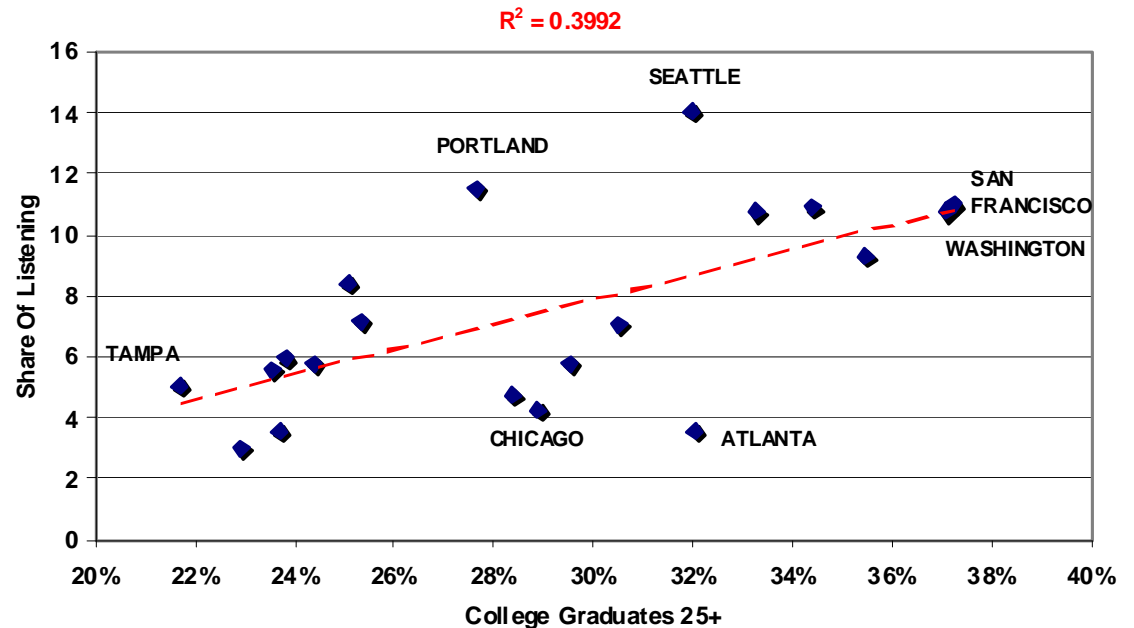
There is one trick to this analysis: We included the commercial classical music station, adding its audience to the share of public radio. For example, the 14 share points in Seattle include KING.

It is valid to include commercial classical stations because they also serve highly educated listeners who fit the profile.

The markets shown are the same 22 that we used in the previous chart – each with metro population over 2 million.

Most of the markets fall close to the regression line. For example, Tampa has a low level of education and a low share for public radio. San Francisco and Washington also fall right on the line, each market enjoying high education and strong “public” radio share, including commercial KDFC in San Francisco.

Public Radio Plus Commercial Classical By Market Level Of Education -- Spring/Fall 2007



The original source for the data in this chart is the 2000 US Census by its definition of metropolitan areas – not exactly the same as Arbitron's metros. Education is the percent of persons age 25 or older having attained a college degree.

The Arbitron figures are the combined share of public radio and commercial classical, averaged Spring and Fall 2007 -- AQH persons 12+, Monday-Sunday 6am-12m. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

SECTION ONE: Public Radio's Broadcast Audience

SECTION TWO: Public Radio's Appeal

SECTION THREE: Channels and Platforms

- **Lower Levels of Radio Use, Especially Among Today's 18-34 Year Olds**
- **AM Radio in Decline, FM Listening Still Strong**
- **Minimal Audience for News, Classical and Jazz On Satellite**
- **Measuring Online Listening to Public Radio**
- **Internet Streams Convenient For Professionals at Work**
- **The Ratings Will Change But Not the Audience Reality**

SECTION FOUR: Competition for Service

SECTION FIVE: Value and Values of Public Radio

RADIO LISTENING TODAY: Lower Levels

Lower Levels of Radio Use, Especially Among Today's 18-34 Year Olds

While radio levels have been running lower in all adult demographics, the steepest decline has been in 18-34.

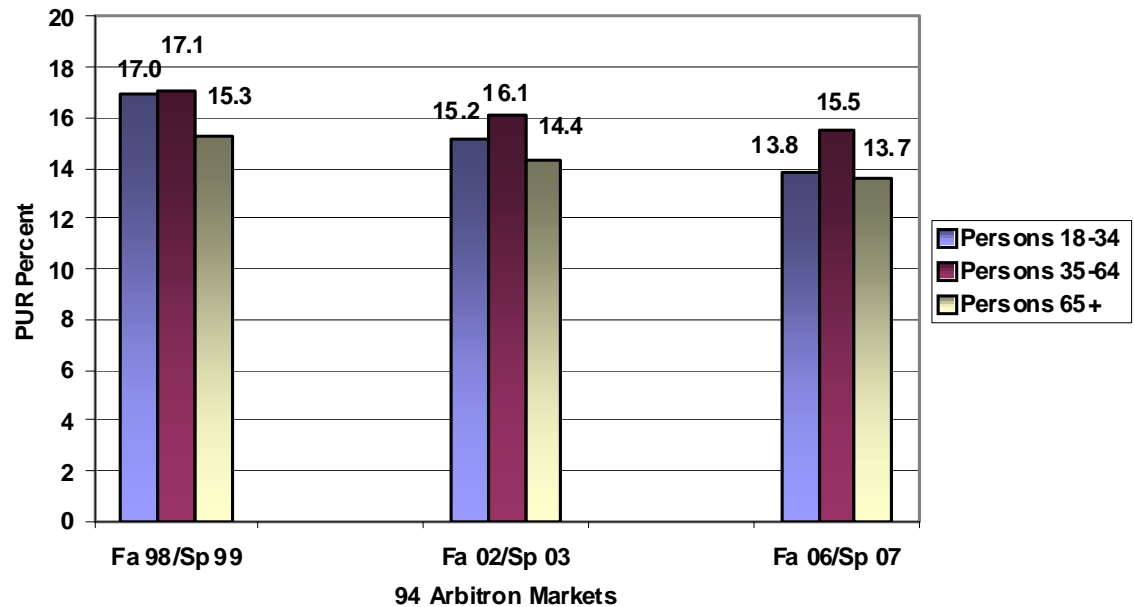
As of Spring 2007, 13.8 percent of persons 18-34 years old were listening to radio in an average quarter hour. In contrast, PUR among the 18-34 year olds of Spring 1999 was 17 percent.

The level of radio listening among today's 35-64 year olds (15.5 percent) is higher than among 18-34 as well as seniors 65+. That's fortunate because public radio's signature programming appeals mainly to 35-64 year old adults.

Still, 8 years ago the 35-64 year olds of Spring 1999 were listening to radio at a level of 17.1 percent – 1.6 points higher than Spring 2007.

Keep in mind that radio listening, while in a gradual decline, still towers over new media like HD, satellite and streaming.

Radio Listening Levels By Demo
Fa98/Sp99 - Fa06/Sp07



The original source for the data in this chart is Arbitron's American Radio Listening Trends, which tracked 94 metro markets with quarterly measurement. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The figures are AQH rating to radio or PUR, Monday-Sunday 6am-12m.

THE RISE OF FM: The Decline of AM

AM Radio in Decline, FM Listening Still Strong

For years it was commonly reported that the level of listening to radio – Persons Using Radio – was declining.

By the RRC's analysis of Arbitron Nationwide, PUR to all radio peaked in 1983 at 18.2 percent of persons in an average quarter hour. By 2007 the level of radio use was down to 13.8 percent.

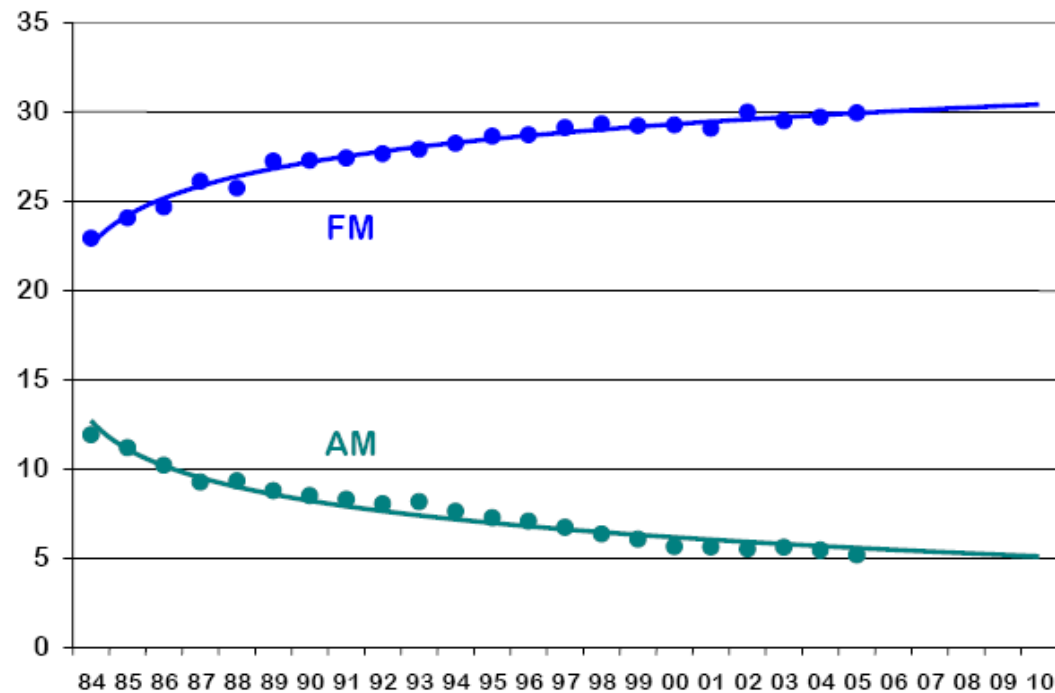
The common wisdom was that radio as a medium was sliding away.

But along came *Audience 2010* with a break-through finding. Nearly the entire decline in listening was lost on the AM band. FM radio was not in decline.

As of Spring 2005, about 30 million persons were using FM in an average quarter hour while only 5 million were using AM.

This is most fortunate for public radio, which is primarily associated with the FM band. We control valuable channels.

Trend in Persons Using Radio FM vs. AM – AQH in Millions



The original sources for this chart are Arbitron's Nationwide and Duncan's American Radio analyzed for *Audience 2010: Historic Sources of Growth*. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The figures are AQH persons 12+ for all radio, Monday-Sunday 6am-12m, in millions.

SATELLITE RADIO: Not Yet Competitive

Minimal Audience for News, Classical and Jazz On Satellite

Audience 2010 found that public radio's loss of momentum was not due to competition from Sirius and XM satellite radio. That finding was based on analysis of Spring 2005 Arbitron data.

Arbitron issued its own report based on Spring 2007, rating 200 channels for Sirius and 250 for XM. With the major exception of Howard Stern, nearly all of the channels show a 0.00 AQH rating.

For this chart, we selected the satellite channels that might compete with public radio programming: 26 news/talk channels, 11 jazz/blues and 6 classical.

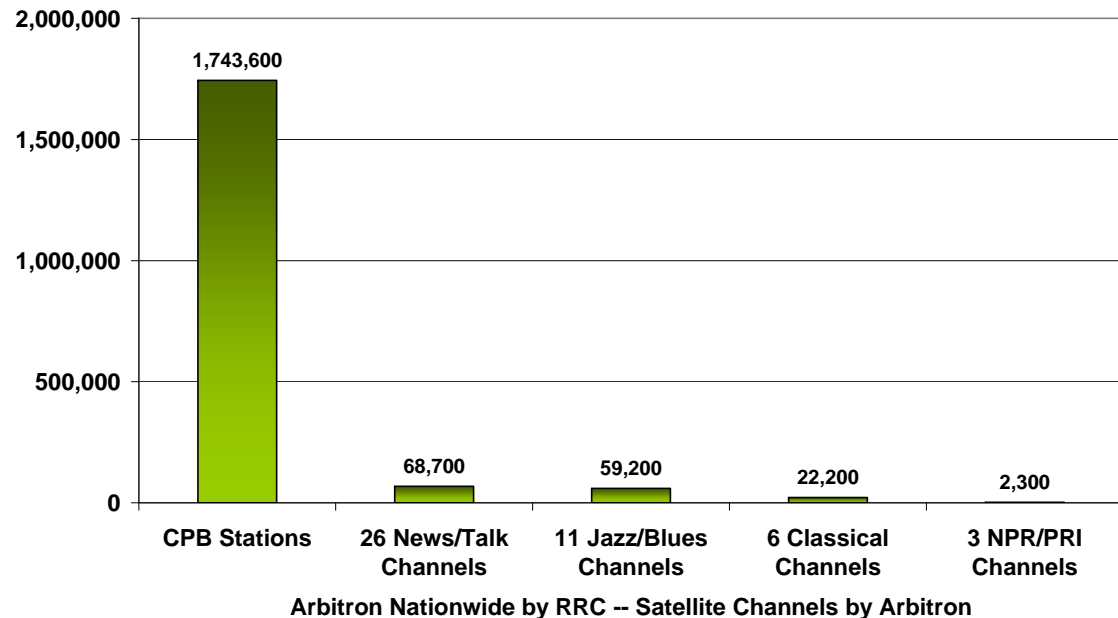
Together, the 43 channels attract 150,000 persons listening, only 3,500 per channel.

We also looked at NPR's 2 channels on Sirius and the PRI channel on XM. The 3 together have 2,300 persons listening.

For the type of programming that might be similar to public radio, the audience listening to satellite radio is minimal.

Listening to CPB Stations vs Satellite Channels

Average Listening Audience -- Spring 2007



The original source for the data in this chart is Arbitron's Nationwide as processed by the Radio Research Consortium and Arbitron's National Satellite Report. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The figures are AQH persons 12+, Monday-Sunday 6am-12m. The CPB stations estimate includes all markets, but satellite does not include Houston or Philadelphia.

News/Talk channels include CNN, BBC, Air America, Bloomberg, Fox and 21 others.

Jazz/Blues channels include Pure Jazz, Sinatra, Beyond Jazz and 8 others.

Classical channels include Symphony Hall, Metropolitan Opera, Vox and 3 others.

PUBLIC RADIO STREAMS: Only a Fraction of Broadcast

Measuring Online Listening to Public Radio

CPB has assembled a comprehensive tabulation of streaming activity by public radio stations. We identified the leading public stations based on server measures.

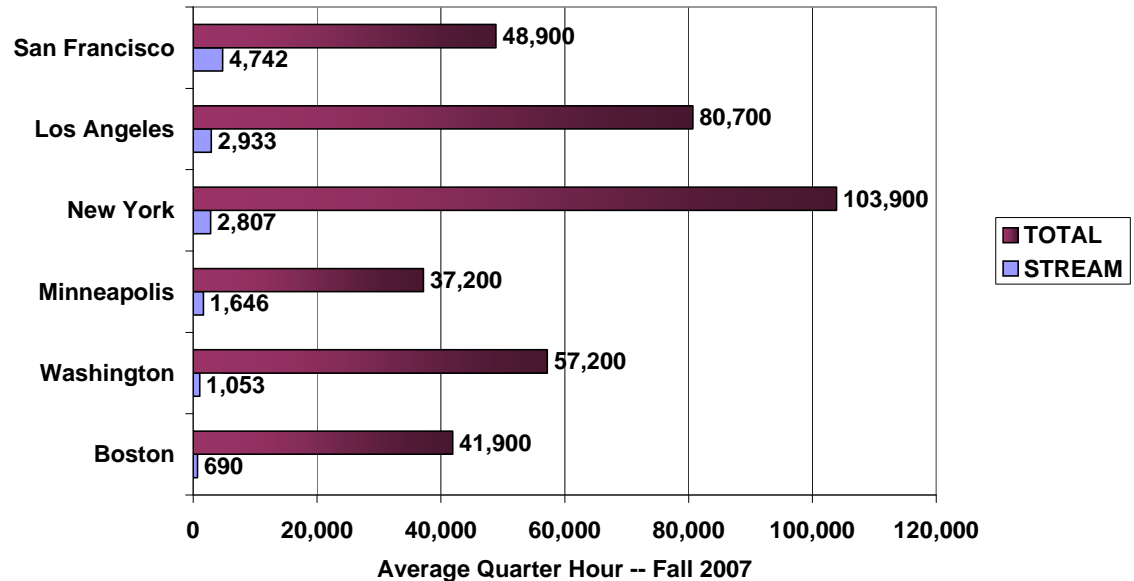
In the 6 markets we selected for this chart there were 18 CPB stations, each generating over 100,000 Aggregate Tuning Hours per month. We translated the ATH figures into Average Quarter Hour for direct comparison to Arbitron.

The chart shows the size of the Internet audience by CPB relative to the total audience (broadcast and Internet) by Arbitron. Keep in mind that one station may operate multiple Internet streams.

In New York, based on 5 leading stations, their streams added together served an Internet audience of 2,807 persons. Their total listening audience was 103,900 AQH persons.

Since Arbitron's diary captures listening to streams, you cannot add the Internet audience to the broadcast audience, unless the streaming is out of market.

Internet Stream vs Total Audience
18 Stations -- 6 Large Markets



The original source for the broadcast audience data in this chart is the Fall 2007 Arbitron, AQH Persons 12+ Mon-Sun 6am-12mid, Total Survey Area. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The streaming audience data was provided by the Corporation for Public Broadcasting, based on server-side measurement collected by Integrated Media Association. The streaming audience includes all online listening, including international use.

The stations are KQED, KCSM, KPCC, KUSC, KCRW, WNYC A/F, WSHU, WBGO, WFUV, KNOW, KSJN, KCMP, WETA, WAMU, WBUR, WGBH and WUMB.

INTERNET RADIO: The Computer at Work

Internet Streams Convenient For Professionals at Work

Beyond the finding that the Internet radio audience is still quite small, how can we take advantage of this new opportunity for public radio?

Edison Media Research has produced an excellent series of studies about new media. We selected a set of findings that paint a picture of the typical use of Internet radio by public radio listeners.

Edison's most recent finding is that among college graduates who are employed and listen to radio at work, 30 percent most often listen via the Internet rather than tuning a radio set.

That figure is only 12 percent among non-college grads, probably because educated professionals are more likely to use a computer at work.

Radio has persisted because it is always so convenient to use. Starting your car automatically turns on your favorite station. Arriving at work, your station is right there on your computer – so easy.

Edison Media Research: The Infinite Dial

Weekday Work Hours Are Prime Time for Online Radio

Mon-Fri 6-10A	452,300
Mon-Fri 10A-3P	1,247,000
Mon-Fri 3-7P	670,600
Mon-Fri 7P-Mid	129,100
Sat/Sun	120,600

February 2008, comScore/Arbitron, Total Measured Networks, AQH Persons

Digital Audio Users Still Listen to AM/FM Radio

Time Spent Listening to Radio per Day	
2:48	2:45
Total Persons 12+	Digital Audio Listeners

College Graduates Who Listen at Work, Most Often Use . . .

70 % Regular Radio	30 % Internet Computer
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The original source for these findings is *The Infinite Dial 2008: Radio's Digital Platforms*, the latest in a series of surveys on new media by Edison Media Research for Arbitron, Inc. All are available at www.edisonresearch.com or www.arbitron.com. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

NEW MEASUREMENT: PPM Ratings

The Ratings Will Change But Not the Audience Reality

By Arbitron's rollout schedule, in 2010 nearly half of the public radio audience will be measured by PPM, rather than the diary. Think about what that means:

- The diary and PPM both produce statistical audience estimates, subject to sampling error and measurement error. The real audience out there will not change with the PPM.
- Because the diary and PPM are fundamentally different ways to measure radio listening, it would be a big mistake to trend any audience estimate from the diary to the PPM.
- PPM measures when the meter picked up the sound of a radio station – whether not the human respondent was paying attention.
- The fundamental appeal of public radio to highly educated, active and affluent listeners will not change.

Arbitron PPM™ Rollout Schedule*

(January 2008)

% of 12+ U.S. Pop	2007 Rank†	Market	In-tab Target‡	PPM Pre-Currency Data	PPM Currency	Last Diary Report
1.68%	7	Philadelphia	1,530	Jan/Feb 2007	March 2007	Fall 2006
1.80%	6	Houston-Galveston**	1,361	Apr/May 2007	June 2007	Winter 2007
5.94%	1	New York†	3,878	Oct 2007-Aug 2008	September 2008	Spring 2008
0.91%	18	Nassau-Suffolk (Long Island)*	1,080	Oct 2007-Aug 2008	September 2008	Spring 2008
0.53%	38	Middlesex-Somerset-Union*	694	Oct 2007-Aug 2008	September 2008	Spring 2008
4.22%	2	Los Angeles	2,456	July/Aug 2008	September 2008	Spring 2008
0.71%	26	Riverside-San Bernardino	799	July/Aug 2008	September 2008	Spring 2008
3.01%	3	Chicago	1,946	July/Aug 2008	September 2008	Spring 2008
2.31%	4	San Francisco‡	2,141	July/Aug 2008	September 2008	Spring 2008
0.57%	35	San Jose*	866	July/Aug 2008	September 2008	Spring 2008
1.93%	5	Dallas-Ft. Worth	1,361	Oct/Nov 2008	December 2008	Summer 2008
1.63%	9	Washington, DC	1,331	Oct/Nov 2008	December 2008	Summer 2008
1.50%	11	Detroit	1,440	Oct/Nov 2008	December 2008	Summer 2008
1.65%	8	Atlanta	1,335	Oct/Nov 2008	December 2008	Summer 2008
1.50%	10	Boston	1,519	Jan/Feb 2009	March 2009	Fall 2008
1.37%	12	Miami-Ft. Lauderdale-Hollywood	1,553	Apr/May 2009	June 2009	Winter 2009
1.29%	14	Seattle-Tacoma	1,219	Apr/May 2009	June 2009	Winter 2009
1.23%	15	Phoenix	1,001	Apr/May 2009	June 2009	Winter 2009
1.04%	16	Minneapolis-St. Paul	1,136	Apr/May 2009	June 2009	Winter 2009
0.97%	17	San Diego	1,080	Apr/May 2009	June 2009	Winter 2009
0.91%	19	Tampa-St. Petersburg-Clearwater	1,016	July/Aug 2009	September 2009	Spring 2009
0.89%	20	St. Louis	1,103	July/Aug 2009	September 2009	Spring 2009
0.87%	21	Baltimore	1,080	July/Aug 2009	September 2009	Spring 2009
0.87%	22	Denver-Boulder	968	July/Aug 2009	September 2009	Spring 2009
0.77%	24	Pittsburgh, PA	1,088	July/Aug 2009	September 2009	Spring 2009
0.79%	23	Portland, OR	889	Oct/Nov 2009	December 2009	Summer 2009
0.69%	28	Cleveland	1,016	Oct/Nov 2009	December 2009	Summer 2009
0.70%	27	Sacramento	968	Oct/Nov 2009	December 2009	Summer 2009
0.68%	29	Cincinnati	945	Oct/Nov 2009	December 2009	Summer 2009
0.62%	32	Kansas City	878	Jan/Feb 2010	March 2010	Fall 2009
0.63%	30	San Antonio	885	Jan/Feb 2010	March 2010	Fall 2009
0.63%	31	Salt Lake City-Ogden-Provo	776	Jan/Feb 2010	March 2010	Fall 2009
0.60%	33	Las Vegas	653	Jan/Feb 2010	March 2010	Fall 2009
0.55%	36	Milwaukee-Racine	881	Apr/May 2010	June 2010	Winter 2010
0.73%	25	Charlotte-Gastonia-Rock Hill	919	Apr/May 2010	June 2010	Winter 2010
0.53%	39	Providence-Warwick-Pawtucket	581	Apr/May 2010	June 2010	Winter 2010
0.57%	34	Orlando	709	Apr/May 2010	June 2010	Winter 2010
0.55%	37	Columbus, OH	806	Apr/May 2010	June 2010	Winter 2010
0.51%	41	Norfolk-Virginia Beach-Newport News	795	July/Aug 2010	September 2010	Spring 2010
0.52%	40	Indianapolis	926	July/Aug 2010	September 2010	Spring 2010
0.51%	42	Austin	671	July/Aug 2010	September 2010	Spring 2010
0.48%	43	Raleigh-Durham	679	July/Aug 2010	September 2010	Spring 2010
0.46%	44	Nashville	698	July/Aug 2010	September 2010	Spring 2010
0.45%	45	Greensboro-Winston Salem-High Point	743	Oct/Nov 2010	December 2010	Summer 2010
0.43%	46	West Palm Beach-Boca Raton	701	Oct/Nov 2010	December 2010	Summer 2010
0.36%	55	New Orleans	926	Oct/Nov 2010	December 2010	Summer 2010
0.43%	47	Jacksonville	675	Oct/Nov 2010	December 2010	Summer 2010
0.42%	49	Memphis	510	Oct/Nov 2010	December 2010	Summer 2010
0.41%	50	Hartford-New Britain-Middletown	765	Oct/Nov 2010	December 2010	Summer 2010

† Rank as of Fall 2007. Rollout schedule was based on Fall 2005 Market Rank and is subject to change.
‡ 75% of installed Panel Target

* Embedded Market
** PPM Radio Ratings Data for Houston-Galveston accredited by NRC

† Includes embedded markets (Nassau-Suffolk and Middlesex-Somerset-Union) panels.
‡ Includes embedded market (San Jose) panels.

† Schedule subject to change
For more information: jay.guyther@arbitron.com

SECTION ONE: Public Radio's Broadcast Audience

SECTION TWO: Public Radio's Appeal

SECTION THREE: Channels and Platforms

SECTION FOUR: Competition for Service

- **Ranked By College Share, Public Radio Can Lead Market**
- **Commercial News/Talk Competes For Older College Graduates**
- **Contemporary Music Competes For Younger College Graduates**
- **Public Radio Listeners Read National Newspapers, Limit Viewing Of Television**
- **Public Radio Listeners Read Serious Magazines, Seek Useful Information Online**

SECTION FIVE: Value and Values of Public Radio

COLLEGE SHARE: Market Leaders

Ranked By College Share, Public Radio Can Lead Market

Commercial radio stations are typically ranked by target demographics such as 18-34 women or 35-54 men. A different view of the market is revealed when stations are ranked by college share.

For this chart, we looked at 10 large markets, ranking stations by share of listening among college graduates 25+.

In 4 large markets the leading NPR news station ranked #1 by college share!

Public radio stations are highlighted in the chart. N/T designates commercial news/talk stations.

Keep in mind that these large markets vary by composition of college graduates, and in 4 of these markets the NPR news audience is divided up by more than one station.

College share can be a useful concept when we think about growing the audience for public radio.

Stations Ranked By College Share 25+ Ten Top Markets

	NYK	LOS	CHI	SNF	DAL	ATL	WDC	DET	BOS	MIA
Rank										
1		N/T	N/T	NPR		N/T	NPR	N/T	NPR	NPR
2	Class		N/T	Class	N/T	NPR/Cls	N/T	N/T		
3	N/T	NPR	NPR	N/T			Class		N/T	
4		Class	N/T	N/T	NPR				N/T	
5	NPR	N/T		N/T			N/T		Class	
6	N/T									
7	N/T				Class				N/T	
8		N/T	Class							
9										
10		NPR								
11		N/T		N/T				NPR	NPR/Cls	N/T
12								NPR		
13		N/T		NPR		N/T	N/T	Class		N/T
14				Jazz	N/T					
15										

The original source for the data in this chart is Arbitron's MaximiSer diary database as processed by National Public Radio. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The ranking is based on Fall 2007 Mon-Sun 6a-Mid 25+ College Grad Metro Share.

COMPETING FOR OLDER GRADS: News/Talk

Commercial News/Talk Competes For Older College Graduates

Aside from public radio, what are the format preferences of college graduates?

To answer that question we looked at 10 top markets as in the previous chart.

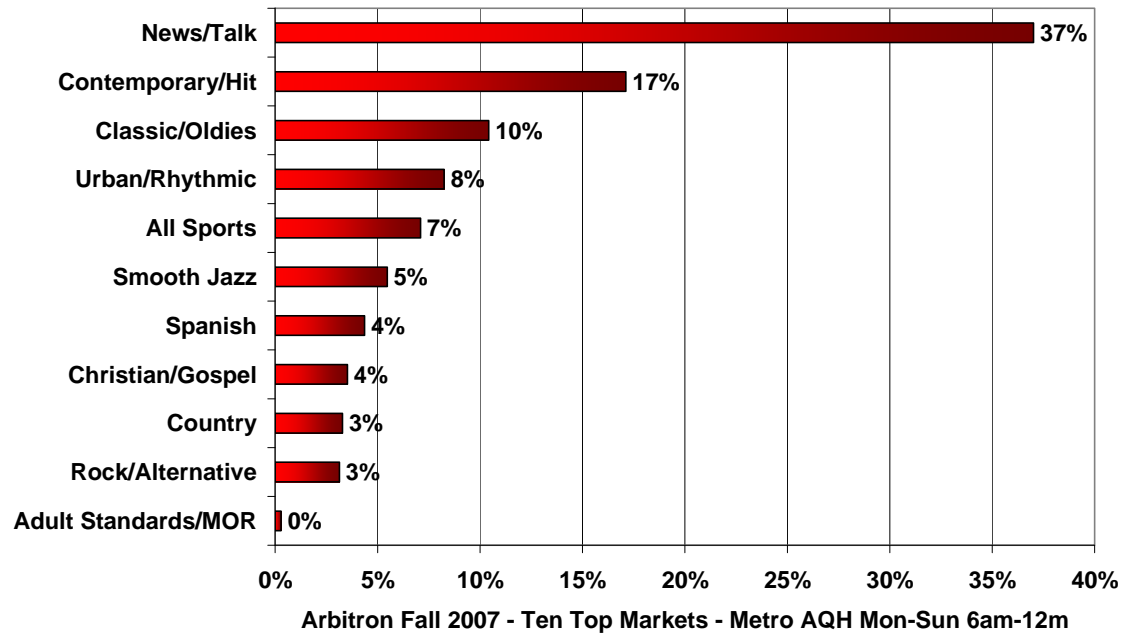
We recalculated share of listening after excluding public radio and commercial classical from the mix.

This chart shows the results for older college graduates – those who are 45+.

Clearly, the big competitor for older college grad listening is the commercial news/talk format. That includes the Arbitron categories of All News, News Talk Information and Talk/Personality.

Why are these college grads listening to commercial news/talk instead of public radio?

Format Share of Listening by 45+ College Grads Excluding Public Radio and Commercial Classical



The original source for the data in this chart is Arbitron's Maximi\$er diary database as processed by National Public Radio. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The recalculated share is based on Fall 2007 Monday-Sunday 6a-Mid 45+ College Grad Metro AQH.

COMPETING FOR YOUNGER GRADS: Contemporary Music

Contemporary Music Competes For Younger College Graduates

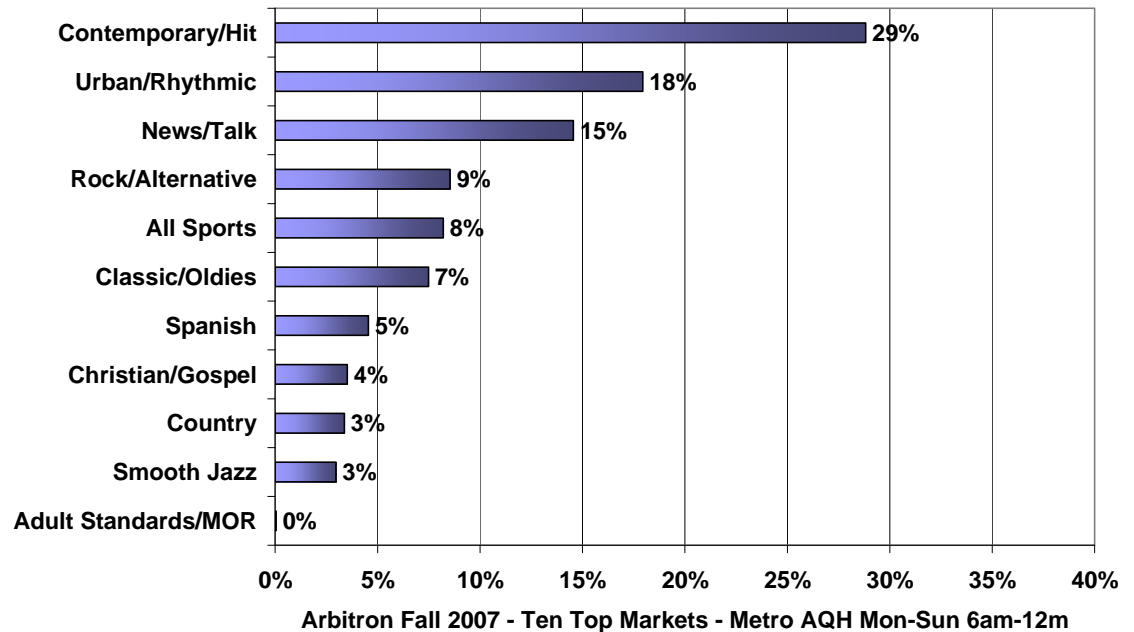
Among younger college graduates 25-44, we found that the main competition for public radio is popular music.

Excluding listening to public radio and commercial classical, we recalculated 29 percent of their listening going to contemporary/hit formats. Another 18 percent goes to urban/rhythmic formats.

Only 15 percent of this listening by younger college grads is captured by commercial news/talk stations. Would they listen if public radio designed an information format for younger college graduates?

The first bar in the chart includes Adult Contemporary, Adult Hits, Pop Contemporary Hit, Hot Adult Contemporary, and Modern Adult Contemporary. The second bar includes Rhythmic AC, Rhythmic Contemporary Hit, Rhythmic Oldies, Urban Adult Contemporary, and Urban Contemporary.

Format Share of Listening by 25-44 College Grads Excluding Public Radio and Commercial Classical



The original source for the data in this chart is Arbitron's Maximi\$er diary database as processed by National Public Radio. Arbitron estimates and data are copyrighted by and proprietary to Arbitron, Inc.

The recalculated share is based on Fall 2007 Monday-Sunday 6a-Mid 25-44 College Grad Metro AQH.

NEWSPAPERS ARE IMPORTANT COMPETITORS: Not Television

Public Radio Listeners Read National Newspapers, Limit Viewing Of Television

Public radio is often thought of as a component of the broadcast media, but our listeners, especially NPR news fans, are light users of television.

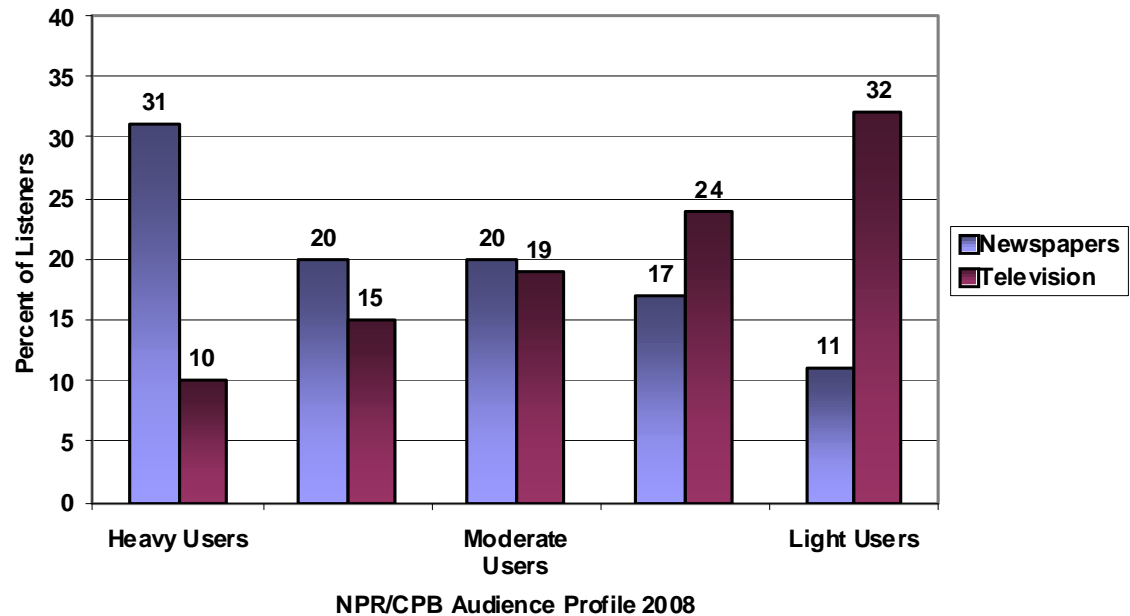
The chart shows that 32 percent of public radio listeners are very light users of TV. But 31 percent are very heavy users of newspapers.

Looking deeper into the NPR/CPB Profile, we see that public radio listeners index 436 on readership of the Sunday New York Times. That means they are over 4 times as likely to read the Times compared to the general population.

They also index 306 on the Wall Street Journal and 300 on the Washington Post.

Looking for cable TV channels that tend to appeal to our listeners, we came up with a short and elite list: BBC America 216, Independent Film 212, and Sundance 214.

Use of Newspapers And Television By Public Radio Listeners



The original source for the data in this chart is MRI Doublebase 2007 as processed by NPR Audience Insight and Research for Profile 2008.

Heavy users of newspapers read 25 or more in a month. Light users read zero.

Heavy users of television view 86 half hours per week for men and 94 for women. Light users view fewer than 20 half hours per week.

HEAVY INTERNET USERS: Serious Magazine Readers

Public Radio Listeners Read Serious Magazines, Seek Useful Information Online

Highly educated people, like public radio listeners, are readers. They tend to be heavy users of magazines, and now they seek out information on the Internet.

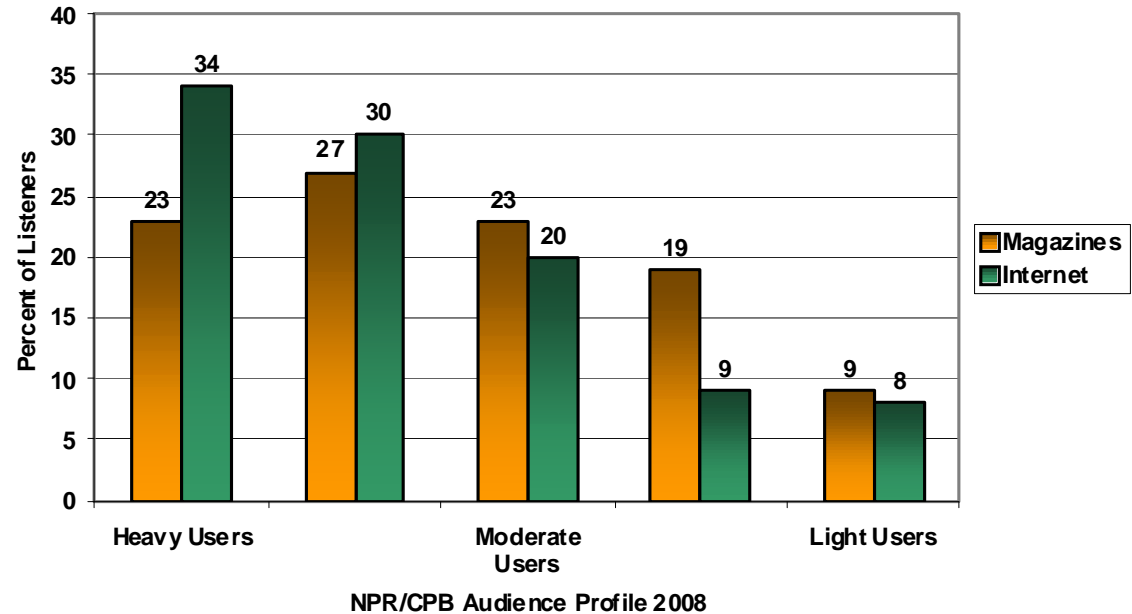
The chart shows that 23 percent of public radio listeners are very heavy users of magazines, with 27 percent in the adjacent segment. Of course, their choices are serious and elite: Atlantic Monthly indexes at 645, New Yorker 512, Sierra 469, and Economist 445.

Public radio listeners also skew very heavy on use of the Internet. 64 percent fall into the two heaviest segments.

Online, they are information seekers:

Visit Online Blogs	257
Listen to Internet Radio	212
Personal or Business Travel	192
Made Business Purchase	191
Investments Stocks	187
Made Personal Purchase	179
Latest News/Current Events	174

Use of Magazines And Internet By Public Radio Listeners



The original source for the data in this chart is MRI Doublebase 2007 as processed by NPR Audience Insight and Research for Profile 2008.

Heavy users of magazines read at least 15 (men) or 18 (women) per month. Internet use is measured in number of times per month. 72 percent of public radio listeners use the Internet every day.

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SECTION FIVE: Value and Values of Public Radio

- **A Substantial Knowledge Base on Value and Values**
- **Covering This Place As NPR Covers the World**

VALUE AND VALUES: From the Listener's Perspective

A Substantial Knowledge Base on Value and Values

Aside from the quantitative measures of listening, we can build on our substantial base of qualitative research into the Core Values of public radio.

In 2001 PRPD commissioned focus groups on the value of local news from the perspective of listeners.

The next year SRG and PRPD, with CPB funding, researched the uses and gratifications of the classical music format. Psychographic profiles of classical listeners vs. NPR news listeners helped to differentiate two distinct audiences for public radio. In 2004, SRG and PRPD commissioned focus groups with listeners to classical music on dual format stations.

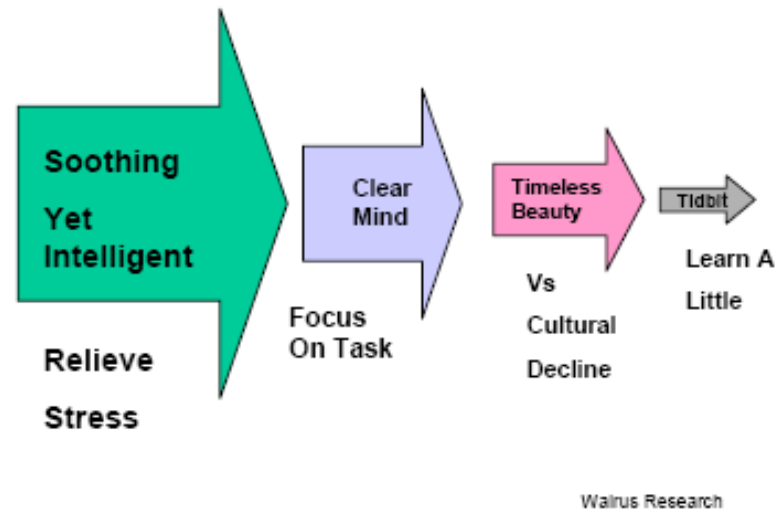
Also in 2004 SRG and PRPD extended the Core Values research into the jazz format, articulating its unique value and values from the perspective of listeners.

The chart shows just one example—the value model for classical music.

Public radio is clearly moving in the direction of multiple, differentiated program streams in which focused formats increasingly stand alone on a given station's schedule . . . We need a sharp understanding of the unique appeal, core values and importance to listeners of each of our major content choices.

-- SRG 2002

USES AND GRATIFICATIONS OF THE CLASSICAL MUSIC FORMAT



VALUE AND VALUES: When Local Matters

Covering This Place As NPR Covers the World

NPR and PRPD carried the Core Values tradition forward through the Local News Initiative. The theme for 2006 was *Sense of Place: the Value and Values of Localism in Public Radio*.

36 focus groups were conducted across 9 markets to determine the best way that local news programming could deliver value to public radio listeners.

The finding was that listeners feel a strong Sense of Place. They would value local coverage of their place, if the station produced programming that projects the Core Values of public radio.

In 2007 NPR's LNI funded the next stage of value research, *Localism and Morning Edition*. The method was program testing of local newscasts and features inserted into the network news magazine. Local inserts are valued when they are conceived and produced from a global perspective.

Reports available at walrusresearch.com.

SENSE OF PLACE: KEY FINDINGS

Focusing on the listener's Sense of Place could increase the personal importance of locally produced programming.

But focusing on Sense of Place will not save local news and information programming that fails to deliver essential Core Values such as depth, intelligence, authenticity, civility and a wider, even global perspective.

-- Walrus Research 2006

LOCALISM AND MORNING EDITION: KEY FINDINGS

Local coverage during Morning Edition is valued if it provides a wider context and a global connection. Facts must be interpreted for greater meaning.

There is little value delivered by a local news story if it was conceived and developed from a merely local perspective. Listeners apply the same standards to local coverage as they do to NPR's network coverage.

-- Walrus Research 2007

LOOKING FORWARD: Greater Use, Deeper Value

Situation Analysis

Presented to the Public Radio Audience Growth Task Force