

Making the Web Work

by Bob Papper and Michael Gerhard

“Consumers want it all,” says Jody Dodson, Executive Vice President of cPulse, the Internet satisfaction monitor. “They’re demanding more and more in-depth information, and it must be up-to-date.”

Meeting those expectations isn’t easy. With generally limited resources, broadcasters clearly struggle with everything from philosophical concepts to staffing to content. And while most believe it will all pay off, almost no one is making money right now.

Except Jerry Hinrikus. “It’s like putting another radio station on the air,” says Hinrikus, vice president and general manager of a group of six radio stations in Kansas, “but you didn’t have to go out and buy a tower and a transmitter and literally have \$500,000 wrapped up in equipment.” More on what may be America’s most successful station web site coming up; first, the day to day struggles of most broadcasters.

“You have to be in the game to be prepared for the future,” says Al Carl, news director at WAAY-TV in Huntsville, AL, whose site uses WorldNow. “You embrace the Internet, or you die.”

The most recent RTNDA/Ball State University Survey found plenty of optimism about the future of station web sites—and significant concerns and sometimes confusion about the present.

“The audience wants what the television station has to offer and more,” says Sandhi Kozsuch, Vice President of Audience Development at WorldNow in New York City. “And I put emphasis on the *and more*.”

As almost everyone could be quoted saying, “It’s all about content.”

“News directors spend hour after hour, picking apart newscasts,” says Cory Bergman, managing editor and webmaster at KCPQ-TV in Seattle and founder of the Internet publication, *The Lost Remote*, “but they rarely ever look at their own web site, and that sends a powerful message in the newsroom.”

Content:

The RTNDA/Ball State University Survey found local news and local weather to be at the top of the list that the web audience is interested in.

“It’s just like TV news,” notes news director Mike Cutler at WTVF-TV in Nashville, TN, where they developed their own web site. “Weather is still the big driver.”

“Overall, it’s a third news, a third weather, a third other,” says Reid Johnson, president and founder of Internet Broadcasting System (IBS) in Minneapolis. “The stations where you’ll find weather as the overwhelming site of interest is because they’re doing a lousy job in news.”

“Focus on core competencies first,” Kozsuch tells his clients. “Get online news right, get online weather right, then other areas.”

What follows news and weather depends on what the station does well--on the air *and* on the web. That could be health, consumer, food (recipes), sports, traffic, etc.

Hispanic Broadcasting Corporation Interactive web sites include chat rooms with the disc jockeys, studio cams for people to see them, contests, streaming audio and more. “It’s the visual side of our radio stations,” says Margarita Grillo, national public relations director. The radio station sites are inside city guides on their 13 markets—with material available in both Spanish and English.

“It’s got to be current to win this thing,” agrees Jon Quick, director of news and programming at WIBC Radio in Indianapolis. “It’s got to be as instantaneous as radio is, with extensive news, weather, traffic, sports, plus information and chat rooms.”

Quick says that by the time you read this, LMiV, Local Media Internet Venture, will be up and running. The consortium of web sites will cover 190 member radio stations owned by Bonneville, Corus, EMMIS, Entercom, and Jefferson Pilot.

Succeeding in content requires either some serious staffing or a serious attitude change on the part of both staff and management.

“I say to my staff, this is as important as any newscast you’re working on,” says Scott McIntyre, news director at WTRF-TV in Wheeling, WV. “In the past, it’s been, ‘I’ll work on the web page when I get time, if I get time,’ and now it’s like, you’re going to do it before you work on any stories for the newscast.”

Driving Audience to TV:

Anyone can drive audience from a station to its web site, but can you drive it back again?

“That’s our weakness,” admits Rick Iler, news director at KCEN-TV in Waco, TX, where

they developed their own web site. He's not alone, and there's uncertainty even among believers.

"I'd like to see a little more synergy where we are promoting each other," says Crys Quimby, director of news and programming at KFWB Radio in Los Angeles.

"I don't think we've really tapped into that too much here," agrees Mike Carey, news director at WROW Radio in Albany, NY.

Lynn Heider, news director at WEWS-TV in Cleveland, which uses IBS, notes that it's not easy to tell. "If the ratings go up on a show," she wonders, "was it that we did a good job promoting it on air, or was it the web? It's hard to say,"

But Heider sees other positive contributions. Her "cyberjournalists" have generated story ideas for the news, they've helped on-air reporters do online research, and they've helped to locate subjects for stories—like people whose cars have been stolen.

Most news directors we spoke with have web banners promoting the news, although several acknowledged that they're a lot more topical during sweeps months. Many of the stations use opinion polls where people vote on the web and watch the TV for results.

Eric Pearson, news director at KTSM-TV in El Paso, TX, where they developed their own web site with a local partner, says they get news ideas by watching which poll questions get strong response.

Cutler runs a Survivor game on the web site of the CBS affiliate. They also sell station-related items, including stuffed versions of their news hound mascot. During sweeps, the web site follows a court case for a week and invites people to vote for which side they think is right. "We did it with a child custody case one time," says Cutler, "although we probably

won't do that again. Maybe a little too insensitive.”

Bob Freeman, news director at WFIE-TV in Evansville, IN, who uses WorldNow, does a “Battle of the Bands” every week in football season. People vote on the web, the station’s meteorologist presents weekly trophies at halftime, and at the end of the season, the top five vote-getters vie for the championship and a \$1,000 check. “I know we’re talking football,” says Freeman, “but it was a home run. It was awesome.”

Freeman says his ratings for the second quarter hour of the news in November equal and occasionally exceed first quarter hour.

“During sweeps,” Heider says, “every story needs to have a web tie, something extra that’s on the web.” That could be more information, longer interviews, a viewer poll, something not on TV.

“Television does some stuff well,” Johnson notes. “The web does complementary things well, offering the depth at the web site that the television station can’t do. That’s why you have to produce the content together.”

Stations looking just for profit from their web site may miss the bigger picture.

“When a big story breaks, if a TV web site drops the ball, people are going to dial up your competition’s site,” says Bergman. “Now, whose newscast are they more likely to watch? I think loyalty is loyalty whether it’s on the TV or on the web. It’s all the same brand and I think people recognize that.”

Profit:

Different stations may have different approaches to the web, but almost everyone shares one common experience: not making any money. Only 7 percent of TV stations and 4 percent of radio stations reported making a profit on their web site.

“I have one guy who works on the web page,” says Iler, “and I guarantee you, we’re not even making enough money to pay him each month right now.”

“No, we’re not in black yet,” says Heider. The site has been in operation for two years, with four people on the content side plus sales and support at IBS.

“We don’t have a web site just to have a nice, cool web site,” says Freeman. “It’s designed to make money.” Although it’s not profitable yet, Freeman says it’s getting there since they hired someone specifically to sell it.

That’s part of the key. According to successful operators, if the web site isn’t sold separately, it’s unlikely to make much money.

“Our sites drive into black between 12 and 24 months,” says Johnson, who credits their national sales effort with speeding the process. “Anywhere between a quarter and half of the web site’s revenue is national.”

On a relative basis, probably no broadcast site does as well as ebclink.com. News content is handled by the four people in news for the six stations in Salina and Abilene, Kansas. There’s a webmaster and three salespeople. One sells the web, one sells the four streaming audio channels on the web (in addition to the four streaming audio channels for their stations), and one sells the classified.

According to Hinrikus, the web site generates more revenue than one of their radio stations and is starting to challenge another. See separate box for more on ebclink.com.

Future:

“I think most of us in the media are fairly impatient people,” says Kozsuch, “but building brand recognition in the consumer takes years, so we have to be patient.”

Johnson sees a business “rivaling local radio stations for revenue.” He also sees consolidation. “I think that strong newspaper and television sites are going to try to figure out ways of uniting because of the economics that are involved,” says Johnson.

“These are the days of partnerships,” says Quick. “It seems like everybody is partnering with everybody else. It used to be that newspapers wouldn’t talk to TV stations, and radio stations wouldn’t talk to TV stations. Now we’ve decided that we can draw strengths from each other.”

“The Internet is a long term play,” says Bergman, “and people need to realize that. In two to three years, stations with the best web sites, on average are going to be stations that have the best newscasts and the highest ratings.”

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and the Radio Television News Directors Association.

cPulse

Internet users prefer local news sites to national ones and will spend more time locally. Those are some of the results from ongoing research by cPulse, a company that monitors consumer Internet satisfaction.

Data from the third quarter of 2000 shows that local news consumers cared most about usefulness of articles, then freshness of content, ease of locating material, ease of navigation, download speed, relevance of articles they searched for, and depth of coverage. In contrast, the use of photos and visuals “consistently” ranked near the bottom, and if the pictures cause significant delays in download speed, they’re more of a deterrent than an attraction.

“It must be easy to use,” says Jody Dodson, executive vice president of cPulse. “News sites with slow page download and poor content organization will not survive into summer 2001.”

Those results come from the latest available Satisfaction Solutions Group–based on 8,340 respondents to six news-related web sites (primarily newspaper)

Web site: www.cpulse.com

The Lost Remote

Cory Bergman at KCPQ-TV in Seattle said he saw a need for “a resource for TV web producers and salespeople.” When *theAntenna* went away, he started *The Lost Remote*. The free, weekly newsletter now goes to about 250 stations.

Typically, the newsletter covers web-related news, top web sites, case studies, commentaries on improving web sites, and more.

“It’s an emerging marketplace right now,” says Bergman, “but I think there’s going to be an amazing demand for new media as it applies to TV in the next few years.”

Web site: www.lostremote.com

ebclick.com

“I just think this is going to be our salvation in markets this size,” says Jerry Hinrikus, vice president and general manager of a group of six radio stations in Kansas.

On a relative basis, this could be the most profitable and successful broadcast web site in America. Hinrikus says the site already out-bills one of the radio stations in total revenue and is hot on the heels of the next one.

They run the web site like a newspaper: news, weather, sports, athlete of the week (complete with audio), obituaries, the pet page, arrests, divorces, etc. In general, if the newspaper carries it, so does the web site. And more. The site features eight streaming audio channels—four are station audio and four are just for the web site. Friday nights, in season,

ebclick.com runs eight high school games at the same time—all of them sold.

“Almost 50 percent of the homes in this market are hooked up to the Internet,” says Hinrikus. “That’s the same circulation penetration as our home town newspaper, and we didn’t have to go out and hire boys and girls to deliver the paper [or] get a printing press.”

Web site: www.ebclick.com

RTNDF Internet Study

Tim, Mark Thalheimer said he’d write a short sentence and you can get a picture of the booklet they’re selling for this sidebar.

Percentage of stations airing local news that have a web site:

All TV	91%	All Radio	75%
Market Size		Market Size	
1-25	97%	Major	87%
26-50	85%	Large	86%
51-100	88%	Medium	67%
101-150	95%	Small	59%
151+	83%		

The percentage of radio stations with web sites is up from 63 percent a year ago. All market sizes are up, although small markets are only marginally so.

In television, the percentage drops noticeably among stations with smaller news departments.

Percentage of stations airing local news that have web sites featuring local news content:

All TV	91%	All Radio	36%
Market Size		Market Size	
1-25	94%	Major	38%
26-50	100%	Large	31%
51-100	98%	Medium	31%
101-150	86%	Small	46%
151+	80%		

The percentage of TV stations running local news on their web site jumped from last year's 62 percent. All markets rose significantly, although stations with the smallest staffs showed the smallest gains. In radio, smaller stations and AM stations were more likely to run local news on their web site.

Of those stations running local news on the web site, does that include:

TV:	Images	Audio	Video	Radio:	Images	Audio	Streaming
All	70%	34%	44%	All	11%	48%	52%
Mkt 1-25	70%	41%	52%	Major	12%	69%	80%
Mkt 26-50	83%	42%	42%	Large	24%	55%	43%
Mkt 51-100	66%	36%	50%	Medium	6%	41%	38%
Mkt 101-150	78%	30%	41%	Small	0	19%	33%
Mkt 151+	57%	24%	24%				

TV shows no consistent pattern except that the smallest markets were less likely to run images, video, and audio. In radio, the bigger the market, the more likely the station to run images, audio, and to stream audio.

Profit and Loss on Broadcast Web Sites

	Profit	Breaking Even	Loss	Don't Know
All TV	7%	20%	32%	41%
All Radio	4%	14%	4%	78%

Television dropped from a year ago, when 11 percent of reporting stations said they were making a profit and 25 percent reported losing money. That could simply reflect greater knowledge of

the financial side of the business. Smaller stations and stations with smaller staffs were even less likely to make a profit. In radio, the percentage reporting a profit doubled from last year's 2 percent.

News Director's Role with Station Web Site:

	In Charge Overall	In Charge of News Content Only	No Management Role
All TV	22%	64%	14%
All Radio	16%	47%	37%

In both radio and television, the smaller the market, the more likely the news director to be in charge overall of the web site.

How News Directors Characterize the Web Site:

	TV	Radio
The web site gives the station an additional media outlet that is likely to be successful in the long term	76%	61%
The web site works well as a complement to our newscasts	73%	50%
The web site has been able to drive audience to our newscasts	32%	28%
The web site is a real drain on the limited resources of the newsroom	19%	9%
I'm not sure what the future of the web site will be	14%	26%
I'm not sure what the relationship is between our web site and our newscasts	11%	28%
When we promote the web site during newscasts, we lose audience to the web site during the news	3%	0
The web site takes away audience from our newscasts	2%	2%

Most of the answers to these various characterizations show no consistent pattern for either radio or television news directors. In television, the only news directors reporting a loss of audience are in top 25 markets. That may be why those news directors were a little less likely than others to see the web site as successful in the long term. TV web sites are clearly more of a drain on newsrooms with staffs from 21 to 50 people—which may reflect attempts to do extensive work on the web with a staff already stretched in on-air work. News directors in the smallest stations are most likely to be unsure of the relationship between the web site and the newscasts. Radio showed no consistent pattern with two exceptions. Major market news directors were most likely to see the web site as a long term success—and most likely to see it as a current drain on resources. Note that news directors could choose as many answers as they agreed with, so the figures will add up to far more than 100 percent.

We site models used by TV and Radio stations:

	Model A	Model B	Model C	Model D	Other
All Radio	21%	12%	60%	5%	2%
All TV	17%	18%	44%	13%	8%
Mkt 1-25	19%	12%	39%	19%	11%
Mkt 26-50	18%	10%	45%	9%	18%
Mkt 51-100	12%	17%	49%	10%	12%
Mkt 101-150	20%	24%	41%	15%	0
Mkt 151+	15%	25%	50%	10%	0

Model A: Partnership with a company that operates the web site, using station content, but the partnership hires all web workers.

Model B: Station pays an outside company for software templates and training, but the station hires all web workers and provides content.

Model C: Station solely responsible for web site operation, although it might hire outside workers to do some of the technical work.

Model D: Station uses network template for the web site.

Both television and radio news directors are ambivalent on the web site model they're using. In television, half the news directors said they were satisfied or very satisfied with whatever model they were using. About a quarter were neutral and about a quarter were dissatisfied or very dissatisfied. In radio, close to 60 percent were satisfied or very satisfied, with the rest split fairly evenly between neutral and dissatisfied/very dissatisfied.

Average number of people working on the web site (of stations running news on the web):

	Full Time	Part Time	Total
All Radio	1	1	2.0
All TV	1.2	1.1	2.3
Mkt 1-25	2.8	0.5	3.3
Mkt 26-50	1.4	1.2	2.6
Mkt 51-100	1	1.3	2.3
Mkt 101-150	0.6	1.1	1.7
Mkt 151+	0.4	1.1	1.5

In television, generally, the larger the market and the larger the staff, the more people who are likely to work on the web site. In radio, AM stations were far more likely to have more people

than FM stations.

Percentage of news staff with at least some web responsibilities

All TV	16%
Markets 1-25	7%
Markets 26-50	18%
Markets 51-100	19%
Markets 101-150	12%
Markets 151+	21%
All Radio	43%
Major Market	29%
Large Market	53%
Medium Market	24%
Small Market	100%

For both radio and television, generally, the smaller the market and news department, the higher the staff involvement in the web site.

Rank Order of Information Web Visitors Are Most Interested In:

Rank	All TV	All Radio
1	Local Weather	Local News
2	Local News	Local Weather
3	Other Sports	Local Sports
4	Bios	Other Information
5	Health	Bios
6	Headlines	National News
7	Other Information	Entertainment News
8	Live Cams	Headlines
9	Food	International News
10	National News	Consumer News
11	Local Sports	Education
12	Consumer News	Weather Elsewhere
13	Education	Other Sports
14	Weather Elsewhere	Traffic
15	Entertainment News	Health
16	Traffic	Live Cams

17	Money	Money
18	International News	Food

For both radio and television, local news and local weather came in first and second across the board. In television, most of the answers were fairly consistent across market size and station size except health, live cams, entertainment, and traffic. Health and live cams wandered up and down the lists without any consistent pattern. Entertainment came in at number 4 in top 25 markets but was otherwise consistently low. Traffic came in number 8 in top 25 markets but was otherwise consistently low. In radio, there were five inconsistent categories. Local sports came in the middle of the pack for the two largest markets but in the number 3 position in the two smallest market sizes. Conversely, national news finished higher in the two largest markets and lower in the two smaller ones. Traffic came in a surprisingly low number 11 in major markets and lower still in all the others. Interest in international news dropped steadily along with market size. Entertainment varied from near the top to near the bottom.

About the Survey

The RTNDA/Ball State University Survey was conducted in the fourth quarter of 2000 among all 1,387 operating, non-satellite television stations and a random sample of 1,193 radio stations. Valid responses came from 731 television stations (52.7 percent) and 120 radio news directors and general managers representing 278 radio stations.