



KUOW
Business Plan 2017-2021 V13

July, 2016

Background In a time of declining standards for journalism, where America’s trust in mass media is eroding¹, quality public media is more critical than ever. KUOW, Puget Sound’s most listened to public radio station, provides more than just thoughtful, in-depth news reporting. KUOW challenges its audiences toward insightful and critical thinking about the world – keeping citizens informed, engaged and connected.

As a non-profit independent news and information service, not beholden to commercial interests, KUOW is able to prioritize depth, quality and impact rather than market share and profit. Financially healthy, KUOW garners robust annual support from over 40,000 individuals and businesses in the community. It has successfully sustained the vast majority of its radio audience in a decade when national radio audiences have significantly declined.²

These national downward trends in radio audience are a harbinger of long-term risk. The dynamics that decimated print media over the past decade have arrived at radio’s doorstep. Specifically, massive competition from digitally delivered news, opinion, social media and podcasts is siphoning off audience and revenue. Public radio audiences are also aging while younger audiences with very different expectations of media are adopting new technologies.

The digital revolution is changing the relationship between NPR and local public radio stations. Listeners are now able to bypass their terrestrial radio signal, streaming NPR (or other news services) directly. Public radio’s privilege as the sole point of access for NPR content is gone.

So KUOW must work even harder to be uniquely relevant for local audiences while expanding the range of people who are attracted to its content – including those who prefer the advantages of digital media.

This document presents a draft set of concepts and strategies to advance KUOW, as well as promote informed public dialogue and a sense of shared community in an era where thoughtful civil discourse is increasingly scarce. It is ready for review and feedback from select community leaders. We believe the ideas that emerge from this exciting time of transition and evolution for KUOW will form the vanguard for advancing the public radio model for both the Puget Sound region and the nation.

"Whenever the people are well-informed, they can be trusted with their own government..." **President Thomas Jefferson**

¹ [Gallup poll](#) in September 2015, shows only 4 in 10 Americans trust mass media.

² KUOW’s audience has only declined 2% over the past decade in comparison to an approximately [10% decline](#) in the national public radio audience.

Our Intent

The intent of KUOW’s story telling is to cut through the information overload of our modern era and help listeners understand and engage with their world and community.

“Where is the wisdom we have lost in knowledge? Where is the knowledge we have lost in information?”

T.S. Eliot poem “The Rock” (1934)

It is all too easy and prevalent today, to listen only to those voices and points of view with which we agree. KUOW seeks to be a catalyst that helps bring people together – to be a social commons where people can develop a better understanding of the world through hearing a variety of voices.

To find stories that are impactful and that build bridges within the community and to stay relevant to audiences in the modern world, KUOW must go beyond the boundaries of traditional public radio.

Community Orientation & Local focus

Public radio stations are typically *inside-out* organizations, establishing editorial priorities and standards based on the knowledge of their journalism team or industry research. In that traditional world, the community is viewed as passive audience or donor.

Instead of this internally focused orientation, KUOW will develop an *outside-in* perspective to augment staff’s professional expertise, implementing practices and tools to listen to and engage with its audience. The community will become an active part of identifying the priorities and stories that KUOW chooses to cover. This outward focus will further build the station’s local relevance and help establish a clear identity of KUOW as ‘my local news source’ in the Puget Sound public mind.

Beyond Radio KUOW will establish a three-pronged approach for engaging its audience to expand beyond traditional radio. This will include:

1. Continuing to nurture its leadership in on-air radio.
2. Aggressively investing in a strong digital presence with KUOW.org and social media, so that its listeners can follow via any medium they prefer. KUOW will also foster online communities where healthy sharing and dialog can occur on the issues that matter most.



- Expanding its local community engagement and leveraging its strong capabilities of convening and facilitating conversations. This will include fostering direct dialog, cultural sharing, and storytelling across diverse community boundaries. In addition, KUOW will develop key relationships throughout the Puget Sound region that can help inform KUOW’s understanding of the local issues that matter.

Impact

It is a tenet of journalism that by building a common understanding of problems in society, solutions can be built towards a better future. Unfortunately, this broader impact of journalism is hard to measure and prove. Being able to determine that a particular social change occurred or that additional civic activity was catalyzed due to a media outlet’s coverage is a rare occurrence.³



Research can, however, be conducted to determine whether *individuals* are affected by the news KUOW provides. Did a person discuss or share a story with friends? Vote differently? Get involved? Change their behavior?

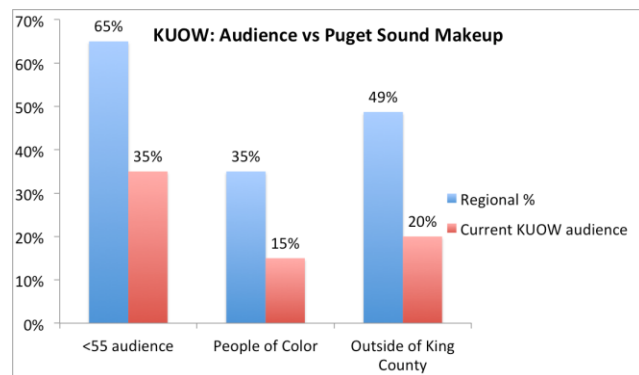
It is KUOW’s goal to be a leader in understanding the impact of its programming. KUOW will conduct ongoing research to determine whether its audience is more aware of current

news, or takes action based upon their awareness. This type of research is performed by very few media organizations; KUOW will be breaking rare ground. Refining these metrics will therefore be a work in progress and will evolve over time.

Diversity

KUOW seeks to attract a very broad audience – particularly listeners who are thoughtful, curious and interested in the world at large. However, the actual audience skews heavily toward a narrow demographic.

As this graph shows, KUOW’s audience is extremely under-represented across several key dimensions including race, age and region. These under-represented groups demonstrate audience potential nearly twice the



³ [Media Impact Project](#), USC Annenberg Norman Lear Center

size of that currently served by KUOW. While we will not convert everyone, we believe that a ~20% increase in audience size is attainable.

Attracting a diverse audience will require a diversity of voices on the air and in published content. KUOW needs to reflect the diverse community in which we live in the personas and voices it puts on the air and a diversity of perspective in those who make and manage content regardless of platform. The “story of us” has to be the story of all of us to achieve relevance, resonance, and reach into populations heretofore un-served.

Bottom line, as a public news institution, KUOW should be serving its entire community, not just a subset.

Initiatives

We will achieve this vision through six core initiatives, which support the outcomes described above and will transform KUOW over the next five years.

Local Content

KUOW currently produces more quality local news and information programming than any other station in the Puget Sound area. To many in the community, however, its coverage does not resonate as local.

Goal 1: Significantly improve local content and cement KUOW’s reputation as a *top of mind* quality local news source.

Activities

1. Perform market research to understand what the overall Puget Sound community is looking for and how well KUOW is addressing those expectations. Timing: FY2017.
2. Increase reporting capacity outside of Seattle, especially in south Puget Sound. Timing: FY17 and beyond.
3. Re-evaluate the qualitative aspects of KUOW content to create a better local and more personal connection, for both local and non-local news.⁴ Timing: FY2017.
4. Expand the reach of local content along with demographic and geographic diversity. Timing: FY2017 and ongoing.

Metrics (these measures are draft and will be finalized after market research is performed to identify audience expectations).

- KUOW is rated as “First choice” amongst listeners for local news.
- 2 local stories per ½ hour between 6:00am and 6:00pm (currently 1.5).

⁴ Note: While there is an ongoing and continuous effort to improve KUOW’s content standards, the above activities require a more intensive focus on improvements during the years indicated.

Digital

The future of media is online. 50% of Americans in 2013 cited use of the Internet as their main source for national and international news.⁵ And yet, digital audiences are, in the words of Jakob Nielsen, “selfish, lazy and ruthless”. Retaining their attention requires compelling content that grips a visitor’s attention and keeps them coming back for more.

Goal 2: Establish KUOW as a major influential digital news presence, covering the Puget Sound region with depth and intelligence.

To accomplish this, KUOW must become fluent in leveraging mobile content delivery, social media and KUOW.org to build online audiences. This will:

- Enable content to be consumed as the audience prefers.
- Attract specific communities with unique interests (e.g. the young, hyper-local, cultural).
- Enable KUOW to more easily ‘test and learn’ what audiences want, with rich data available to prove the results.
- Facilitate community dialog through social media, forums, message boards, etc., that can bridge the divide between different points of view.

This will require moving well beyond the limited resources currently dedicated to digital, as well as improving upon the very limiting NPR technology that underpins KUOW.org.

Activities

1. Migrate to a robust platform of digital technologies, including a website, mobile App, and content management system that allows control of where and how we publish our different stories. Timing: FY2017 through FY2019.
2. Deploy staff efficiently to produce more content, make multi-media skills ubiquitous, and integrate community engagement in every endeavor. Timing: FY2017 and beyond.
3. Improve ability to analyze visitor preferences and behaviors. Timing: FY2017 - FY2018.

Metrics

- Increase the number of website visits to over 900,000/month.
- Increase the number of regular website visitors⁶ to over 90,000/month (up from ~2,000/month, today).

⁵ [Pew study on news consumption](#), 1,500 random digit sample, August 2013

⁶ Currently defined as an individual who visits kuow.org five times or more per week.

- Increase the number of people who engage (take action) with KUOW content through shares, donations, re-tweets, comments, etc.⁷

Community Engagement

The intent of community engagement is to combine the power of a Town Hall with the bullhorn capacity of KUOW’s on-air and digital channels.

This is, by nature, an interactive and more personal engagement with the community; often driven by face-to-face interactions⁸, ongoing relationships, and an active role in facilitating connections and shared understandings. It is radically different from journalism that is ‘separate’ from the community in which it operates.

Goal 3:

Establish a pervasive KUOW presence in the community through events that enhance mutual understanding and community engagement.

By more deeply engaging with the diverse cultures in our region, the community engagement team and our reporting organization will be able to:

- Span political and geographical divides, connecting two or more communities together.
- Provide the public with direct exposure to other voices, often without the intermediary perspective of an ‘expert’.
- Create a space for dialog, actively engaging rather than just witnessing/reporting.
- Establish a listening post in the community in order to find powerful voices and stories. Build community connections to KUOW content producers and personalities.

The KUOW community engagement team has made a strong start with recent examples such as Storywallahs and Ask a Muslim. However, the goal is to become a much more pervasive “convener of choice” throughout the Puget Sound region, catalyzing or augmenting KUOW content development through these events.

Activities

- Expand the number of KUOW sponsored events, to include an increasingly diverse audience. Timing: ongoing
- Create community ambassador teams that assist with connections, provide insights into potential stories and help inform KUOW of community priorities. Timing: FY2017

⁷ Benchmarks for this metric will be developed once KUOW has the ability to collect and report on this data.

⁸ Face to Face interactions result in more positive impressions of partners and greater self-other agreement than interactions via computer. [Getting to Know You](#), *Computers in Human Behavior*, January 2011.

- Establish a formal partnership program that can extend KUOW’s reach. Timing: FY2018
- Build a plan for the RadioActive program to determine its long term direction and maximize its potential. Timing: FY2017
- Establish a more formal volunteer program. Timing: FY2017

Metrics

- Attendance at events.
- Number of events expands to 8 events a month from 2 today.
- Audience survey question: “Was the event impactful”?
- Number of social media shares about events.
- Number of organizations partnered with during the year.
- Number of stories generated due to events.

Marketing

KUOW currently has extremely limited resources for both understanding the impact of content and extending KUOW’s reach to its audience.

Goal 4: Build a marketing department that accelerates the promotion, distribution, audience reach, and impact of its content and related activities.

This marketing capacity will enable KUOW to:

- Develop a deeper understanding of how coverage is impacting the community through market research. This research will inform content producers as they develop editorial priorities and practices.
- Improve KUOW messaging, public relations and advertising (especially digital). Improved outreach is critical as KUOW seeks to extend its connections into communities that are relatively underserved – particularly in areas outside of King County, ethnically diverse communities and the young.
- Coordinate activities to meet audience goals, across the station

Activities

1. Build a marketing department accordingly, leading audience growth activities across the station. Timing: FY2017 through FY2019
2. Complete an assessment of listener needs and develop clear messaging on what KUOW is. Timing: FY2017
3. Create a marketing plan. Timing: FY2018

Metrics

- Increase KUOW's on-air market share of 335,000 listeners to over 500,000 listeners within the next five years.
- Audience diversity (exact metric to be determined).

Organization The future of KUOW will be demanding and require significant change in staff roles and standards to accommodate the digital world, a new role in engaging with the community, and breaking down departmental barriers that have evolved over the years.

Goal 5: Evolve into a highly functioning organization that attracts and retains great talent, fosters innovation, develops industry leadership, and embraces a performance culture. This will include:

1. Establishing a strong, respectful internal culture of innovation and collaboration.
2. Filling out a strong leadership team and establishing a performance culture with clear expectations.
3. Developing a fully integrated approach to managing station activities and breaking down remaining barriers that exist between departments.
4. Ensuring competitive compensation and attractive career paths.
5. Diversifying staff to reflect the community in which we live.

Activities

- Improve practices for managing staff and leadership performance, including developing clear goals and evaluating staff. Timing: FY2017
- Implement new workflow and team practices within the programming department that are audience focused rather than channel focused.⁹ Timing: FY2017
- Provide management and leadership training to staff, focusing on concepts such as servant leadership and teamwork. Timing: FY2018 and beyond.¹⁰
- Develop career paths and update job descriptions for all positions. Timing: FY2018
- Fund increases in compensation for existing staff where required to remain competitive with market rates. Timing: FY2018 and beyond
- Refresh and rebalance the policies and 'firewalls' associated with revenue development and programming. Timing: FY2017
- Establish coordinated practices for planning and executing cross-department initiatives. Timing: FY2017 with ongoing refinement

⁹ This project is already underway with Coats2Coats. The effort will integrate digital and on-air content production and establish new performance expectations for content producers.

¹⁰ In 2017, KUOW senior officers will complete the core University of Washington leadership training curriculum.

- Establish vastly improved methods for attracting and hiring diverse staff members by evaluating leading diversity practices from throughout the country and across industries. Timing: FY2017

Metrics:

- Staff survey: job satisfaction
- Number of staff ideas implemented
- Staff diversity reflects our community

Revenue In order to fund these initiatives, KUOW will require an increase in revenue of over 20% within the next five years.

Goal 6: KUOW will secure its financial future by being able to demonstrate its impact to individuals, businesses, and foundations while leverage leading practices to raise revenue.

There are two basic factors that will drive increased revenue.

1. By further deepening its community relationship and producing highly impactful local content, KUOW will increase its listener loyalty and connection. These stronger emotional connections will generate more revenue from KUOW's membership and underwriting base.
2. By being clear on KUOW's future; the initiatives and programs that are needed and the impact KUOW has on our community, KUOW can better attract investment funding from both private individuals and foundations.

KUOW should expect significantly increased revenue in the following areas.

Membership: Increasing audience size directly results in more people contributing. Increasing loyalty via compelling programming generates even more revenue as the average contribution increases. KUOW already has 40,000+ contributors each year and we expect to increase this by approximately 20% over the life of this plan.

Investments: The ability to articulate a clear, aspirational direction is the best method of attracting major investments from the community. Development of a disciplined major gifts program is expected to generate nearly \$10,000,000 in incremental revenue over the 5 year period of this plan.

Grants: Just as with private donors, grants are more likely to be awarded to those organizations that are focused on innovation and community impact. KUOW will attract larger and more frequent grants, as specific initiatives are developed that are innovative and support the overall direction outlined here.

Digital revenues: As listeners of on-air migrate to consuming online, KUOW will learn to attract donations from this audience. Digital fundraising for public

media is a new discipline and KUOW will need to test many methods in order to become proficient at generating this revenue. Most digital revenue that we generate will simply replace declines in revenue from only 'on-air' oriented audiences as our listeners migrate towards digital platforms over time.

Underwriting: Underwriting revenues will benefit from increased audience and investment in enhanced collateral materials and Marketing Department support. Development of a digital platform that allows for new types of ads and placements will provide a new revenue source. Underwriting revenue is forecast to increase modestly in a national environment where media advertising revenue is generally on the decline.

Financial Projection

To support KUOW's direction, expenses will need to increase, primarily driven by increased staff and technology investment. This will include significant increases across most KUOW functions including Digital, Revenue generating departments, and Marketing positions.

	2016	2017	2018	2019	2020	2021
Full-Time staff positions	88	96	103	106	110	114

The major expense item is a capital investment in a digital technology platform. KUOW must construct this digital platform to enable flexible content publishing, efficient and effective digital content consumption, revenue generation, and community development. KUOW anticipates spending approximately \$1.6M over the next three years on this effort.

Most other expenses are expected to follow normal growth trajectories driven by inflation, market compensation, etc.

KUOW 5-YEAR FORECAST

Revenue	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Individuals	9,545,219	10,026,002	10,552,961	11,177,012	12,114,499
Underwriting	4,080,000	4,120,000	4,243,600	4,370,908	4,455,780
Gifts & Grants	1,000,000	1,500,000	2,250,000	2,500,000	2,500,000
CPB	733,765	733,765	733,765	733,765	733,765
Interest Income	2,000	2,000	2,000	2,000	2,000
Univ. of Washington	124,000	124,000	124,000	124,000	124,000
Other	24,000	24,000	24,000	24,000	24,000
TOTAL	15,508,984	16,529,767	17,930,326	18,931,685	19,954,044
Expense					
Salaries	9,094,254	10,130,506	10,686,075	11,295,492	11,918,360
Professional Services	657,229	637,386	650,134	663,137	676,399
Contract Services	4,990,359	4,745,416	4,840,325	4,937,131	5,035,874
Travel	138,190	98,389	99,373	100,366	101,370
Supplies	467,154	321,036	324,247	327,489	330,764
Other	18,000	15,000	15,000	15,000	15,000
TOTAL	15,365,186	15,947,734	16,615,153	17,338,615	18,077,767
Net from Operations	143,798	582,033	1,315,173	1,593,070	1,876,277