

## **Executive Summary**

### **The Cost of Doing Business in Public Radio**

### **Quantitative Worth Analysis**

Paul Krause Associates developed Quantifiable Worth Statements (QWS) with information from stations participating in the research. The QWS helps stations express their value to a university in quantitative terms.

In parts I and II, we quantify the worth of each station that provided sufficient data. Two dimensions are measured: a) public service to the community and b) public relations for the university. Part III highlights another tool: the locality analysis. It can be used to add credibility to the station's claim that it creates public relations value. Part IV offers recommendations and suggestions for use of the information provided. The Methods Appendix describes the methods used in calculating the worth statements.

Each station in our study creates significant Public Service Value (PSV) for their university or college. Not surprisingly, those stations that have a larger audience, membership base, and average gift create greater public service value than the others. At the same time, even small stations in small markets are doing well.

Public Relations Value (PRV) is different. According to our criteria, two stations in the study create significant public service value but little PRV. This may reflect a long-term trend in the public radio community to put distance between the station and the license holder. We argue that stations can and should forge significant station-institution bonds by treating their institution as a major underwriter.

Some of the stations in our study create significant public service and public relations value. They take pride in their association with their institution and it shows. Not only do they create significant PRV but their internal underwriting rates are higher than the average commercial market rates in their markets.

Our study offers additional tools to support a committed station's efforts. In particular, we recommend the use of student, faculty, staff and alumni locality analyses to show the institution that the station is reaching those who are closest to the institution.

Additional information and support is available upon request. Contact Paul Krause at [pkrause@deskmedia.com](mailto:pkrause@deskmedia.com). #