

**KPFA State of the Station
2009**

Summary:

The commitment and dedication of our paid and unpaid staff and the fiscal generosity of our community of listeners have built and sustained KPFA over the past sixty years as a flagship radio station for progressive news and culture.

As an organization in 2009, especially with the current economic downturn, we have major challenges that must be addressed thoughtfully. The two most pressing challenges we face as a non-profit, public radio station are:

Growing audience and loyalty, and
Reducing spending

In addition, we have to understand our culture which is very resistant to change; the landscape we are operating in and changing technology; as well as the fierce competition we face daily on the Internet and terrestrially.

While we believe these are challenges that can and must be addressed, we do not want to institute band-aid solutions because such solutions do not set an organization on a track to success. Solutions have to be based on a long term strategic plan with clear and tangible goals which all stake holders can agree on and work towards collectively.

In this document, the KPFA management team presents all stakeholders---listeners and staff---a detailed map of the current state of the station to inform our strategic framework that encompasses KPFA's overarching challenges and opportunities as well as our vision/long-term goals.

Our long-term goals are:

- Expand Listenership, especially ages 20-40
- Expand coverage of issues pertinent to diverse, global communities
- Expand coverage of economic & environmental issues
- Expand KPFA's and Pacifica's capacity on multiple media platforms
- Maintain KPFA's financial stability

The following pages include detailed information on KPFA's audience data and revenue and expense trend for the past 4 years. Also included are sets of recommendations and action plans aimed at sustaining increases in relevance and revenue so that KPFA and Pacifica can remain the premier listener sponsored radio network in the United States and beyond.

KPFA Audience Data: Strengths and Challenges

As we celebrate our 60th anniversary, KPFA faces substantial challenges in maintaining listenership and advancing our mission in a changing media landscape.

Our Challenges

Falling share of Bay Area listening audience. KPFA's cume rating for our share of the Bay Area listening audience fell to 2.3% from 2.6% two years prior.

Lack of flow and audience carry over from program to program.

Potential for growth in drive time listening, as measured against public radio's traditional pattern.

Stagnant total audience and Time Spent Listening.

Bay Area public radio station, KALW – which has a mere 1,900 watts in comparison with our 59,000 watts – has a listenership of 135,900 in Spring 2008, compared with our 142,100.

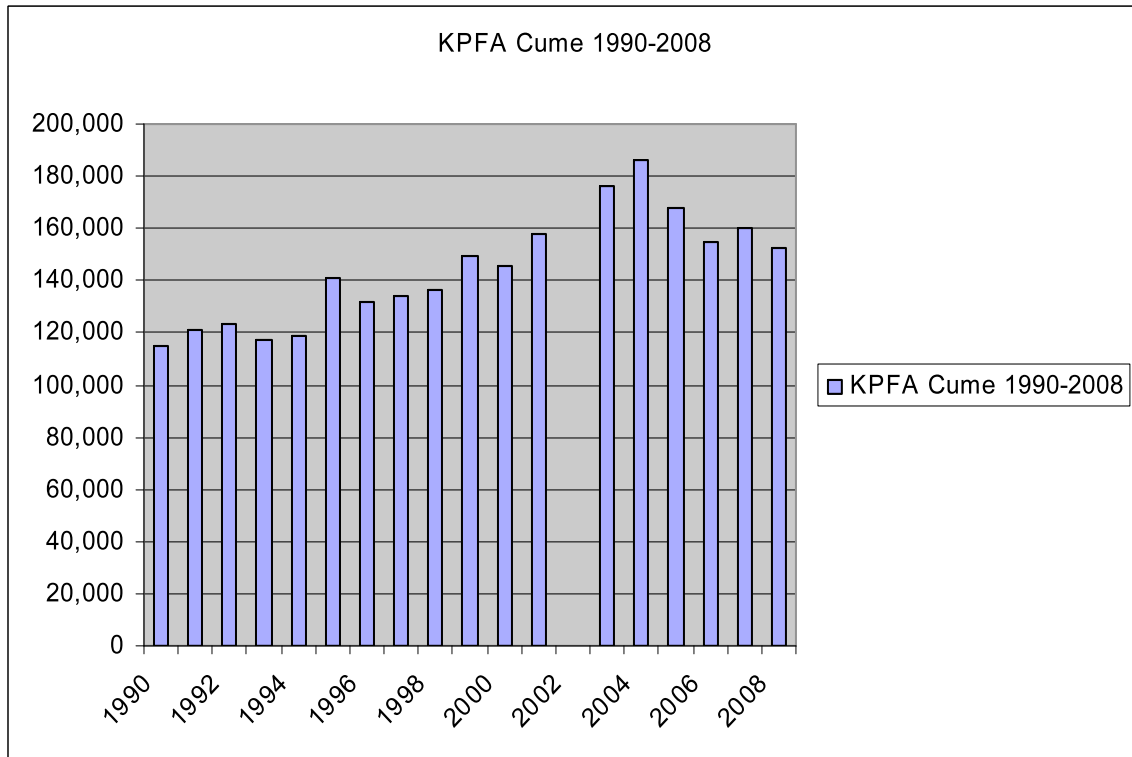
Trends

In 2004, KPFA's overall listenership reached a peak, paralleling the trend of public radio as a whole, in the wake of the US invasion of Iraq. From 2004-2006 our Cume (overall listenership) fell by a quarter and has eroded further since then – from 207,000 in Spring 2004 to 142,100 listeners a week in Spring 2008 (the most recent numbers we have).

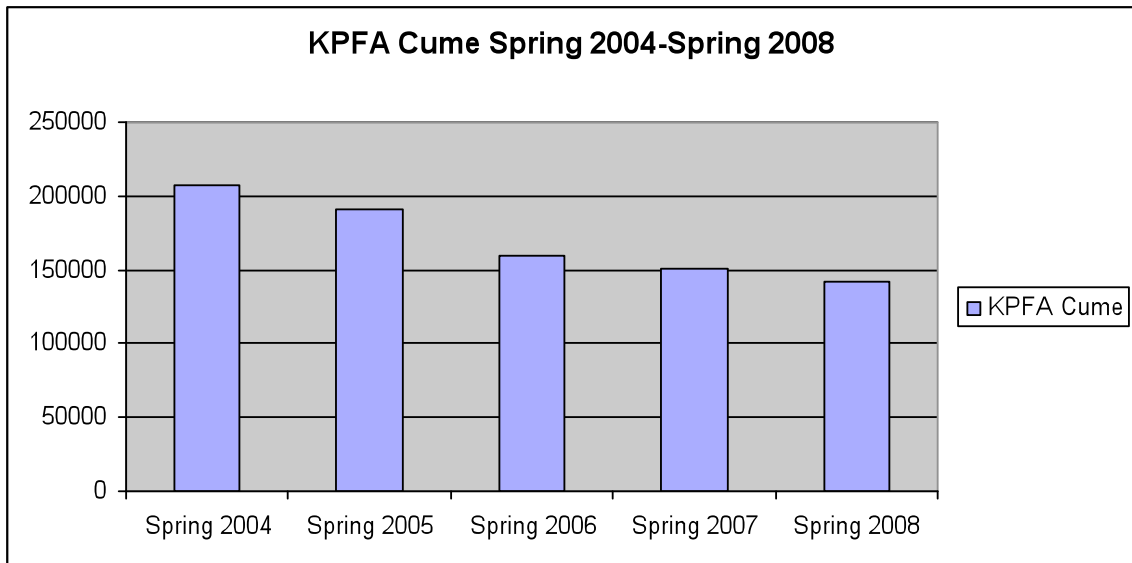
Since 2004, our AQH (Average Quarter Hour – the number of people who are listening to us at any given 15 minute interval) has fallen even further than our Cume, from 10,500 in Spring 2004 to 5,400 in Spring 2008. What this means is that people are listening to us for fewer hours per week and this is borne out by a decline in the Time Spent Listening (TSL) of our listeners, which fell from 7.0 hours in 2003 to 4.8 in 2008.

Times of reaction and war have traditionally increased listenership to Pacifica stations. The fact that we have not broken any lasting new ground in the past eight years is cause for real concern.

Total Listenership Over the Past Eighteen Years

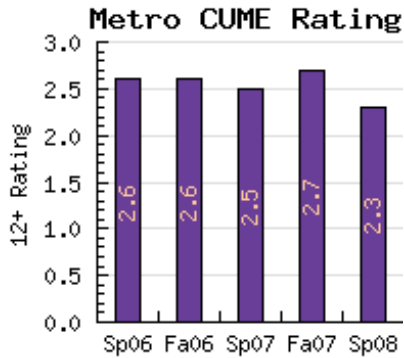


As one can see with the following graph, since 2004 we have lost more than a quarter of our listeners. If one were to factor out the 2004 peak, connected to the Iraq invasion, KPFA has essentially gained no ground in the past eight years, since the time when our Cume was 145,300.

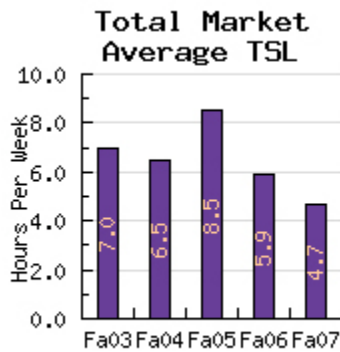


Audience Cume Rating

Our share of the Bay Area's listening audience (by cume) has fallen somewhat from 2.6% in Spring 2006 to 2.3% in Spring 2008. KPFA is still second only to WPFW as the Pacifica station with the largest share of its potential listening audience.



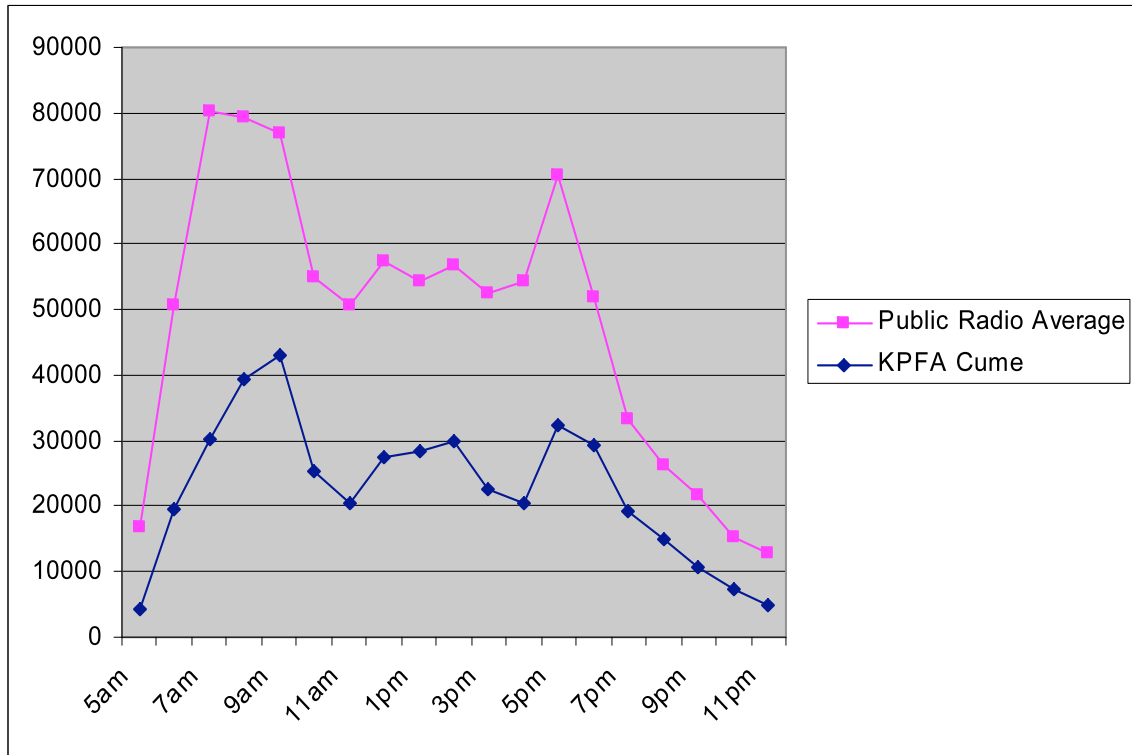
Time Spent Listening



Perhaps even more important than how many people are listening to us is how much time people spend listening to KPFA. If we were to attempt a metric for the impact of our Mission, a crucial component would be how successful we are in disseminating our programming and hopefully moving people to action.

KPFA's Time Spent Listening (TSL) – the measure of how many hours on average our listeners listen to the station each week – has fallen from 7.0 in Fall 2003 to 4.8 hours in Fall 2008.

KPFA vs Public Radio Weekday Hour to Hour Listenership



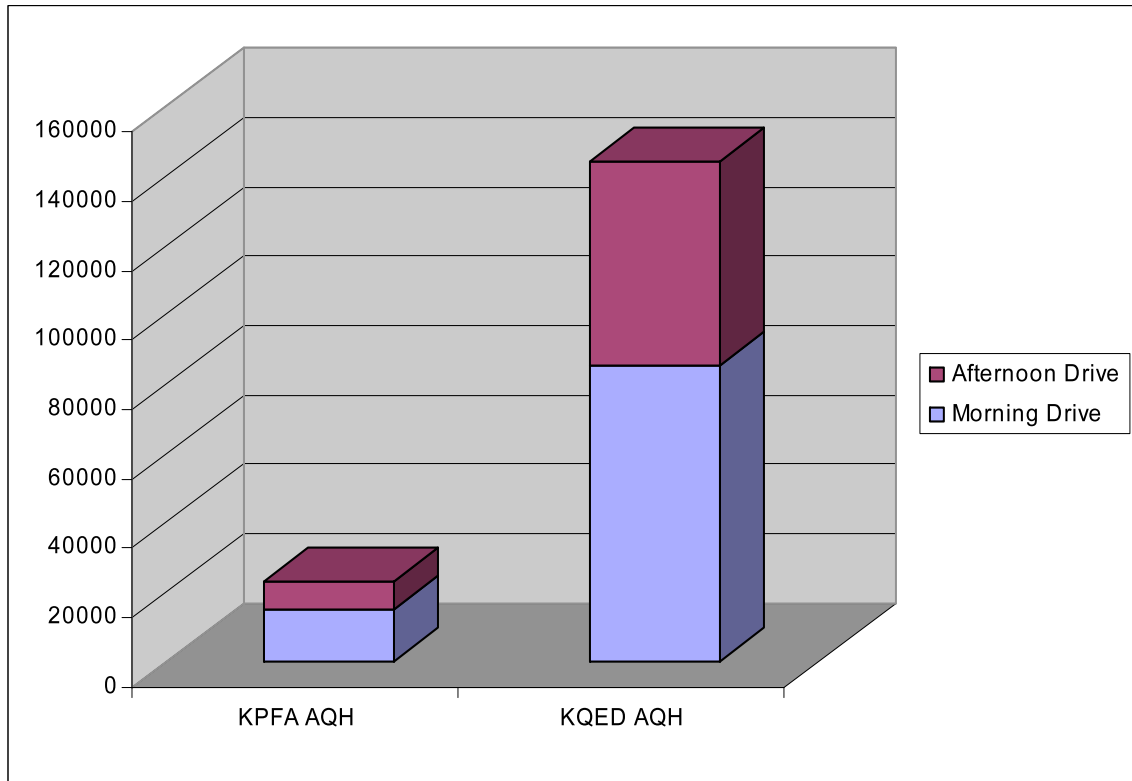
KPFA Contrasted with Bay Area Public Radio

KQED has more than five times our listenership with a Cume of 830,900 for Spring 2008, compared with our 142,100. The other comparable Bay Area public radio station, KALW – which has a mere 1,900 watts in comparison with our 59,000 watts – has a listenership of 135,900 in Spring 2008.

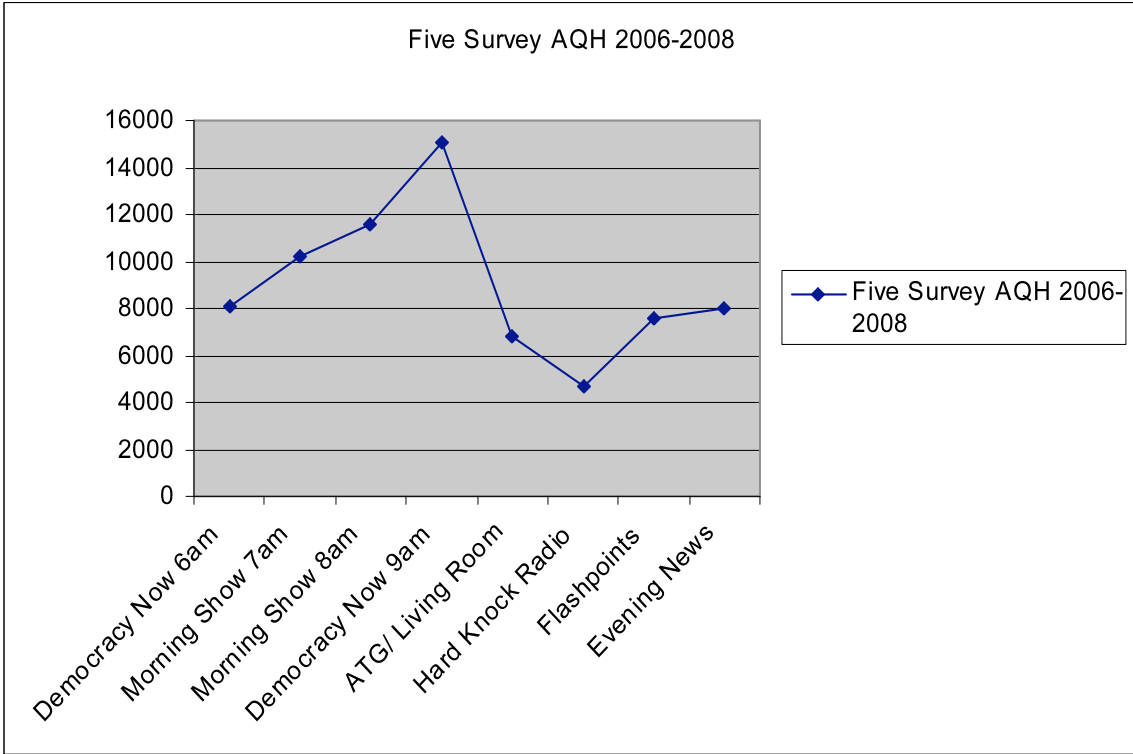
KPFA's Time Spent Listening of 4.8 hours a week for Spring 2008 is less than KQED's 6.0 hours, but slightly more than KALW's 4.4 hours a week in the same season.

KPFA's share of the Bay Area listening audience (by cume) totals 2.3%, which is the same as KALW's. KQED's share is 13.5%.

The graph below compares KQED's drive time peaks, and what ratio is from morning and afternoon, with KPFA's. While afternoon drive comprises two fifths of KQED's peak AQH listenership, it only comprises barely a third of KPFA's.

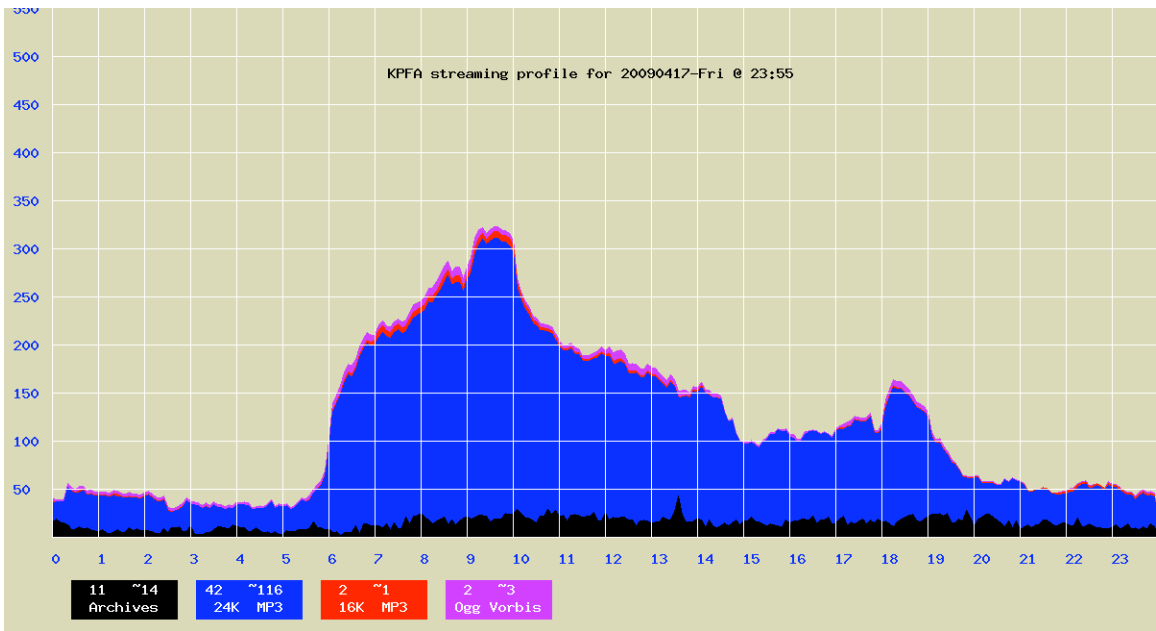


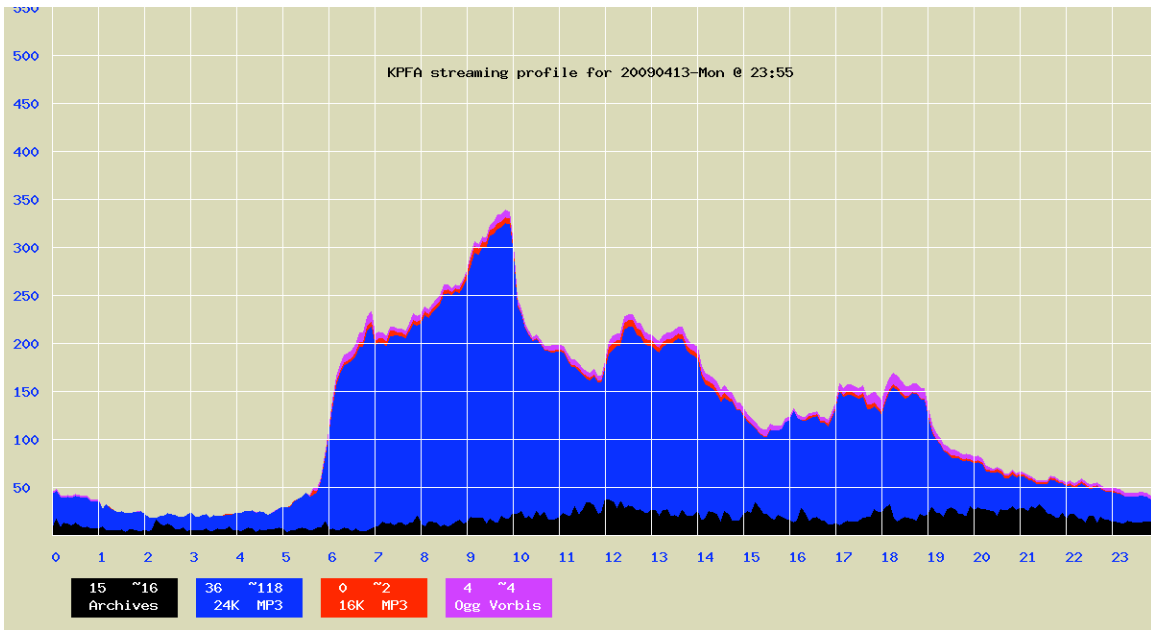
KPFA's Weekday Average Quarter Hour for Daily Programs



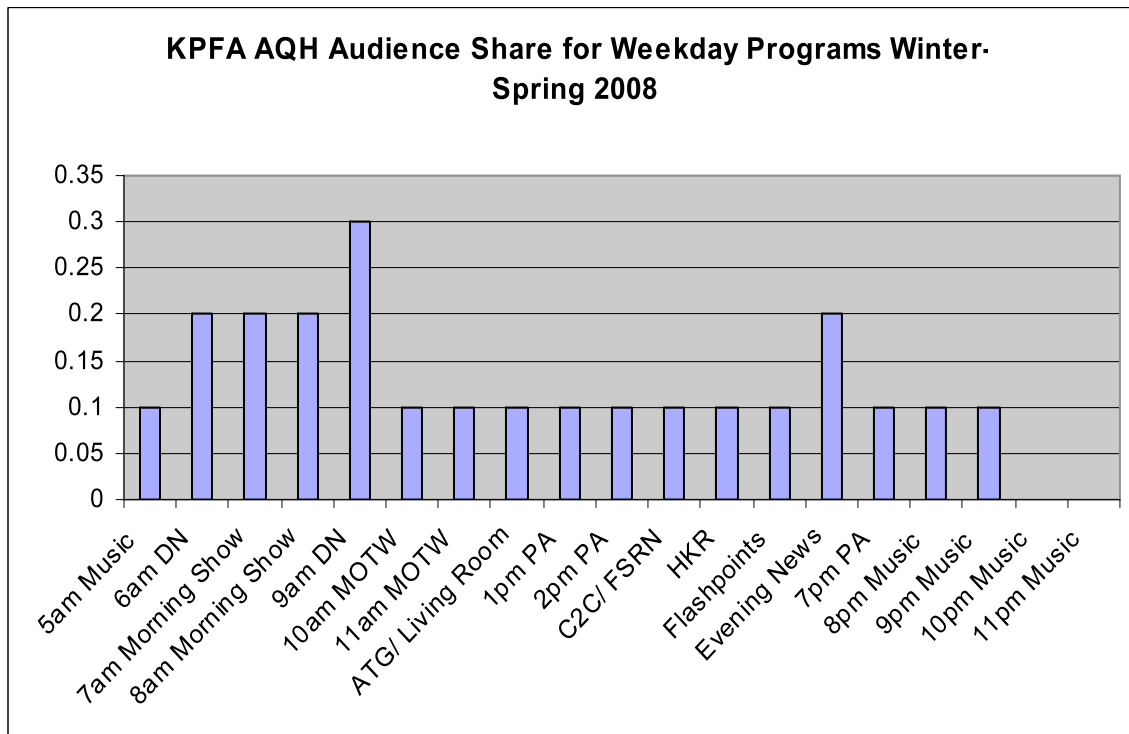
Web Statistics

The listenership patterns we see with Arbitron are borne out by the patterns we see with listening on line. Below are graphs for hour by hour web listening during a typical Monday and Friday. The spike is Democracy Now at 9am.



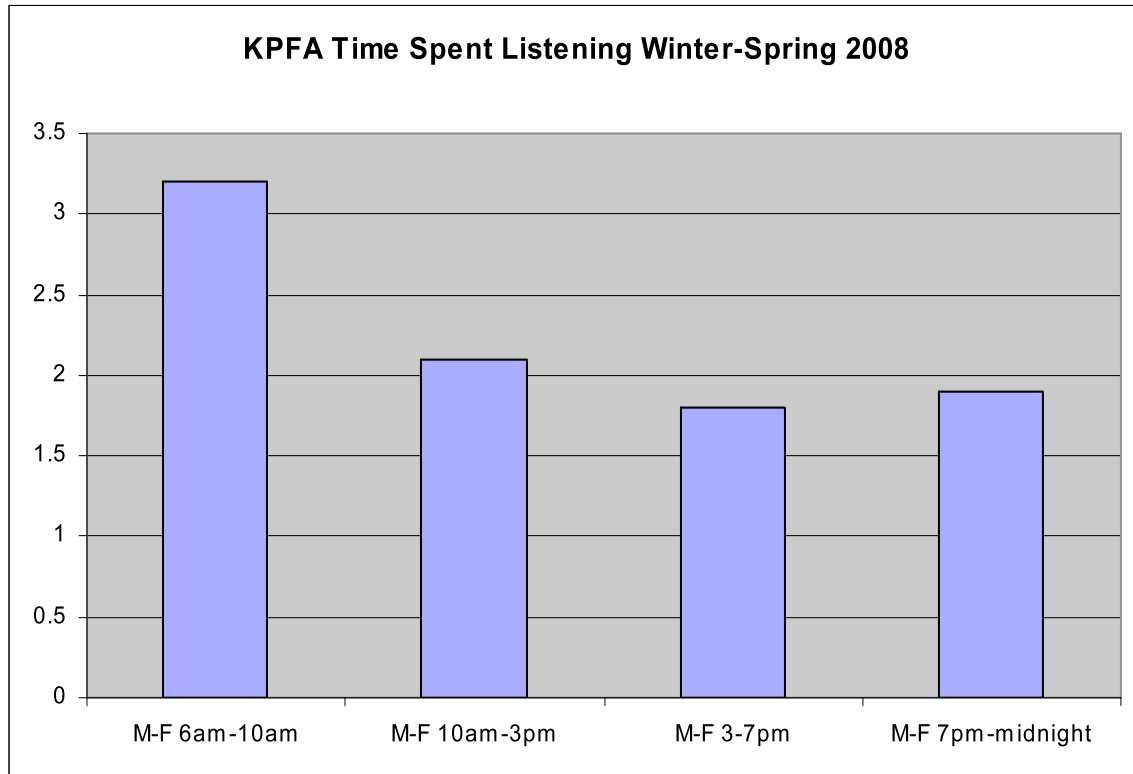


Daily Program's AQH Share



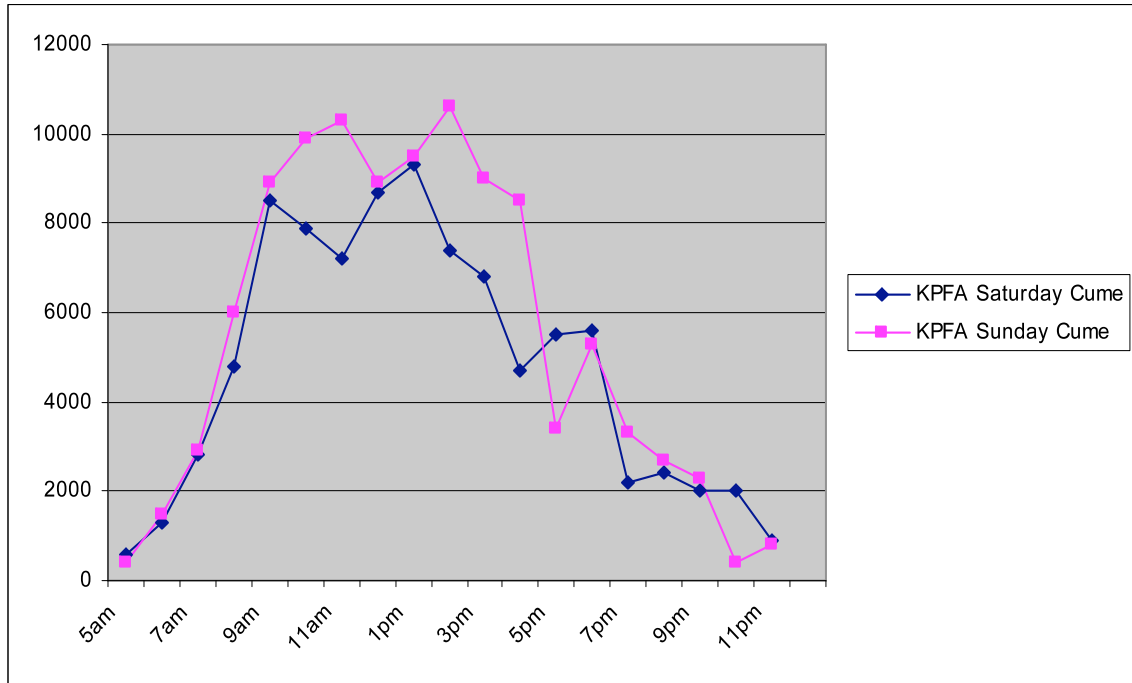
Looking at weekday programming, only four KPFA programs have a 2% share of radio listening in the Bay Area (measured by AQH) and only one has a 3% share. Share is the station's AQH audience expressed as a percentage of all people listening to radio in a specific time period.

Time Spent Listening



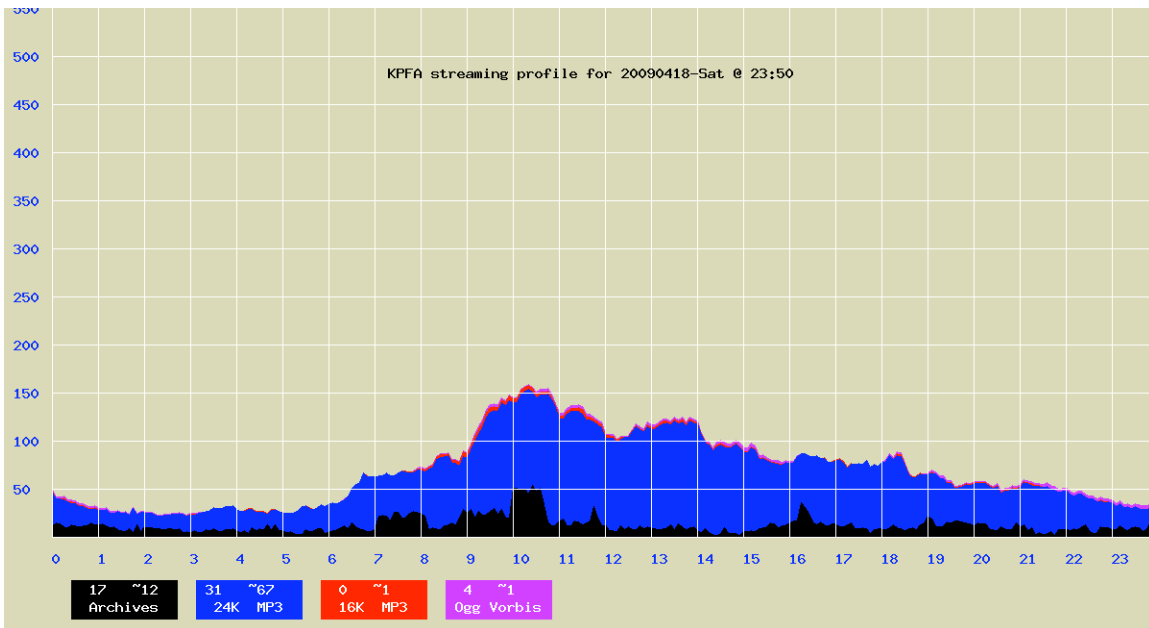
The graph above illustrates the number of hours on average that our listeners listen to any specific day-part during weekdays. KPFA listeners spend the most time listening to the morning block, followed by midday, then evening, and then late afternoon.

Weekend Programming

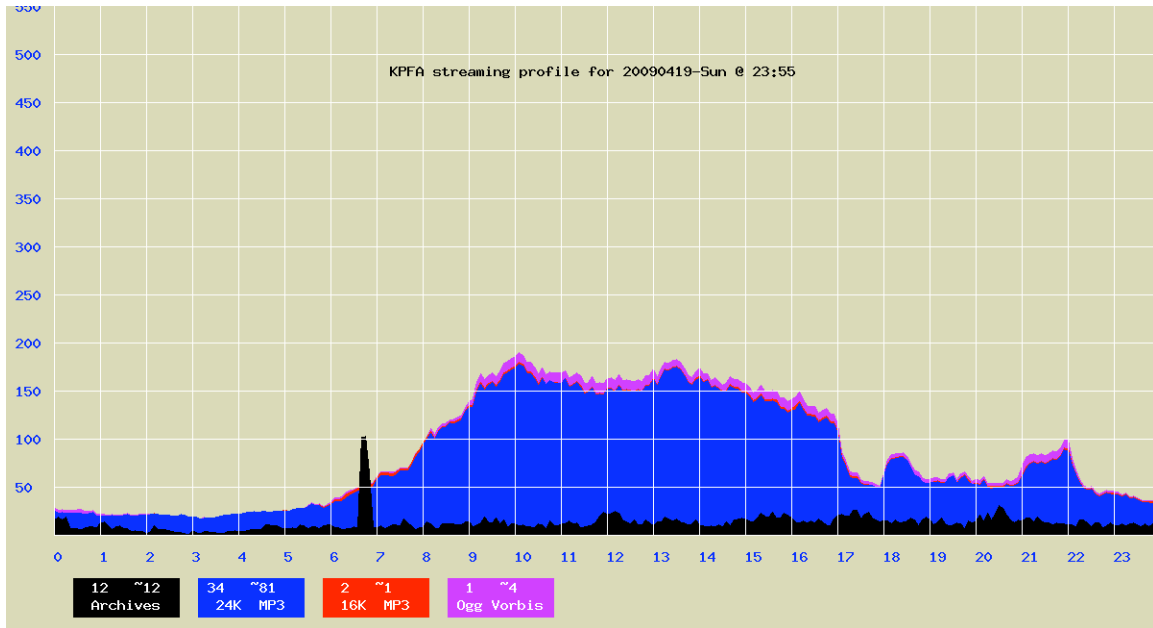


Listenership on Saturdays has been low over the last several years, although has had somewhat of a boost from the addition of syndicated public affairs shows from our sister stations in the morning. Sundays are stronger but have flow problems with listenership in the late afternoon. The same patterns can be seen with web listening (below).

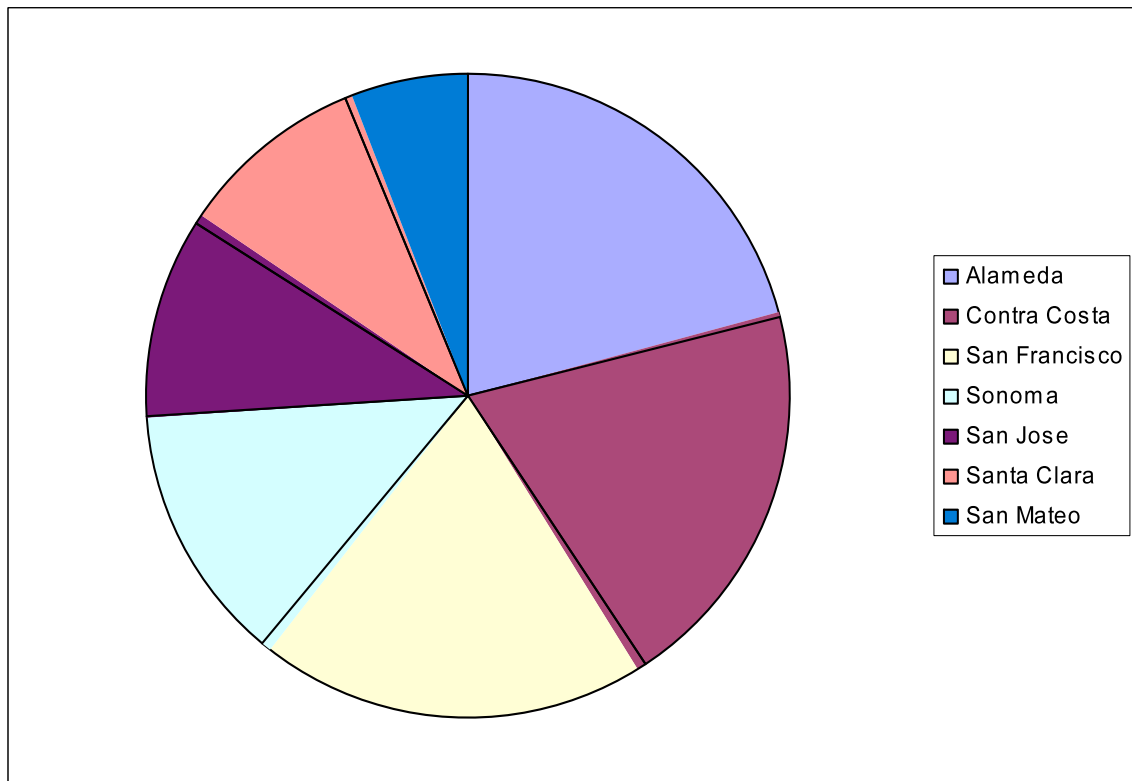
Saturday on line

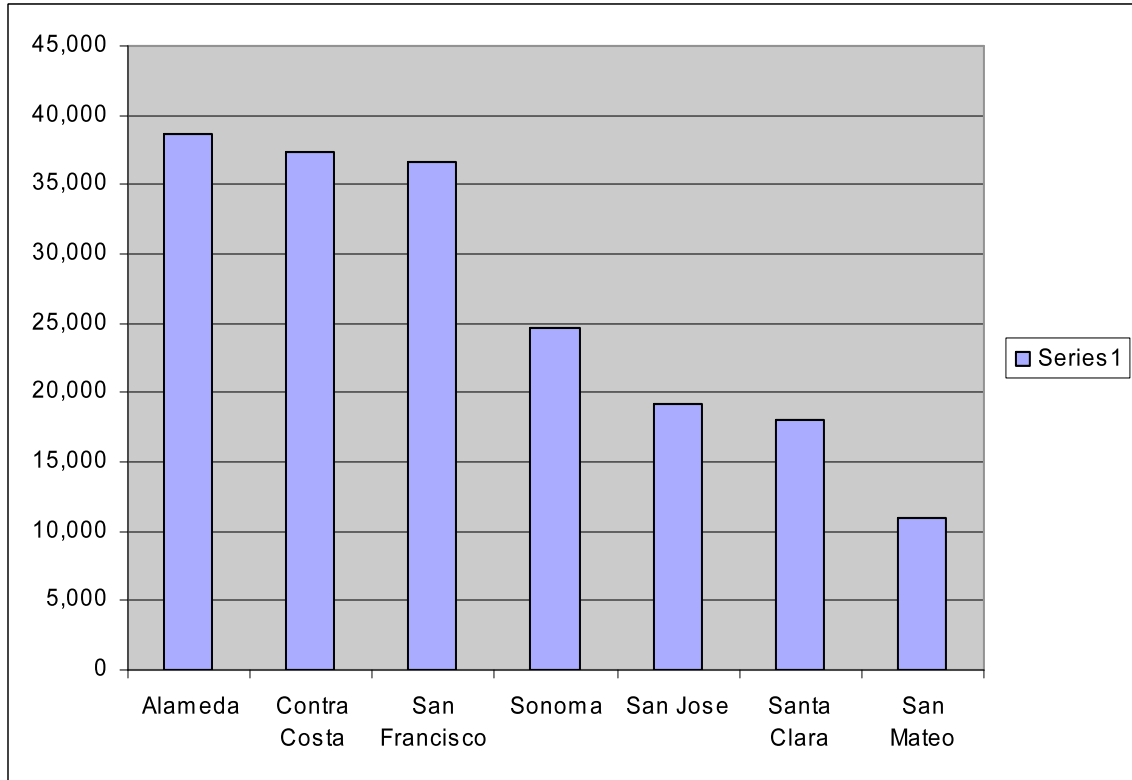


Sunday on line



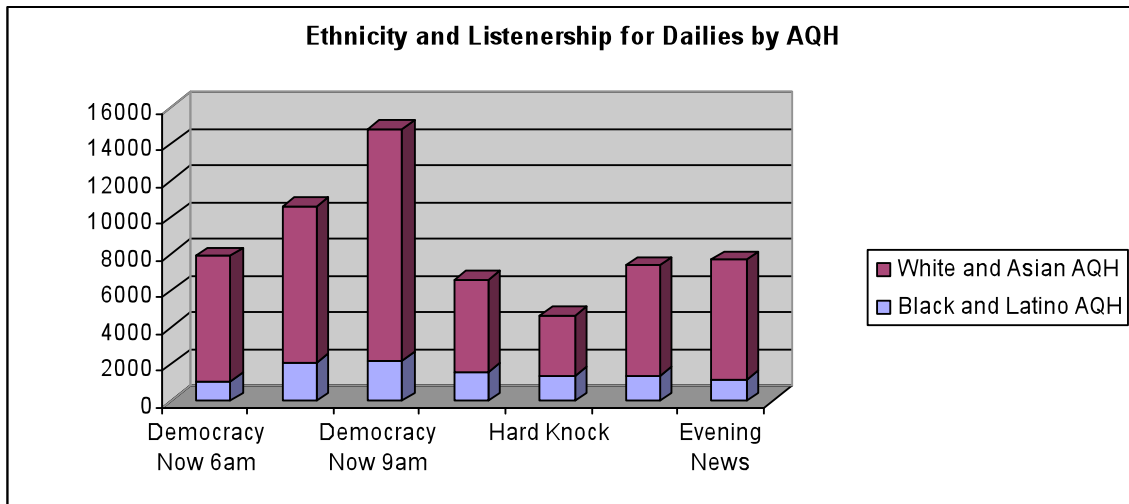
Demographics: Listenership by Region





The above graphs measure only our listenership in the immediate Bay Area metropolitan region, but give a good idea of where the bulk of our listeners come from. Alameda and Contra Costa counties in the East Bay and the City of San Francisco are almost equal as our three top listening geographic areas. San Jose falls a very distant fifth place for listenership, which should be a concern as a densely populated and ethnically diverse city that gets our signal clearly.

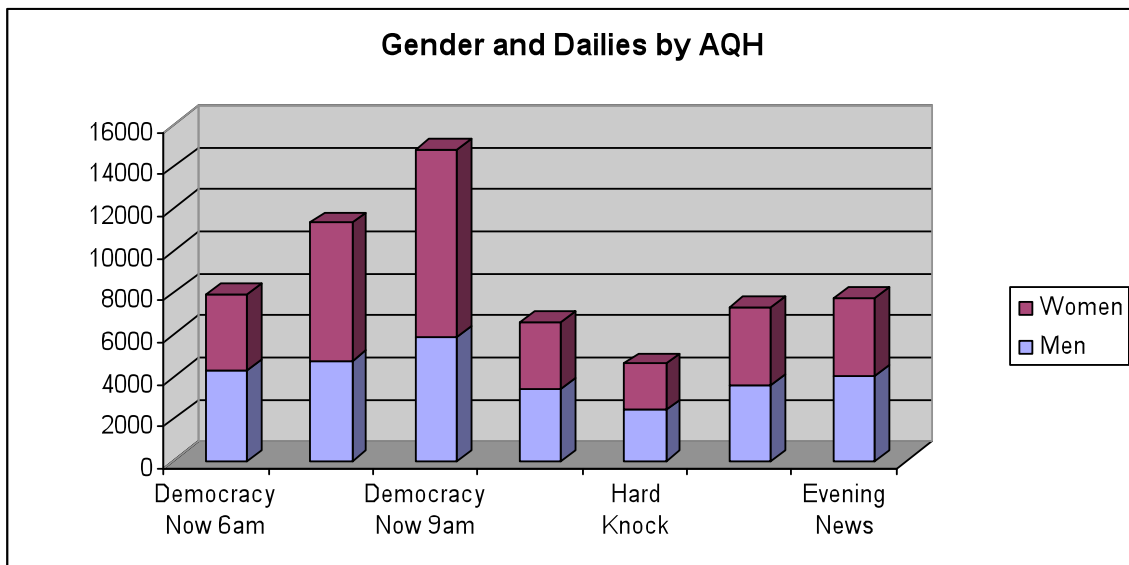
Ethnicity



As shown by the graph above, the total number of black and Latino listeners to KPFA does not vary a great deal between programs. What does appear to vary is whether white, Asian and Native American listeners (unfortunately grouped together in one block by the statistics) also tune in to particular shows.

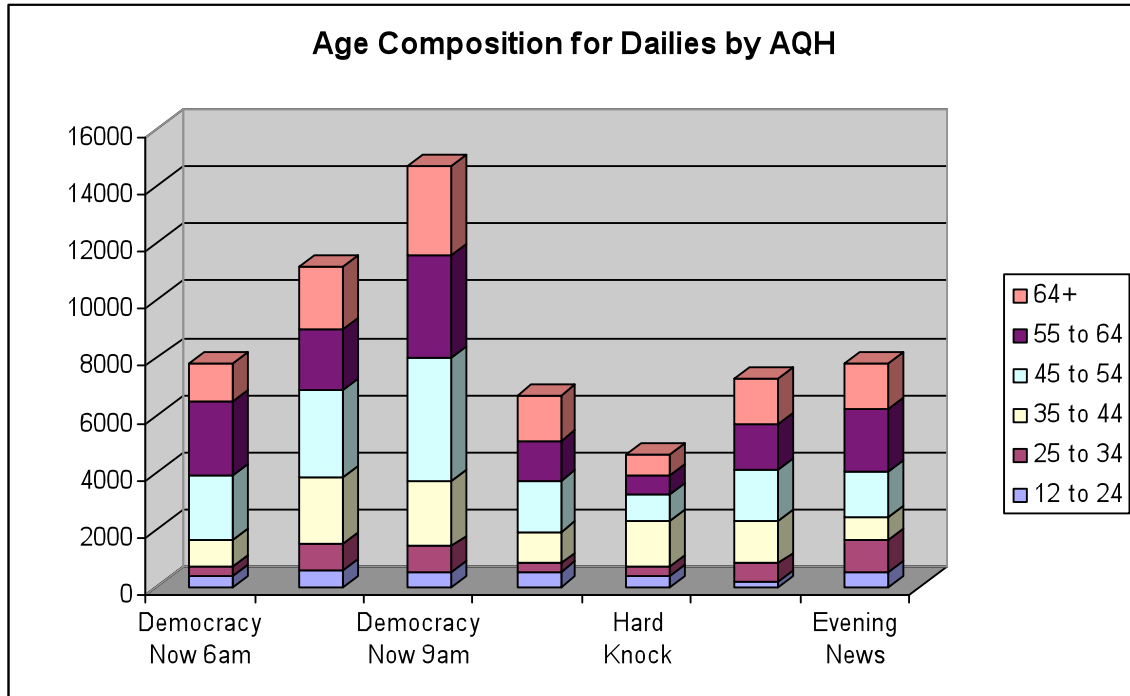
Gender

KPFA's overall listenership is composed by somewhat more female listeners than male. However, this does not manifest itself across the board, as can be seen by the graph of daily programs below.



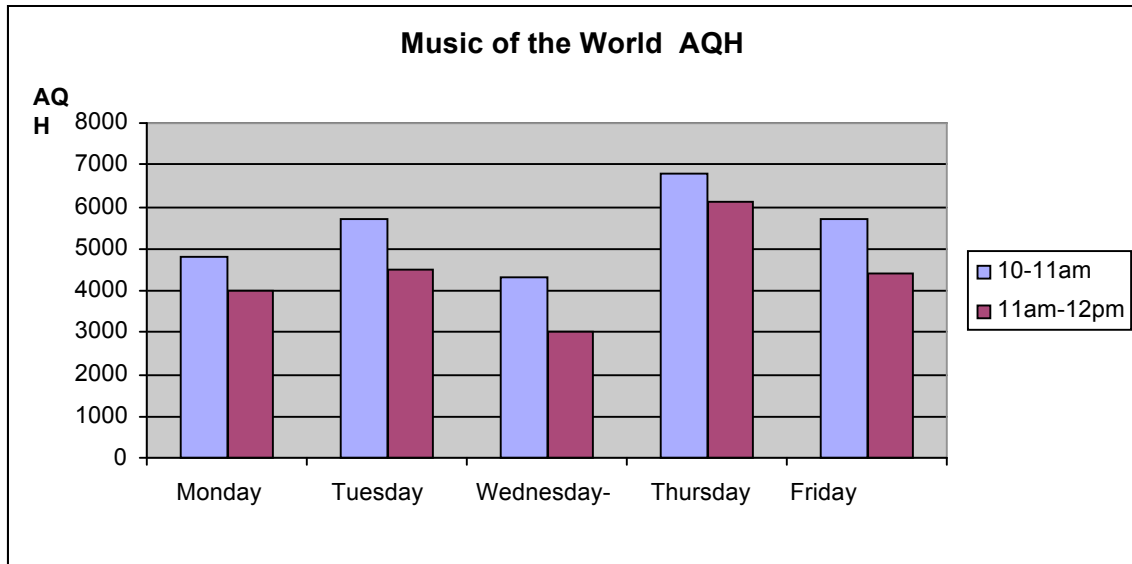
Age

Like ethnicity, the appeal of KPFA's daily programs to younger listeners under 44 does not seem to vary greatly between shows. What varies widely between shows seems to be the degree of success in reaching listeners in the older age ranges.

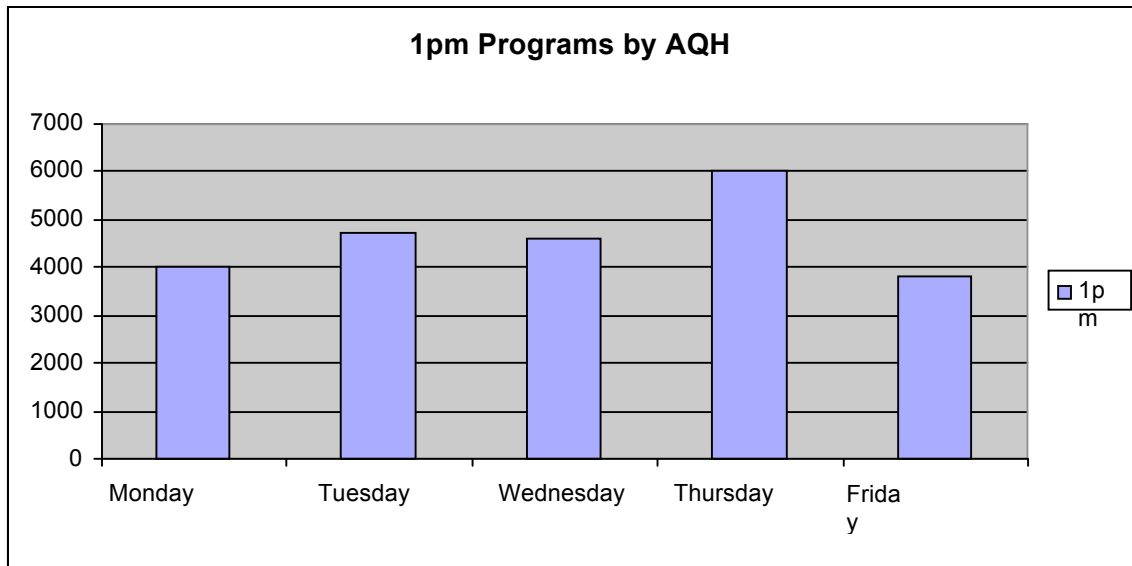


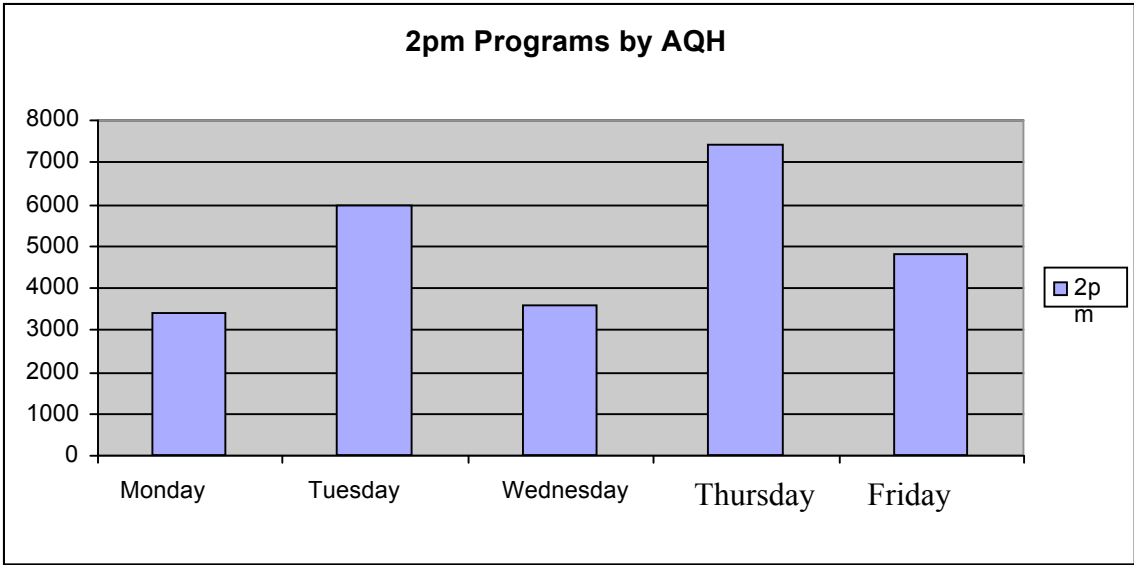
Weekday Day Time by AQH

Morning Block:

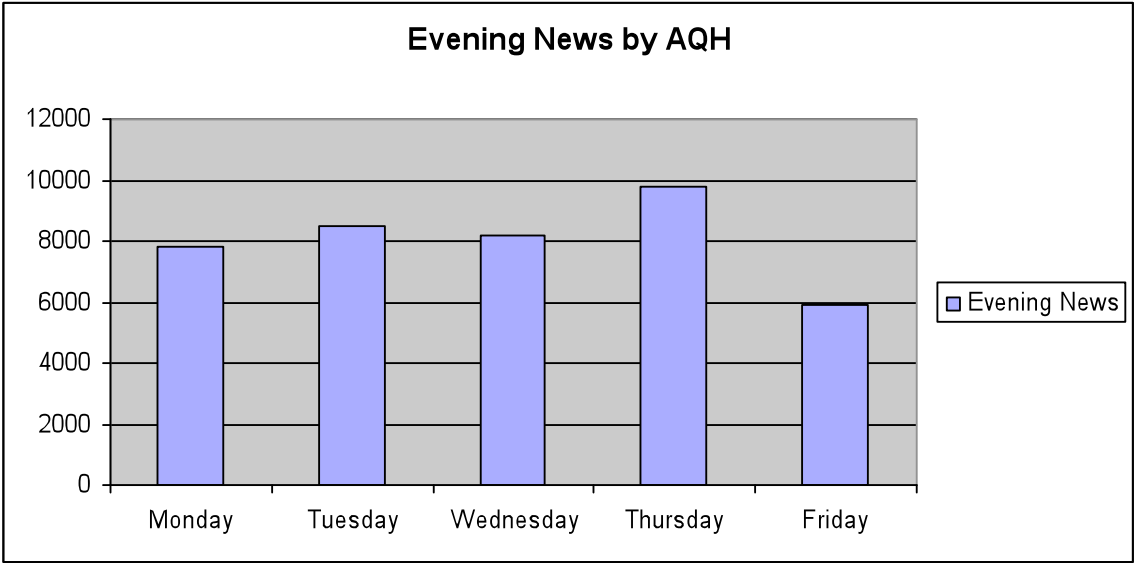


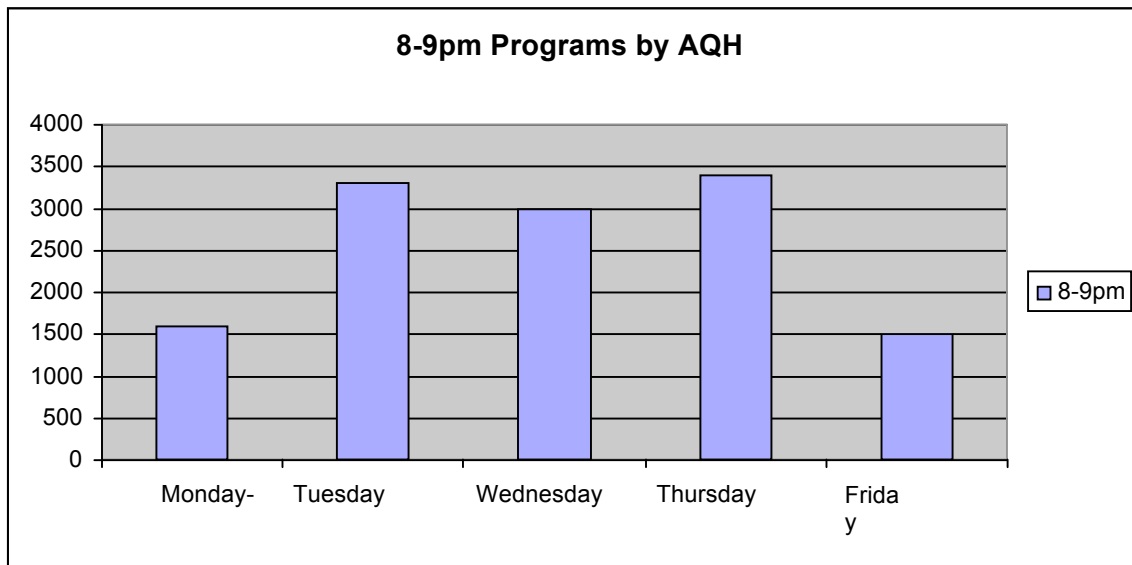
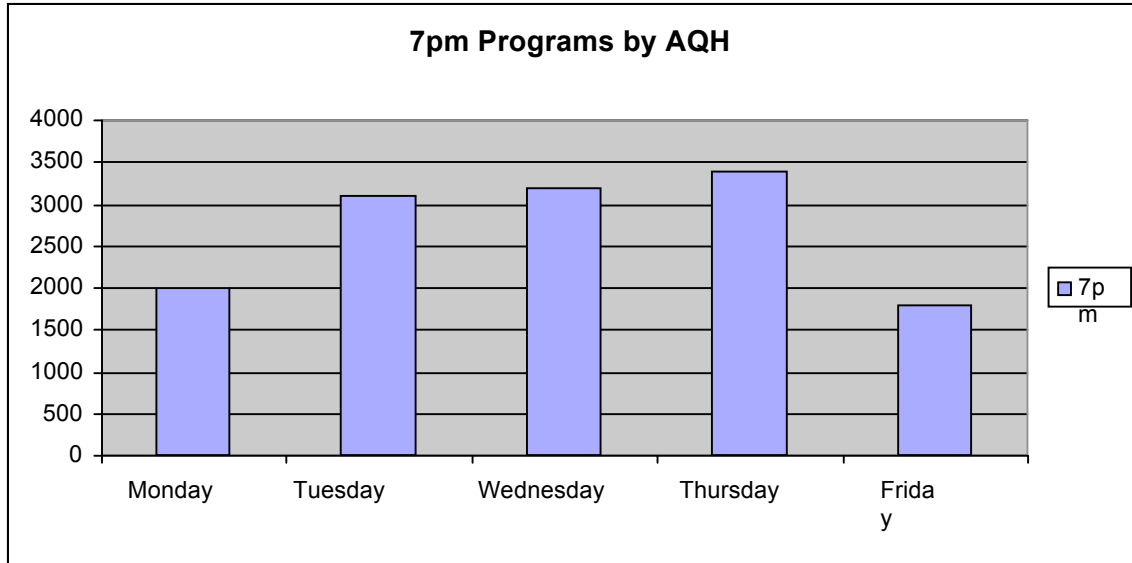
Afternoon Block:





[Note: if the numbers for Friday were divided into two half hours, 2-2:30 by itself would have a higher AQH and 2:30-3pm would have a lower AQH]





Terminology

”Cume” is the number of people who tune in at least once during the week, while “AQH” is the number of people tuned in during the Average Quarter-Hour (15 minute period). Time Spent Listening (“TSL”) is how long the mean listener tunes in each week.

Cume is a good number to look at, but it’s only part of the picture. AQH indicates more-or-less how many people are tuned in at any given time, and is the basis for “market share” calculations used in commercial radio. If Cume decreases slower than AQH (or increases faster than AQH), it indicates less time-spent-listening per person. If Cume decreases faster than AQH (or increases slower), it indicates a higher TSL per person.

KPFA Finances

KPFA Analysis of annual audited departmental expenses

	Programming	% change	
2005	1,976,220		
2006	2,174,952	110.1%	inc 10.1%
2007	1,977,219	90.9%	dec 9.1%
2008	1,978,829	100.1%	inc .1%

	Administration	% change	
2005	907,782		
2006	980,694	108.0%	inc. 8%
2007	1,057,796	107.9%	inc 7.9%
2008	801,189	75.7%	dec 24.3%

	Fundraising	% change	
2005	719,485		
2006	783,618	108.9%	inc 8.9%
2007	693,812	88.5%	dec 11.5%
2008	666,222	96.0%	dec 4%

	Central Services	% change	
2005	743,955		
2006	694,160	93.3%	dec 6.7%
2007	650,405	93.7%	dec 6.3%
2008	596,508	91.7%	dec 8.3%

KPFA Analysis of yearly revenue/expense % of change

	REVENUE TOTAL	% change	
2005	4,819,083		
2006	4,824,349	100.1%	inc .1%
2007	4,350,797	90.2%	dec. 9.8%
2008	3,996,744	91.9%	dec. 8.1%
	EXPENSES TOTAL	% change	
2005	4,465,863		
2006	4,749,797	106.4%	inc. 6.4%
2007	4,476,983	94.3%	dec. 5.7%
2008	4,182,558	93.4%	dec. 6.6%
	EXPENSES LEGAL	% change	
2005	40,746		
2006	263,539	646.8%	inc. 546.8%
2007	48,394	18.4%	dec. 81.6%
2008	17,027	35.2%	dec. 64.8%