

# Every Radio CEO Should Read This Now

By **Loyd Ford** - July 12, 2021



**(By Loyd Ford)** If you really know me, you know I believe in mentors. For many years I was exceedingly fortunate to have **Rusty Walker** as my mentor. Since his untimely death, I have been fortunate to get a new mentor; he's a disruptor and an innovator.

**Steve Caldwell** spent a career understanding consumers working for **Coca Cola** (along with others) and disrupting and changing the path of how customers see products. This is important to point out to you before you read what comes next because it's exactly the challenge radio has today. It's how we are being seen and how we share our real story as local connectors with strong relationships.

As you might imagine, Steve and I talk a lot about branding. When you are a commodity, people grab whatever is closest and 'make do.' Many different things will do for them because the products are all seen as essentially 'the same.' If your product is real brand, people have a

relationship with you and they will go out of their way to interact with your brand, your personalities. That has more value than a commodity in your lane.

So, I wanted to share with you a snapshot of something we talk about a lot that **may be the most critical issue for radio halfway through 2021** because this subject strikes at the core of what your sellers are selling when they sit in front of a buyer or present to an agency.

## **Who Are Your Customers + How Do They See Your Value?**

Customers are the ones in essence who buy the product. Consumers are the ones who consume the product. Sometimes they can be the same person but **will act in both capacities with different psychologies depending on their role.**

The customer is the source of revenue. Often, the customer is the one who provides various opportunities to access to the consumer. That can be a huge difference and we all need to be aware of this difference. In fact, we need to concern ourselves with **IF** our customers are seeing the true value of radio like our consumers do. You know, the 92 – 94% of Americans who listen to radio consistently? Those are powerful and valuable relationships that advertisers need.

In radio, this may be slightly different than **Coca Cola** in that the customer is often an ad agency on behalf of a business purchasing our advertising opportunities. *Our consumers are our listeners.* Our audience engages us and is therefore meaningful to our ad partners. The relationship we have with our listeners, the consumers, are the power of our brands no matter what platform we are on (starting with over the air). **This is what advertisers actually seek out and pay for** and they really need these customers for their businesses.

Advertisers seek to sway behavior of our listeners toward their businesses. **Our value to our customer is really in the strength of associating with our brand to "borrow from" our powerful relationships with those individuals we consistently reach and influence.** Why? Because all numbers in data are not the same. A view or a click isn't a relationship and sometimes isn't real influence. Major brands like **Coca Cola** are paying attention to that now and so should your sales people during presentations.

Steve has shared with me that when he worked for **Coca Cola**, the customer was the retailer who provided Coke's products to those who would ultimately consume **Coca Cola's** products. The customer (the retailer) was interested in price, convenience, and service. The customer was often influenced by the consumer (retail stores stock products their customers want to buy, who are the consumers for **Coca-Cola**).

The consumer is influenced by their experience with the product. Experience is consumption and is occasion driven. This is where brand matters. The stronger the brand, the greater the consumer matters in the customer's behavior. Many businesses think consumers want product features, but they mainly want an experience they can identify with and trust in various occasions they desire to engage the products.

According to Steve, all sales start with behavior change, customers deciding to put resources toward your products in order to service your consumers that also benefits them.

Think: Ad agency trying really to identify the strongest brand relationships with local listeners that will provide the biggest bang for their buck. Note: Steve says in his experience in the Coke business, the customers of Coke (food retailers) have customers who ultimately buy the products from them. There were no retailers and consumers either.

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**The Bottom-Line**

The one that controls the narrative wins the day. This is our job. We must get the real story of radio's value out. It is more than numbers on a spreadsheet. It's what business owners want: Real relationship and influence.

Right now you live in a **revenue world largely dictated by ratings and ad agencies**. *But the real value for local radio is in the experience consumers are having with your brand and personalities*. It's the relationship your radio brands and personalities have with local listeners that really represent your true value. Not points and charts and data. With our opportunities to tell rich stories across a variety of social media platforms, along with our powerful on-air platform multiplied by our relationships of trust we bring with local listeners. Radio actually has the opportunity to be an even bigger set of experiences and influencers for listeners, powerful connectors for local brands and the platform customers and consumers should identify and use most when the real product consumers (listeners) are on-the-move today.

This is why radio has been around so long and this is our opportunity to show our value now and in the future. Still, we must change the narrative with our customers so they see our true value of influence and trust.

So, now may be the best time to reinvent how radio is perceived by the people controlling the ad buying so our real value can emerge in the 2020s and grow into a more nimble, vibrant and connective future for radio.

**Loyd Ford consults radio stations, coaches personalities, and provides behavioral and strategic programming to radio with RPC. If you're on the Clubhouse app, you can join Loyd's radio pro encouragement group "The Encouragers." Reach him anytime. 864.448.4169 or [Ford@RainmakerPathway.com](mailto:Ford@RainmakerPathway.com).**

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Loyd Ford is the digital revenue, direct marketing, ratings and social media strategist for Rainmaker Pathway and Americalist Direct Marketing. Loyd has programmed very successful radio brands in markets of all sizes, including KRMD AM & FM in Shreveport, and WSSL and WMYI in Greenville, WKKT in Charlotte and WBEE in Rochester, NY. Get his radio-social media content sent directly to your smart phone or email for free here: [www.rainmakerpathway.wordpress.com](http://www.rainmakerpathway.wordpress.com).



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