



## After-Christmas Shopping Tip

Rewind to the early-1980s, more specifically 1982, and you'll detect it was a noteworthy year when certain factions within the media reached out and touched consumers with shopping shows.

In particular that's when Florida-based "Bud" Paxson's Home Shopping Club (now the colossal Home Shopping Network) debuted regionally.

### Amazing Three-Pronged Win

Ironically it's also approximately the same time heartland radio listeners in Elgin, IL were becoming educated to entrepreneur Rick Jakle's Radio Shopping Show. "We are talking about the most amazing show on radio," matter-of-factly declares Jakle who adds it's the perfect win-win-win situation for stations, clients and listeners. "We sell goods and services over the radio. It affords advertisers the opportunity to take these [products] and turn them into much more than an advertising program. It's a complete promotional package [for advertisers] without ever writing a check to the radio station. Listeners can make incredible purchases for up to 65% off retail value. Best of all [for the station], it does so with no accounts receivable."

Advertisers are reassured there are no hidden catches. Following that crucial step, Jakle perceives the station's role as being more of a partner and a consultant. "Finding good salespeople in old-fashioned, traditional radio is pretty difficult," he acknowledges. "We've had great success using people coming out of retail. Broadcasters have to realize they're wearing an additional hat: They're retailers who happen to be using broadcast as a sales channel. If you can hire a former retailer who is very sharp, [he or she] will be very successful in Radio Shopping Show sales."

In advance of the more than a quarter of a century that Radio Shopping Show has been on the air, Jakle actually began developing the concept in 1975.

That of course predated radio deregulation and the FCC deemed such 60-minute blocks to be program-length commercials. "In those days, a station could only carry 18 minutes an hour [of commercials unless] it had special waivers," recalls the President of AM sticks in Las Vegas (KSHP), Aurora, IL (WBIG-AM) and Elgin, IL (WRMN). "The FCC simply told us we had to abandon it which we did. I began it [again] in earnest [on WRMN] in 1982."

After three months of planning that year, the project resurfaced in May.

### Déjà Vu All Over Again

Then - as now - necessity proved to be the mother of invention. "It was a cold and dreary Sunday in February," Jakle vividly recounts. "The country was in a pretty severe recession. I kept thinking to myself life would be about perfect if I had a few thousand dollars a month in [added] revenue."

All of a sudden, he remembered what he did in 1975. "Since then, we were given the gift of deregulation," Jakle notes. "By the end of the day, I produced all the paperwork, presentation material and everything in the world I could think of that we'd need. I presented it to the sales staff the next morning and they embraced it."

Fast forward to present day when we unfortunately find a similarly wretched (if not worse) economy with radio operators grasping for ways to stay afloat and Jakle's brainchild whereby stations sell gift certificates looks more and more intriguing. "A furniture store isn't telling the station it wants to get rid of an old lamp," explains Tim Disa, whose Illinois-based AirTime Media markets RSS. "The entire concept is really a sales solution. It is a system for radio stations which are either tired of not making any money or stations wanting to increase sales by [airing] a show a few hours a day here and there selling the goods. For the most part, they leave the format alone."

Considerable rejection and angst are involved whenever radio salespeople make cold calls and Disa opines that's why stations can go through numerous AEs. "The first [sentence] a sales rep says [in this approach] is they don't want an advertiser's money," he explains. "They're not looking for 'old-school' advertisers. That, of course, sets the person contacted a little more at ease. It's a form of selling but I see it more as procurement. The turn-of-the-century, old-school radio model is when you pounded the pavement and tried to get a tiny fraction of people in your community to buy some advertising."

It was hoped those sales flights worked for sponsors who, after all, were footing the bill. "The cost of 'free radio' meant listeners had to suffer through hearing some commercials [although] most don't - they push the button and move on," Disa remarks. "Businesses in the community win because they don't have to pay for their promotion. It's big word-of-mouth on radio. It's clearly [an advantage] for consumers [many of whom] live paycheck to paycheck and are in really bad shape right now. They're trying to stretch their budget."

### **Mentoring Solution System**

Potential exists for stations to do well in this particular arrangement since they retain money received for selling the gift certificates. "In a million years, a station wouldn't be able to get these businesses - including franchises - on the air," Disa maintains. "Many of [those entities] can't buy even if they wanted to because those [deals] are made on the regional or national levels. They're the local franchisee though and can do a trade if they want to."

Those involved in the "Home Shopping Show" tend to be ambassadors or liaisons between the community and the station. "People are watching dollars a lot more in this economy," notes Disa. "We come along and tell businesses we want to hold their hands. I'm not talking about spots. Consumers get to buy things they want/need and get it for [a greatly reduced rate]. It worked 25 years ago and the timing for licensing it through this horrific economic downturn is fortuitous because it will help and, in some cases, save some radio stations."

Five hours is a fairly typical daily "Radio Shopping Show" commitment although WBIG-AM devotes eight hours to it. "It started small and the station just grew into it," Disa states. "It's a show and many of the hosts are sales reps. It brings back the old [sales/on-air] combo, which hasn't happened in a while. It's a form of a talk show [but] instead of [discussing] politics or sports, we're talking about goods and services - listeners are buying it."

A 26-year fixture on Jakle's WRMN, "RSS" has enjoyed 15-year and 12-year runs in Aurora (WBIG-AM) and Las Vegas (KSHP), respectively. "As the company [official] marketing it, I have to be careful in letting [interested affiliates] know a program is involved but it is not a

syndicated show," Disa emphasizes. "It is a sales solution system for the radio station [and] an easier way for them to get many more advertisers and sponsors. Rick's company, Radio Shopping Show Incorporated, licenses the entire visual concept and GMs of his stations do on-site training. We call them `mentors' [because] that's how firmly we believe we are helping these radio stations."

### **Format & Market Size Are Immaterial**

On first blush, it would appear this is more AM-targeted although Disa insists it isn't for AM or FM as much as it is for radio in general. "Rick and his guys developed this over many years. We watched and observed it. We've worked with him on other projects the past ten years. It was a natural we're marketing this. We are an independent company and our sole job is to get radio stations interested in being licensees."

Format, he contends, also doesn't matter. "It's the skin that fits over a format," he comments. "Stations with big ratings and big dollars coming in probably wouldn't use it. Most markets aren't too small and there isn't a market that's too big for this. We have a 50,000-watt station in Denver as well as [a Dallas affiliate]. It is a concept that helps people save money and will work everywhere. It's left up to how aggressively a station wants to be and not so much on market size. We don't see why it can't be a huge success in every market."

Somewhat in support of that point, Jakle for more than 25 years owned a station in a small, Midwestern farming community. "I installed the [RSS] program and trained people how to do it," he points out of the facility he sold some 15 years ago. "At the end of the day in that tiny community we did upwards of a half-million dollars a year. If it worked there, I am convinced it will work anyplace. I don't want to get into exact figures but we do well over seven figures individually on our stations. What we've done is really phenomenal."

Four times a year, 24-hour "RSS Marathon Periods" are conducted and Jakle notes his stations do more in one such single session than most other radio stations will do in a month. "I've seen his non-Marathon numbers," Disa chimes in. "There aren't many 1,000-watt stations that bring in the kind of dough Rick's stations [do]. It's amazing. It will take a little while [for `RSS' affiliates] to ramp up. Much of [their revenue from this] will be determined on how hard they work and how many goodies they procure. It's not a format. We never propose it to be [that] and don't think it would work as [one]."

As Disa and Jakle were in the process of drawing up licensing agreements and everything else required in preparation of marketing this concept, Pollack Communications President Bill Pollack was in Las Vegas and happened to land on Jakle's KSHP. "He was so enamored by [what he heard on `The Radio Shopping Show'] he almost drove off the road," Disa declares. "He hunted Rick down and said he had to have it because it was brilliant. He said he'd be the first [affiliate] and he was. His Jackson, MS station [WJQS] went on the air with it [two months ago, 10-20-2008]."

### **Call For Creativity**

Over and above RSS marketing ties, Disa is a media broker and his AirTime Media sold one of Jakle's FM stations. "My feeling is radio has been going through a recession two years before this calamity we have in our economy," Disa comments. "I don't think you are going to see radio in general, particularly AM radio, come out of it the way the housing market will. People eventually have to buy houses again. AM radio is a technology and it is a waning [one]. As the internet becomes the new radio, the new television and the new everything - [AM radio] is going to have its problems. It's been time for a while, and clearly time now, for radio operators to get really creative so they can keep valuations of their stations high and keep revenues coming in."

That might mean doing something non-traditional on their own and as Tisa maintains, "Good local broadcasters have always had to get pretty creative. These times call for big-time action. If I had my own station, I wouldn't think of doing anything but Radio Shopping Show first and put my favorite shows and format around it."

A principal and a director in the banking business since 1970, Jakle asserts he'd never want to be in traditional radio again in this economic climate. "I don't think we're out of the third-inning yet of what we're going through," he maintains. "There will be some [more] trauma. The way I look at it, this [program] is hope. My people and I frequently sit around and say, 'Thank God for the Radio Shopping Show.' We really do. Radio stations can turn unsold airtime into instant cash."

--Hope you find good health, abundant joy and prosperity in 2009.

--Mike Kinosian, [mike@insideradio.com](mailto:mike@insideradio.com)

"**The Mike Kinosian Interview**" of syndicated programming entrepreneur/former major market air talent Kris Erik Stevens (12-22-2008) is archived [HERE](#).