

Radio News Profits Edge Up but Budgets Edge Down by Bob Papper

The latest RTDNA/Lawrence Herbert School of Communication - Hofstra University Survey found that radio news profitability edged up slightly to 12.7% from last year's 12.4%. Note that "don't know" came in on top, as usual, at nearly 40%.

Radio news profitability ... 2000 - 2020

	2000	2005	2010	2015	2017	2018	2019	2020
Showing profit	25%	19.6%	13.9%	13.2%	12.1%	13%	12.4%	12.7%
Breaking even	15	14.4	13.9	12.1	14.2	13	17.2	14.6
Showing loss	7	3.1	9.8	13.7	8.9	8.3	6.3	7.3
Don't know	53	62.9	62.3	40.5	42.1	40.7	38	38.5
Non-profit	na	na	na	20.5	22.7	25	26.1	26.8

There was no discernible pattern to profitability based on staff size, number of stations in the local cluster or market size. Stations in the Northeast were less likely to report that news was profitable and a little more likely than other regions to say that local news lost money.

Nearly 30% (27.5%) of news directors and general managers reported the percentage of station revenue produced by news. That's low enough to view the numbers cautiously, but it's nearly double the percentage from a year ago. The managers reported that, on average, 12.7% of station revenue came from news. But the median – or typical -- percentage was just 5%. The average is down from last year's 16.7%, but the median is identical to a year ago and the year before that.

Radio news profitability by market size – 2020

	Showing profit	Breaking even	Showing loss	Don't know	Non-profit
Major market	6.6%	11.5%	3.3%	31.1%	47.5%
Large market	11.4	10	7.1	27.1	44.3
Medium market	19.2	13.6	7.2	41.6	18.4
Small market	9.7	20.4	9.7	46	14.2

Radio news budgets

Not a lot of good news in radio news budgets this year. Other than in major markets, the percentage of stations increasing budgets fell across the board, and the percentage of stations with budget decreases went up almost across the board. Non-commercial stations were three times as likely to see a budget increase as commercial stations, but both groups dropped from a year ago, and non-commercial stations were nearly twice as likely to see a budget cut this year as the year before.

Changes in radio budget in the last 12 months

	Increase	Decrease	Same	Don't know
All radio news	13.1%	8.8%	63.5%	14.7%
Market size:				
Major market	29.5	13.1	44.3	13.1
Large market	18.1	9.7	65.3	6.9
Medium market	6.3	7.1	69	17.5
Small market	8.6	7.8	66.4	17.2
Commercial	7.5	7.5	66.4	18.6
Non-commercial	24.6	11.5	57.4	6.6

Major markets are those with 1 million or more potential listeners. Large markets are from 250,000 to 1 million. Medium markets are 50,000 to 250,000. Small markets are fewer than 50,000.

About the Survey

The RTDNA/Newhouse School at Syracuse University Survey, funded in part by the Lawrence Herbert School of Communication at Hofstra University, was conducted in the fourth quarter of 2019 among all 1,702 operating, non-satellite television stations and a random sample of 3,427 radio stations. Valid responses came from 1,313 television stations (77.1%) and 673 radio news directors and general managers representing 1,996 radio stations. Some data sets (e.g. the number of TV stations originating local news, getting it from others and women TV news directors) are based on a complete census and are not projected from a smaller sample.

About Bob Papper

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