

INNOvation Fund Application

Submission Date	2014-03-03 18:28:55
Organization Name	Southern California Public Radio (SCPR)
Tax-exempt status	501(c)(3) organization
EIN of organization (or of fiscal sponsor's organization)	
Website address	www.scpr.org
Phone Number	
Applicant's name	
Title:	
Contact email	
Proposed Start Date	07-01-2014
Proposed End Date	12-31-2014
Total estimated project budget	\$55,871
Request amount:	\$35,000
In two or three sentences, describe your organization's purpose and audience.	SCPR's mission as a nonprofit news organization is to strengthen the civic and cultural bonds that unite Southern California's diverse communities by providing the highest quality news and information through radio and other interactive media. SCPR produces acclaimed programs "AirTalk," "Take Two," and "Off-Ramp" and engages audiences through an award-winning website, innovative mobile apps, a robust social media presence, and interactive live events held at its Crawford Family Forum and in local communities. Its public service journalism reaches a monthly audience of more than two million people across media platforms, with a diverse newsroom and reporting desks dedicated to such topics as education, the arts, health care, business, crime, politics, immigration, the environment, and science.
Describe in detail the project for which you are requesting funds. How does it fit with your sustainability plans? Explain the need for this project, and how you expect it to increase revenue and/or audience engagement.	<p>Native Advertising for Nonprofit News</p> <p>Southern California Public Radio (SCPR) aims to solve the riddle of native advertising for nonprofit news organizations. Working within the legal limitations placed on public media institutions, SCPR will create a scalable native underwriting convention that delivers value both to its audience and to the underwriter. The resulting framework would preserve public media's common mission and values, while driving digital revenue growth.</p> <p>This is the model that SCPR will develop and pilot with a \$35,000 grant from the INNOvation Fund. SCPR will</p>

contribute almost \$21,000 of its staff time towards this effort. The full \$35,000 grant would enable SCPR to execute its native advertising plan at this time.

This grant will enable SCPR to contract a strategist, a freelance writer, and a sales consultant for a six-month period (July 1 to December 31, 2014) to design and implement a pilot native underwriting campaign, creating a framework of policies specific to—and scalable for—the nonprofit news and public media environment. Adhering to SCPR's strict standards for content and design, sponsored content will appear in contextually relevant placements across SCPR's digital products for both listeners and readers on mobile and desktop platforms.

Benchmarks for successful implementation include "The New York Times," "The Guardian," and "The Washington Post." SCPR will commit to beginning one sold campaign before the conclusion of the pilot program; however, the campaign may last beyond this period.

Native advertising would be a key strategic investment in SCPR's long-term sustainability. Offering sponsored content packages to SCPR's funders is the logical next step for monetizing its digital products, while keeping pace with private-market competitors.

Is this a new project?

New project. We have not done this before.

Who will help carry out the project? Describe the key staff and capabilities. If you plan to use outside partners, consultants, or vendors, tell us why you chose them (or how you will select them). Will you need to hire additional fulltime or part-time help to complete your proposed project?

SCPR has the in-house resources to design, build, coordinate, and promote the pilot campaign and will cover all project planning and implementation costs delegated between five existing fulltime staff members.

SCPR plans to work with an outside digital marketing firm in executing its pilot program, and several agencies already have expressed interest. SCPR has one partner lined up with unique expertise in the native advertising field. A standard RFP process will be used to vet agencies.

The chosen agency will provide a Sponsored Content Strategist who can design and implement SCPR's pilot program. With a background in journalism and marketing at the managerial or editor level, this individual will work with SCPR's editorial team to create the workflow, guidelines, and policies required to produce native underwriting design and content strategy.

- Deliverables: Workflow documentation, internal sell-through of editorial guidelines and best practices, rigorous "firewall" policies, final design, and content discovery strategy; retains and trains freelance writer and editor

In addition, this agency will provide a Freelance Writer who can cover the area of interest to the pilot foundation or underwriter. A working journalist, this individual will coordinate with the Sponsored Content Strategist to develop and produce copy for the native underwriting inventory, with a commitment of one campaign.

- Deliverables: Final native underwriting copy

Finally, SCPR will contract with a Native Sales Consultant with a proven track record of ad sales in the field of nonprofits and foundations. This individual will work with the

Underwriting team to generate sales materials, train account executives, cultivate native underwriting leads, and secure a pilot sponsor.

- Deliverables: Final sales, product positioning, key performance indicators (KPI), reporting procedure/policy, and sale of first unit produced

The internal support team for the pilot program will consist of the following SCPR staff:

- Jon White, Developer (design and front-end code for sponsored-content template)
- Joel Withrow, Product Manager, Mobile News Experience (design/product project management)
- Tony Limon, Digital Revenue Strategist (Underwriting/sales project management)
- Sean Dillingham, Senior Web Designer/Developer (technical implementation)
- Alex Schaffert, Director, Digital Media (hiring and leadership coordination)

How will you measure progress? Please be specific and concrete about the metrics you will use and how and when you will provide them to us for validation.

SCPR will measure the success of the INNnovation Fund's investment in its native advertising plan for both its development of the pilot program as a model for nonprofit news organizations and its implementation as a means of revenue generation. For the purposes of the pilot program, SCPR intends to run one campaign with one sponsor.

With regard to development, metrics for the success of the sales effort for the pilot program would consist of:

- Number of underwriters and foundations contacted to sponsor the pilot program
- Number of leads generated (underwriters and foundations requesting more information, in-person or phone meetings, and/or quotes for pilot program campaigns)
- Minimum of 1 campaign sold during the pilot program

Closed campaign success metrics for the pilot program would consist of:

- Monthly reach of the campaign
- Engagements per impression
- Revenue generated
- Post-campaign feedback from the sponsor

After the pilot program concludes, SCPR would continue to report the above metrics to INNnovation Fund leadership on a quarterly or annual basis. One year after the conclusion of the pilot program, SCPR will share insights and data with the public media community in a public blog post detailing the program's successes and challenges.

What do you hope to learn from this project, and how do you hope to apply what you've learned over the long term?

For fear of alienating its audience, public media has cautiously avoided monetizing its content in an overtly commercial manner. SCPR believes that the framework emerging from this grant will map out the common ground between the interests of its audience, underwriters, and journalistic principles. At its conclusion, the organization will be much closer to determining whether sponsored content is a viable revenue stream for mission-driven, nonprofit content producers.

SCPR hopes to apply this long term as an indicator of audience tolerance for first-mover behavior, of public media's capacity for scalable network solutions, and the

public media audience's elasticity. These lessons will inform the future makeup of SCPR's sales team and will widen the opportunities for its Underwriting and Development teams to engage prospective funders.

Why are you the right organization and team to do this project?

With its size and stability, SCPR can take on the inherent risks of the pilot program, and Los Angeles is an ideal environment for the pilot, with its market size, ad agency talent, and buyers. SCPR also is capable of producing and selling custom new ad inventory. In the past, it has sold custom digital packages and implementations for both news desk-specific underwriters and underwriters seeking to target specific news events, including cross-platform packages targeted at in-person events and digital audiences.

Additionally, SCPR is committed to a digital first-mover strategy in support of long-term sustainability. Supported in part by the Keck Foundation, SCPR has aggressively pursued a mobile-first design and development strategy that already has yielded a two-time EPPY Award-winning responsive website and a custom application for the iPad, both built by full-time internal resources. SCPR employs a Digital Revenue Strategist who works closely with Membership and Underwriting to develop new opportunities to drive value for members and underwriters.

SCPR has undergone tremendous growth over the last three years, more than doubling the size of its newsroom, establishing subject-driven news desks, and expanding its news delivery platforms beyond radio to encompass online, mobile, social media, and live events. Over the last two years, SCPR's digital audience experienced an 118% increase in unique monthly visitors, from three-month averages of 359,700 in January 2012 to 785,700 in January 2014.

Why is this project timely? Why is now a good time to undertake this project?

SCPR is at a point in its digital growth where the value of its content products is outpacing its ad products. It is imperative that the organization find a high-value, relevant, and sophisticated way for underwriters to communicate with SCPR's audience that provides a win-win user experience. In short, SCPR's ad products must be as innovative as its content products. This is the difference between being a digital media company and being a radio station with a website.

Native ad spending is predicted to hit \$2.85 billion in 2014. Venerable media institutions from "The New York Times" to "The Guardian" and "The Washington Post" have embraced it. Companies and foundations alike increasingly produce content and turn to media partnerships to get their message out.

Upload your project budget

[SCPR budget for INNovation Fund 3-3-14.xlsx](#)