



The Dog's Bark

**Broadcasting
for the
21st Century**

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Named One of the Best Radio Companies to Work for in the United States - 2005!

ROI... It's Not Just a Buzz Word!

By Ron Nickle - Senior VP of Sales



ROI, or Return On Investment, should be first and foremost in your mind with anything you purchase, but even more so when buying advertising. But how do you define ROI?

I have heard people explain that their medium has a great ROI because "your \$1000 ad will be in front of all 15,000 people who subscribe to us, giving you an ROI of 15 to 1!" I have heard people say that you get a great ROI on a TV or Radio station because they have 25,000 listeners or are Number One! But what is a REAL ROI?

Let's start with the idea that your money in the bank may return 3% if you leave it there a year. Now, let's imagine you want to make 20% on your money in one week! No, you don't have to become a loan shark. Let's use this example: You own a furniture store. You have a margin of 50% (100% markup in prices from what you buy it for). Your average customer spends \$650 (take all sales for the month and divide by the number of tickets). You have a closing ratio of just 30% (you are able to sell something to three in ten

people who walk in the door). Now let's look at a one week advertising budget of say \$10,000. In order to get a return of 20% on your money, you will need to have Gross Sales that week of \$24,000. Since the average customer spends about \$650 at your store, you will need 19 sales that week. And if you are closing just 3 in ten sales, your advertising must bring in 62 people that week.

If you're running a restaurant or a service business, simply consider how many times a person comes back after coming in the first time, and their average ticket. Let's say your advertising brings someone in, and your average customer comes in once a month, and you have determined your average customer stays with you five years. If that average ticket price was \$75, then each new person is really worth over \$4,500.00! Then use your food costs or product costs to determine your margin and you can set your marketing goals.

Don't get caught up in adding in rent, staffing, heat and other overhead into your costs when doing this experiment. Your doors are already open, so these costs are the same whether you do this advertising or not. Do the math and make your advertising accountable for a GREAT ROI!

Trade Show Tips

By Julie Cummings - VP of Sales



Now that spring is here, many businesses will be looking at displaying in Trade Shows. Here are some hints to make sure you get the most for your Trade Show dollars.

- Have a proper exhibit marketing plan. Make sure you know exactly what you expect to get from your show and how you're going to get.
- Have a well-defined promotional plan. Make sure your pre-show drives your booth activity. Budget for advertising and don't rely on show marketing to handle it for you.
- Give visitors an incentive to visit your booth and talk to you. People NEED an incentive to come to your booth.
- Have giveaways that work. Does anyone need a new T-Shirt? Will a coffee mug do anything for you? Consider what your target audience wants.
- Have a computer handy so you can gather information on people to talk to them again in the future. You don't want to get bogged down talking to one person who likes to talk while other people pass you by.



Rick Murphy - CEO
Murphy Broadcasting

Some people **truly** understand the cost of marketing and the power of customer service.

A short time back I was in La Jolla where I had spent some time enjoying the beach and all that La Jolla has to offer. While there, I was using a dry cleaner that was close to my center of activity. They did the job well. I paid them. It was a perfect relationship. One day I received a letter from the dry cleaner. The letter expressed concern that they had not seen me in a while. "We miss you" and "did we do something wrong" were in the opening lines of the letter. I was floored!

Somewhere in this company's systems was a tickler that said "Mr. Murphy is not doing business with us any more", and a letter was generated. They went so far as to tell me that they would give me \$20 in free dry cleaning just for coming in and telling them why I was no longer a customer!

How many of us track our customers like that? How many of us spend a fortune on marketing and advertising trying to bring in **new** customers while not going back to people we have lost and asking why... or how we can make it better?

If you were a customer of our company and no longer are, I'd like to hear from you. Feel free to write me at rmurphy@maddog.net.

The Future is Here...well, Nearly!

By Chris Rolando - President/General Manager



A few months back, I wrote to tell you that we had reached an agreement with Ibiquty to convert KRRK-FM to HD@ (digital) radio. I told you how this conversion would bring a pure digital signal right to your radio as well as two new radio stations, all for free! Plans are in motion for some exciting new programming on KRRK-HD1 and KRRK-HD2. We will keep you informed of our progress through this column.

Later this month we will be in Washington DC, having been named to the Digital Radio/Spectrum Integrity Task Force of the National Association of Broadcasters (NAB). These meetings are designed to shape digital broadcasting for the future. Discussions will center on digital

technology, cooperation with receiver manufacturers and public input.

On Friday, March 3rd, we will sit on the Joint Board of the NAB (Radio and Television) where we will discuss all matters concerning radio and television at that time.

Mad Dog Wireless has been providing our input to the NAB and FCC over the past few years in an attempt to speed the conversion of terrestrial radio to digital transmission.



Do you want a fun and exciting job?

With everyday an exhilarating and different experience? Then you want a job in the radio industry! Murphy Broadcasting is looking for smart, fun, outgoing, computer-savvy people for their executive sales assistant positions in Lake Havasu, Kingman and Bullhead City. Apply today on line at www.maddog.net for the chance to work hand in hand with Murphy Broadcasting's top sales people helping them in every facet of the radio sales industry.

Radio Production...The Ins & Outs

By Rebekah Sheppard



"The productions of all arts are kinds of poetry and their craftsmen are all poets."

~Plato

Radio diverts from the problems and anxieties, providing relaxation and creates a sense of companionship. Radio has the advantage of a human voice – the warmth, compassion, anger, pain and laughter – allow me to introduce you to the Production Department of Murphy Broadcasting.

In any given moment in the day of a radio producer, one may be a copywriter, an editor, a marketer and even a sales person. The Production Department is constantly researching for a better knowledge of clients, setting up interviews, directing presenters, preparing commercial orders and at the same time recording, editing, and handling studio operations.

When there are on-location broadcast events, that's when the Production Department becomes on-air talent. The sultry voices you hear are live and local. On-location broadcasts give the Production Department a unique opportunity to showcase their clients.

Murphy Broadcasting's Production Department brings you a track record of abundant creativity, outstanding technical skills, state-of-the-art equipment, extensive experience and very satisfied clients. As a wise man once said, "There aren't any problems, only challenges." My reply, "You couldn't be more correct, dad".



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