



## The Client Gift That Shows Radio In A New Light

*A Message from B. Eric Rhoads*

*Warning: In the interest of preserving my credibility, I should give you the head's up that if you read further, you'll be asked to buy something. I don't want you to read the whole thing and feel betrayed. I told you this last year and you still read it, and bought the product. So consider yourself forewarned. — ER*

I can see your client's eyes light up like a child finding a new bicycle under the Christmas tree. "Oh, wow! Just what I wanted, a basket full of stale crackers, smelly cheese, and different kinds of jellies and sausages packed in a plant in China almost eight months ago. They must use some amazing preservatives. Those people at the station always go out of their way to be creative! I'm going to reward them by placing some more ads with that station."

Have you caught yourself telling the salespeople: "Go see what you can trade so we can give something to our clients for Christmas or Hanukah"?

### **I know. It's the thought that counts.**

Clients really don't mind getting 20 or 30 giftbaskets, cookie tins, or giant cans of popcorn. These gifts help you blend in with the rest of the radio/TV/cable stations, newspapers, shoppers, websites, and fellow Kiwanis club members. The nice thing about giftbaskets is that they can be re-gifted. Right? You're doing them a favor *and* saving them from spending money on gifts, and you're making a wonderful impression of your station.

Sorry if I sound sarcastic, but your image is at stake.

The other alternative is to give them something they'll want to keep, something brand-new and cutting edge, something that gets them thinking about radio and its possibilities. Though you can't get it on trade, it costs about the same as a low-priced giftbasket.

### **The Ghost of Radio Christmas Past**

Last year right before Thanksgiving I told you that I had a plan to get some low-cost HD radios in the hands of radio staffers. My goal was to introduce radio people to HD Radio firsthand to create momentum for the product. I went to iBiquity and asked them to brand a little HD radio for me, and I called it Mighty Red™ — the little radio with mighty HD sound. I made it red because I can never find small radios or MP3 players in my black bag. The red stands out.

### **Perhaps I Underestimated the "Blog Effect"**

I only asked iBiquity for 250 because I figured we would sell about that many, but 400 sold out in the first two hours after my e-mail. We placed a rush order for 400 more, and those sold out in the next two days. We got to a point where we could not keep ordering and overnight shipping the units from China, so we cut it off at 2,000. Frankly, not a month has gone by all year that we didn't get requests from people wanting to buy more radios. They became a collectors' item of sorts, and lots of radio stations bought them for their entire staff last year as a holiday gift.

The other thing I underestimated was the blog effect. My letter was posted on my blog, Facebook, and Twitter, and we sold hundreds of units to consumers who are not in radio. Who knew?

**Wait. Don't hit delete yet, this is NEW TECHNOLOGY NEVER BEFORE AVAILABLE ON HD RADIO.**

### **A Radio Game Changer?**

I know HD Radio has its critics, and for good reason. Sometimes those guys at iBiquity haven't been playing with a full keyboard. This HD adoption thing has taken far too long. It has some technical issues and limitations (especially on AM) and could have been handled a whole lot better. Plus, HD Radio will never catch on unless radio companies start devoting more custom live content to the HD stations. But we shouldn't abandon it. We should learn from our mistakes and move on.

I want HD Radio to be adopted because it's an opportunity for radio to function in a digital age. I want to see commercial tagging to Twitter and Facebook. Radio needs to be tied to digital in every way, and that's not possible without HD technology. Radio has invested heavily, and there are now over 2,300 stations broadcasting in HD, and an additional 1,200 radio stations on the HD band across America.

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No, there are not enough consumer HD units yet, but now there are units in many major car manufacturers (Ford, Volkswagen, BMW, Volvo, Mercedes-Benz, Lincoln, Audi, Scion, Lincoln, Subaru, Land Rover, Hyundai, Jaguar, Mercury, Kia, Rolls Royce, Mini) and rumor has it a large Japanese brand is about to make it standard issue. iBiquity claims there are now 3 million units in the market. Of course they all may be in a warehouse someplace in New Jersey.

### A Toe in the Water

Will HD Radio catch on? I honestly don't know. I know I'll get a thousand e-mails telling me I'm an idiot for helping push HD. (If this was 50 years ago, I'd get people telling me FM was a bad idea.) Radio is competing in a digital era and there are things that can be done on HD that can't be done on regular radios. Getting more HD units into the hands of radio people, advertisers, and consumers can't hurt. Consider it a toe in the water.

### Lots of Happy Customers

My original Mighty Red™ unit was a small portable radio about the size of a pack of mints that packs POWERFUL booming sound. It came with an arm band that makes it perfect for use at the gym, jogging, etc. The audio fidelity really blows you away for a unit that small. I still use mine every day at the gym.

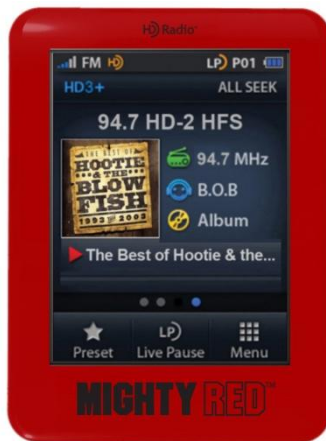
### How to Make Advertisers Drool

I'm about to offer you my Mighty Red 2, which has two powerful new features, plus a touchscreen. If you're in HD markets on FM (sorry, no HD AM on this unit — yet) I suggest you consider buying them as advertiser holiday gifts because it will show advertisers new things radio can offer on HD, and that will help generate HD revenue.

### Mighty New Features:



**Artist Experience:** Each Mighty Red 2 has a little color screen that can display a graphic every time a song, spot, or promo comes on:

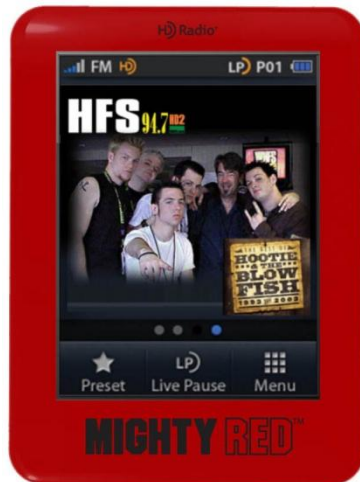


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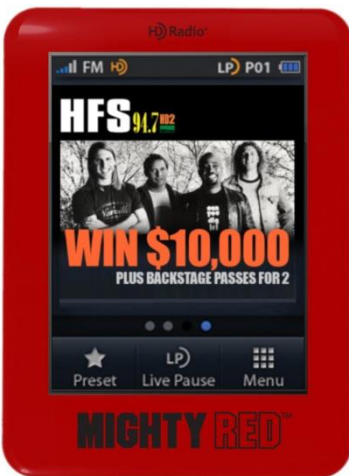
You can show the album cover of the song playing:



Or a photo of the artist with your call letters:



Or a graphic for your station promos:



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Or a graphic for your air personalities:

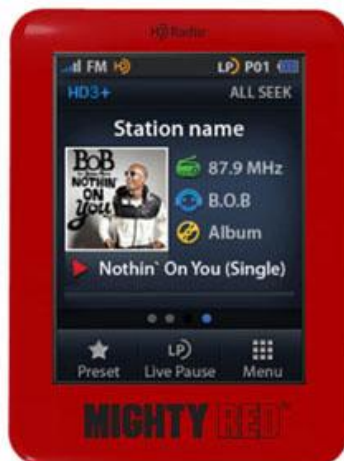


Advertisers can show a logo, store photo, or website in sync with their spots. When advertisers get these as gifts and see how radio can deliver ANY graphic with their ads, they will drool.



**Live Pause:** I can't tell you how many times I've needed this. I was on the treadmill at the gym the other day listening to my Mighty Red. I had "Just My Imagination" by the Temptations cranked up when suddenly I noticed my wife was trying to get my attention. By the time I was done talking to her, the song was over. Now with Mighty Red 2 Live Pause, you simply pause the song then can un-pause when you're ready.

**Bookmarking:** If I want to remember the name of a song, I just hit the bookmark feature and bookmark up to 20 songs — or advertisers. Don't you think they'll love that feature?



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### **A BIG FAT GIANT MISTAKE**

I learned a lesson. Last year we sold out our factory order in hours. By having to reorder twice, we ended up paying FedEx charges from the factory in China so the units could arrive in time for Christmas. This year we've ordered 1,400 units. As of this moment I'm preselling these units — if we sell more this week *only*, we'll up our order, but *this week is the cutoff for ordering more*.

### **Will We Repeat History?**

Last year we sold 2,000 units and had to stop taking orders. This year we could bomb and get stuck with the 1,400. I'll report back — I may have to make room in my garage.

As a client or employee gift, this sure beats a cheesebasket. Clients will love the Mighty Red HD 2. Last year a major radio supplier bought Mighty Red for its top national clients and the reaction was spectacular. Best of all, you'll be exposing clients to new HD technology by showing them what you can do with their ads. It's a great gift that sends a positive message about radio.

### **The Race Is On...Ready, Set, Go!**

There is no limit to the number you can order, and we will guarantee delivery before Christmas. But after this week we won't order more units from the factory — so once we sell out our allocation, that's it.

To learn more, go to [www.mightyredhd.com](http://www.mightyredhd.com).

Eric Rhoads

PS: What would happen if 100 advertisers in each of the top 50 markets received a Mighty Red 2 HD radio with Live Pause, Artist Experience, and Bookmarking? Would it influence their opinion about HD Radio, about new things that radio can offer them, and about advertising on HD? This could have a big influence on their opinion of you and your radio station.

**Place your order now for client gifts, employee gifts, and personal gifts.**

