

# THE MUSIC OPPORTUNITY



- In 2015 RNZ set itself a target of doubling its total audience from 600,000 New Zealanders (14% of population) per week to 1,000,000 (28%) New Zealanders per week by 2020.
  - In March 2019 the 1 million mark was achieved.
  - This growth has been driven primarily by the news related content of our news-centric channels - RNZ National, rnz.co.nz, and third party content sharing partnerships.
- For the year commencing July 2019 RNZ has set itself a new target of “1 in 2 New Zealanders” (50%) by 2023 by “creating a lifelong relationship with all the people of Aotearoa”.

**QUESTION: How can RNZ drive the next level of growth necessary to achieve this new goal?**

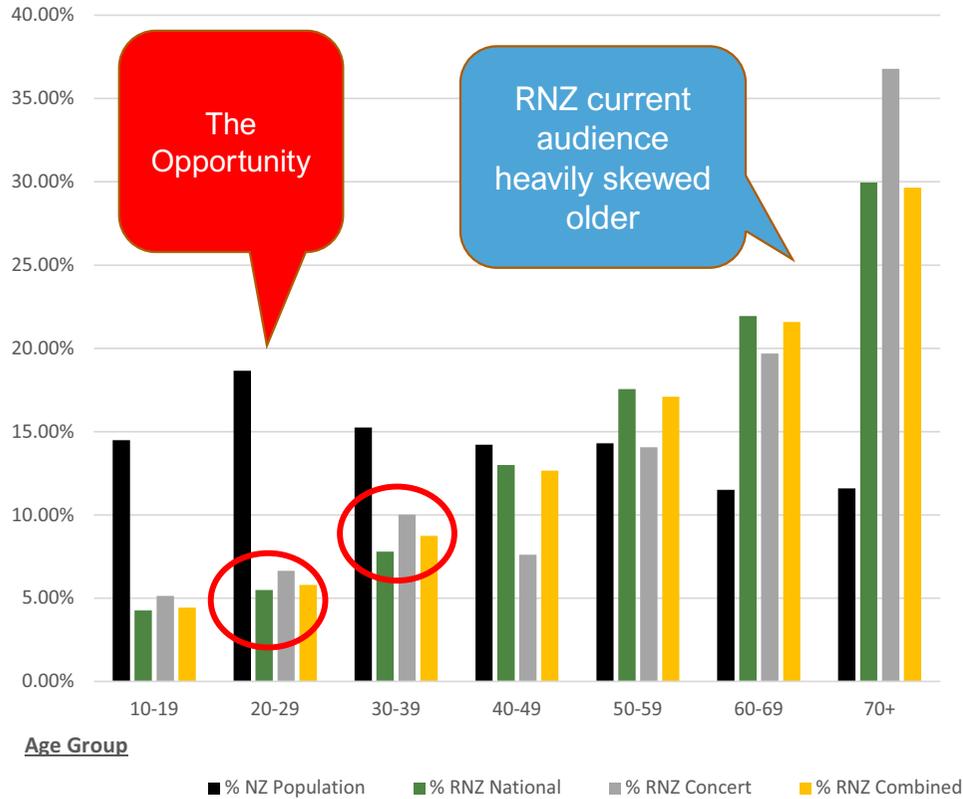
# Introduction



## ANSWER:

1. By attracting completely new and different sectors of the New Zealand population, and
2. With the news-orientated audience already well catered for, by creating some completely new and different brands and content to attract these distinctly new and different audiences in sufficient numbers.

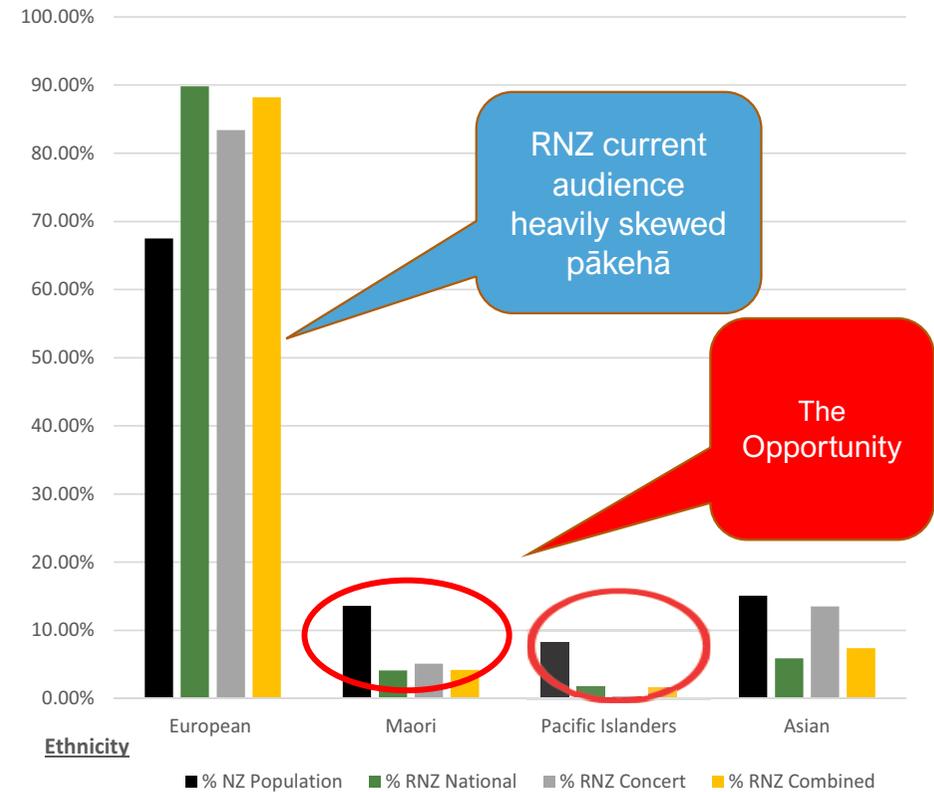
**AGE BREAKDOWN OF CURRENT RNZ AUDIENCES**  
vs NZ Total Population (all people 10+)  
Gfk Radio survey data – s3 2019



The Opportunity

RNZ current audience heavily skewed older

**ETHNIC BREAKDOWN OF CURRENT RNZ AUDIENCES**  
vs NZ Total Population (all people 10+)  
Gfk Radio survey data – s3 2019



RNZ current audience heavily skewed pākehā

The Opportunity

The opportunity for new audience is clear



RNZ does very well meeting the needs of its older pākehā audience, BUT....

- RNZ is under-performing with younger New Zealanders and a range of other (non-pākehā) ethnicities.
- RNZ cannot meet its Charter obligations without broadening the diversity of its audience.
- RNZ will not be able to achieve its goal of reaching one-in-two New Zealanders, or have a “life-long relationship” with them, without attracting additional new diverse audiences.

So, what can RNZ do to attract younger and more ethnically diverse New Zealanders?

## Conclusions

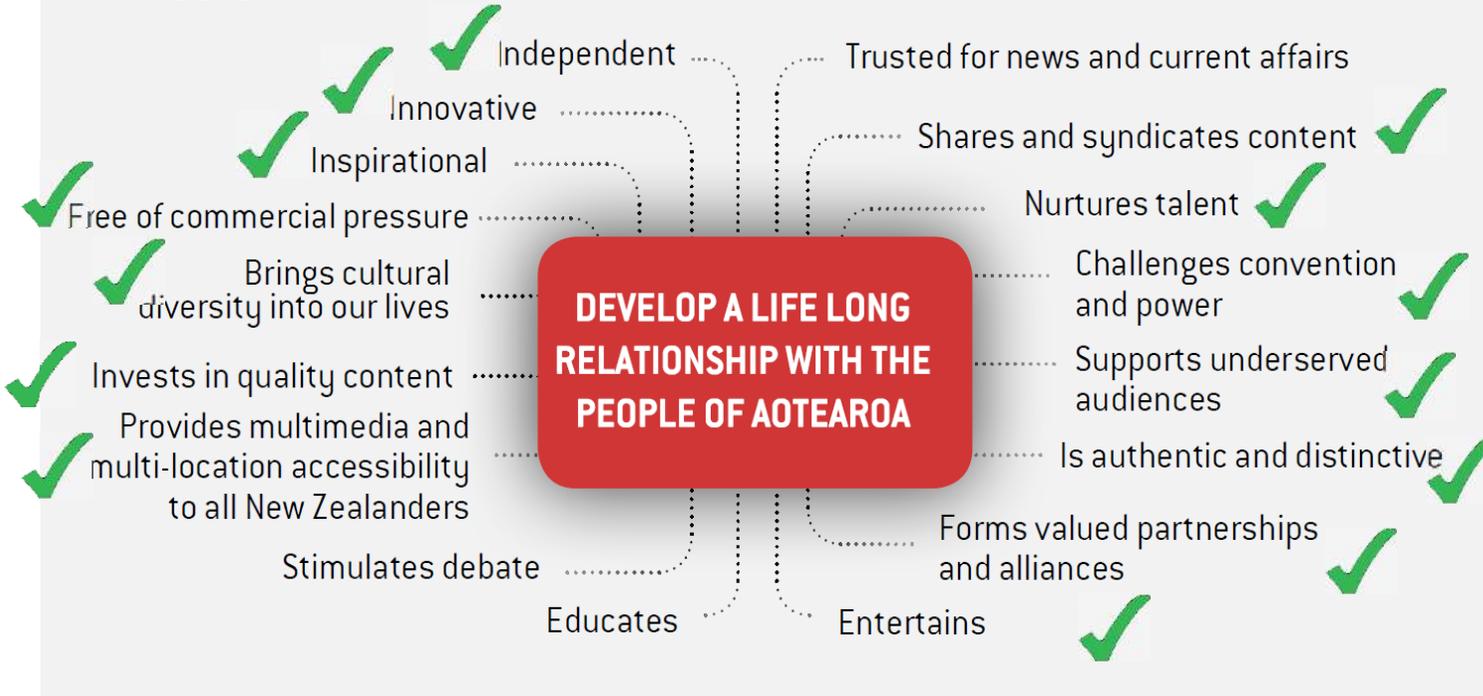


- Younger New Zealanders are more likely to consume music than they are news and current affairs.
- Music is a strong element of the Māori & Pasifika cultures – RNZ currently significantly under-indexes with these communities.
- Local music is an integral element of NZ’s cultural identity and the RNZ charter.
  - RNZ currently under-delivers with its music, especially NZ composition and NZ performances.

Music is the way to reach these new audiences



**MISSION**



**Achieved with new RNZ Music service ✓**

**GOAL :** By 2023 we will reach and be valued for our service by 1 in 2 New Zealanders a week

Without this type of bold initiative this goal is not achievable

A new music based service is also essential for achievement of RNZ's strategic objectives and charter obligations



In achieving its purpose, Radio New Zealand must endeavour to provide services of the highest quality which:

- a) are **predominantly and distinctively of New Zealand**: ✓
- b) inform, **entertain, and enlighten** the people of New Zealand: ✓
- c) are **challenging, innovative, and engaging**: ✓
- d) foster critical thought, and informed and wide-ranging debate: ✓
- e) stimulate, support, and **reflect the diversity of cultural expression**, including drama, comedy, literature, and the performing arts: ✓
- f) stimulate, support, and reflect **a wide range of music, including New Zealand composition and performance**: ✓
- g) reflect **New Zealand's cultural identity, including Māori language and culture**: ✓
- h) provide **awareness of the world and of New Zealand's place** in it: ?
- i) provide **comprehensive, independent, accurate, impartial, and balanced regional, national, and international news and current affairs**: ?
- j) provide programmes which balance special interest with those of wide appeal, **recognising the interests of all age groups**: ✓
- k) contribute **towards intellectual and spiritual development**: ✓
- l) include an **international service to the South Pacific** in both English and Pacific languages: ✓
- m) take account **of services provided by other broadcasters**: ?
- n) take advantage of the **most effective means of delivery**: ✓
- o) preserve and **archive broadcasting material** of historical interest.

Achieved with current  
RNZ Concert ✓



Achieved with new RNZ  
Music service ✓

A new music based service is also essential for achievement of RNZ's strategic objectives and charter obligations



## **LOCAL CONTENT & CHARTER OBLIGATIONS**

The level of local NZ music played on RNZ Concert is very low - NZ Performances = 18%, NZ Compositions = 4%.

- This is very low for a publicly funded broadcaster, let alone one with the Charter obligations of RNZ to reflect NZ's cultural identity.

## **AUDIENCE REACH & DIVERSITY**

RNZ Concert's audience is the largely the same audience that also listen to RNZ National, (60% shared), and does not add much to overall reach and diversity of RNZ's total audience.

- This is a lost opportunity to use one of our two radio assets to reach new and different audiences.
- By adding only an additional 69,800 listeners to RNZ's total reach is a very poor audience return on investment in RNZ Concert .

## **FINANCE & RESOURCING**

With 18 FTEs and an operating budget of \$3.8M per annum (*direct costs only – scheduling, presentation, production & TX*) is very inefficient compared to other music stations in NZ.

- There is considerable scope to operate more cost-effectively.
- RNZ could achieve a significantly higher return on this investment if it was directed towards audiences that did not have a 60% duplication with RNZ National.

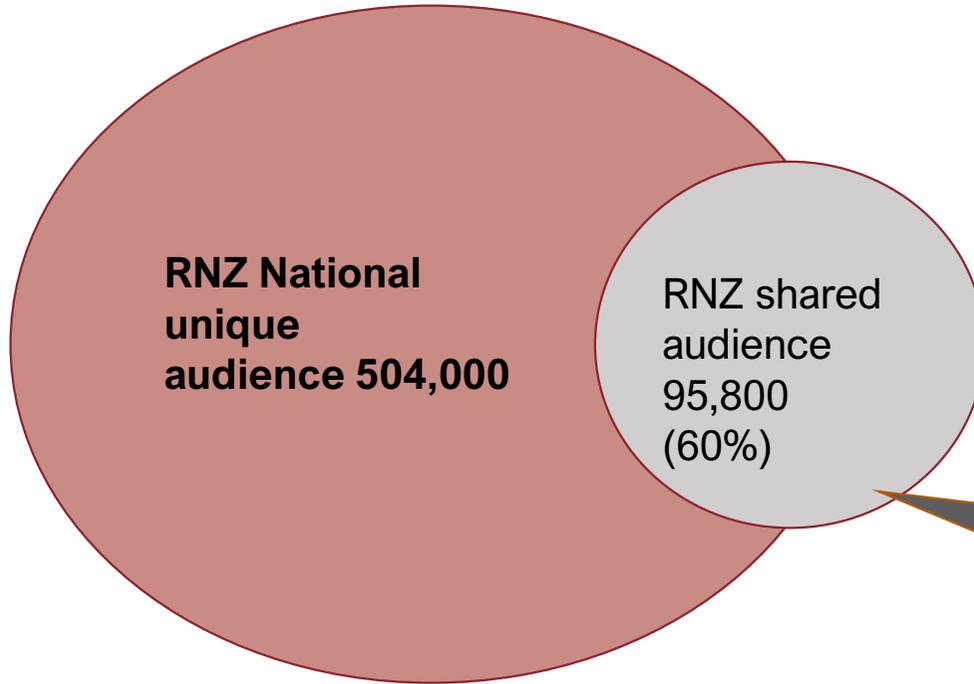
# Concert is under-performing and change is needed



RNZ's total combined (unduplicated) radio audience = 669,600



RNZ National  
total audience  
599,800



RNZ National  
unique  
audience 504,000

RNZ shared  
audience  
95,800  
(60%)

RNZ Concert total  
audience 165,600

RNZ Concert adds  
69,800 unique listeners

Concert exclusive audience  
= 69,800



Therefore, irrespective of whether or not RNZ elects to launch a new music based service for new audiences, setting a new direction for RNZ Concert is essential in any event.

# RNZ Concert needs to change



- ❖ With the current RNZ Concert service under-performing, and
- ❖ a need for RNZ to broaden both the reach and diversity of its audience,

there is the opportunity to create a significantly new and different RNZ music service that will allow RNZ to extend its audience into new sectors of the New Zealand population, without the need for additional funding.

# The opportunity





Globalist



Curious - Intellectual



Curious - Grazer



Company Seeker



Tell-it-like-it-is Sports Fan



Community Minded



Relax and Unwind



Social Connector



Go-getter



Unengaged

# The Ten New Zealanders





## Relax and Unwind

*(469,938 people; 13% of population)*

They've had to think during their day, so when it comes to media content they just want something that allows them to **mentally switch-off and relax**. They want simple, easy to follow storylines – something that is not mentally taxing.



## Social Connector

*(552,647 people; 15% of population)*

Young men and women in their 20s. Social media is part of the fabric of their life.

They're looking for content that lifts their mood – something that makes them laugh, or inspires them, or **simply music**. They're also wanting to **connect** – through a shared interest or activity, or that gives them something to share with friends ... something that has shock value (“OMG did you see when ...”).



## Go-getter

*(169,178 people; 5% of population)*

These young men have a desire to succeed and get ahead. They're looking for content that gives them an advantage whether it be for work (business and finance content), life (investments), and generally (tech). They want to **feel they're a step ahead**.



## Unengaged

*(454,890 people; 12% of population)*

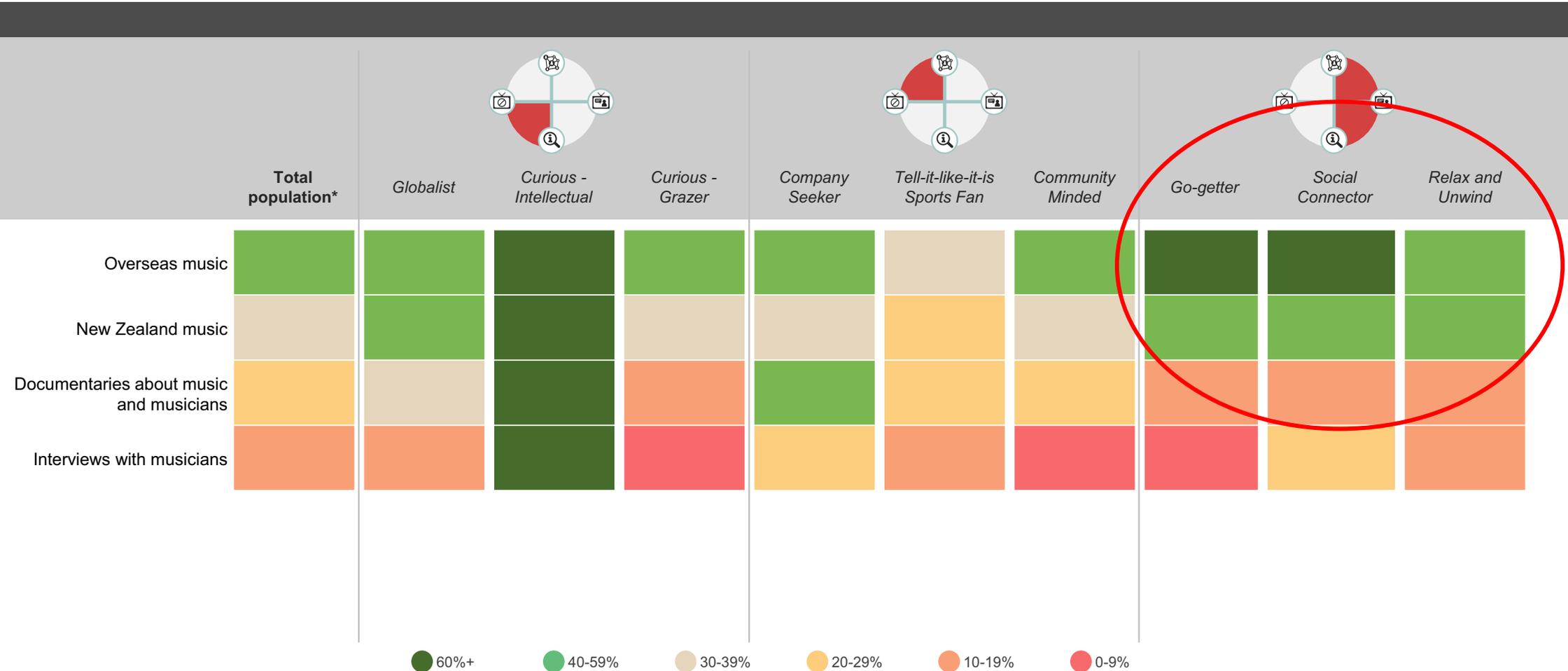
They're typically young men with little interest in news and information. They're more interested in entertainment – particularly content that allows them to connect with others – however they consume a lot less media than the other groups.

**They do like listening to music.**

Segments presenting the best opportunity to grow

**Total = 1,646,653 New Zealanders**

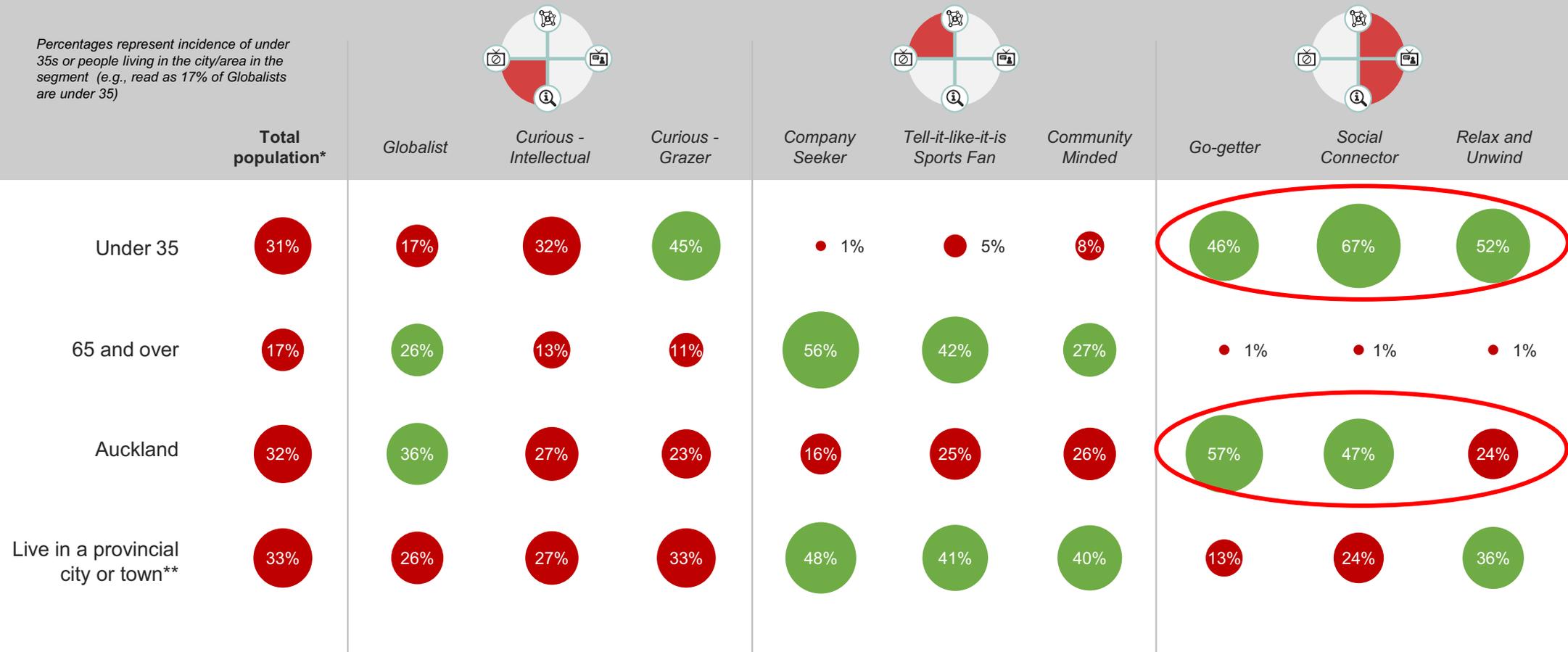




The 10 New Zealanders are more interested in listening to music than interviews or documentaries about music



Percentages represent incidence of under 35s or people living in the city/area in the segment (e.g., read as 17% of Globalists are under 35)



● Green bubble indicates over-indexing relative to incidence in population

The Go-getter and Social Connector are also likely to be younger and from Auckland



Percentages represent incidence of each ethnicity in the segment (e.g., read as 7% of Globalists are Māori)



	Total population*	Globalist	Curious - Intellectual	Curious - Grazer	Company Seeker	Tell-it-like-it-is Sports Fan	Community Minded	Go-getter	Social Connector	Relax and Unwind
Māori	12%	7%	13%	12%	3%	9%	7%	5%	27%	15%
Pacific peoples	6%	5%	5%	4%		3%	3%	4%	15%	3%
Asian	12%	12%	3%		4%	3%	5%	56%	19%	

● Green bubble indicates over-indexing relative to incidence in population

The Go-getter and Social Connector are likely to be Māori, Pacific, or Asian



10-17



The Edge



More FM



ZM



The Hits



Mai FM

18-34



The Edge



ZM



Mai FM



The Rock



More FM

35-49



More FM



The Rock



The Breeze



The Edge



ZM

50-64



RNZ National



The Breeze



Newstalk ZB



The Sound



More FM

65+



RNZ National



Newstalk ZB



Magic Talk & Music



Coast

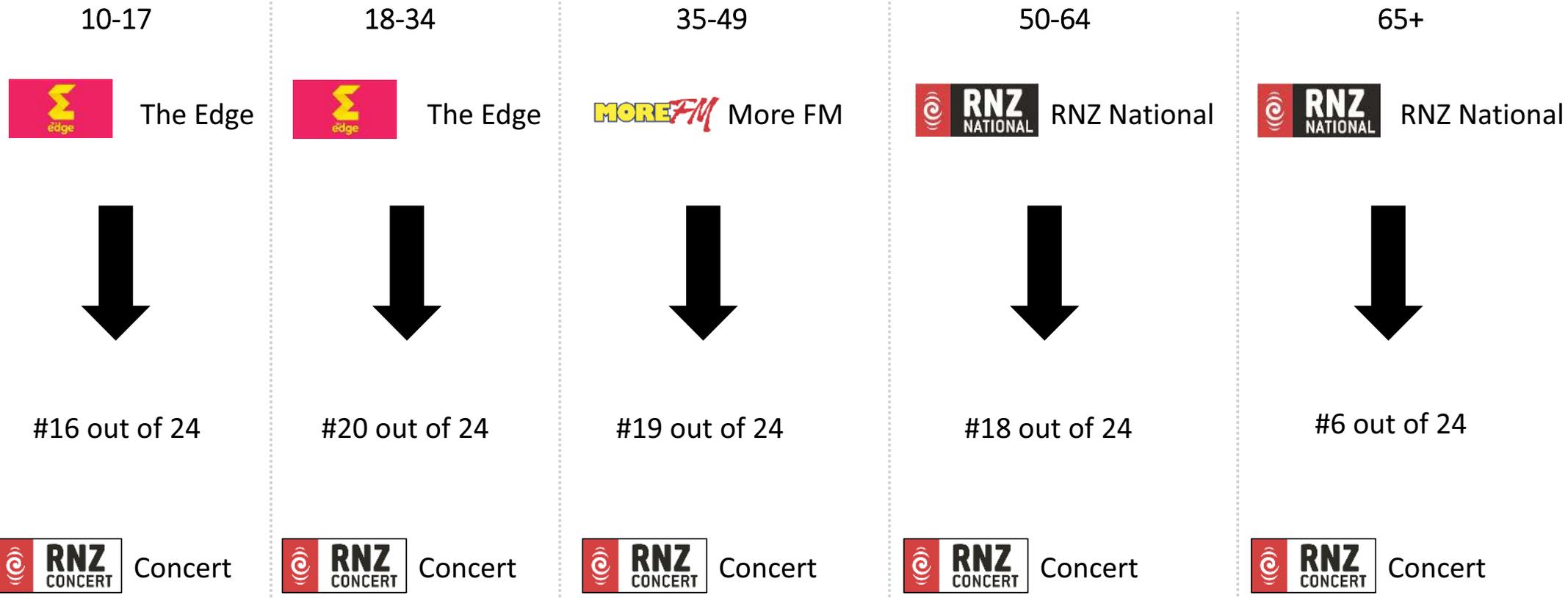


The Breeze

GfK S3 2019: Total NZ, All People 10+, Mon-Sun 12mn-12mn

# RNZ in the radio market





GfK S3 2019: Total NZ, All People 10+, Mon-Sun 12mn-12mn

# RNZ in the radio market



# Vision

## RNZ MUSIC v 2.0

RNZ creates an entirely new brand for young NZ (all 18 – 35)

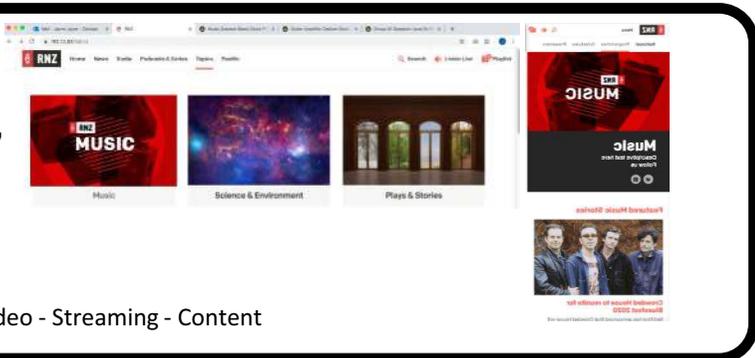
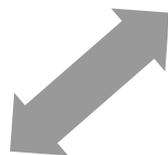
RNZ Music v 2.0 utilises **traditional broadcast and new digital technologies** to generate and share content. Content that is curated by **influencer talent** that RNZ will source from within the diverse target audience. This will foster a sense of strong national identity and will promote NZ culture to a young Aotearoa.



# RNZ



Radio.  
New Music Brand  
*(and music on RNZ National)*



Online:  
RNZ.co.nz - Video - Streaming - Content



Social



Facebook, Instagram, Snapchat,  
YouTube



# Content Delivery



# Brand

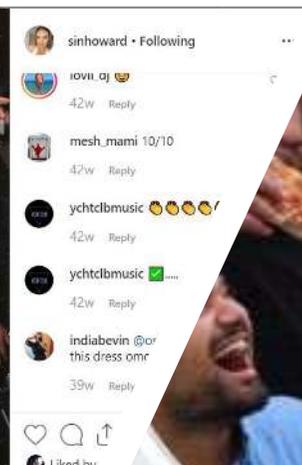
- Broad appeal format reach a wide audience vs. a niche approach.
- Non Genre Specific Playlists. Genre is no longer relevant to this audience. Market research and streaming data has borne this out.
- Driven by diverse range of influencer talent and personalities.
- This strategy will be driven by a new product team based in Auckland and an injection of fresh and diverse presentation talent.



**RNZ**

# Talent

- The new team will be Gen Z and Millennials.
- They will have social clout within the new audience
- They live the life and reflect the audience's lifestyle back upon itself



# Talent

- On Air Talent are no longer just radio announcers. They are musicians, comedians and social media content creators.
- They use influence within the community to spread the message far and wide to RNZ's new social audience.
- The RNZ content integrates seamlessly within their personal feeds.



2 posts 24.4k followers 236 following

8ENEE

 [linktr.ee/benemusicc](https://www.instagram.com/linktr.ee/benemusicc)

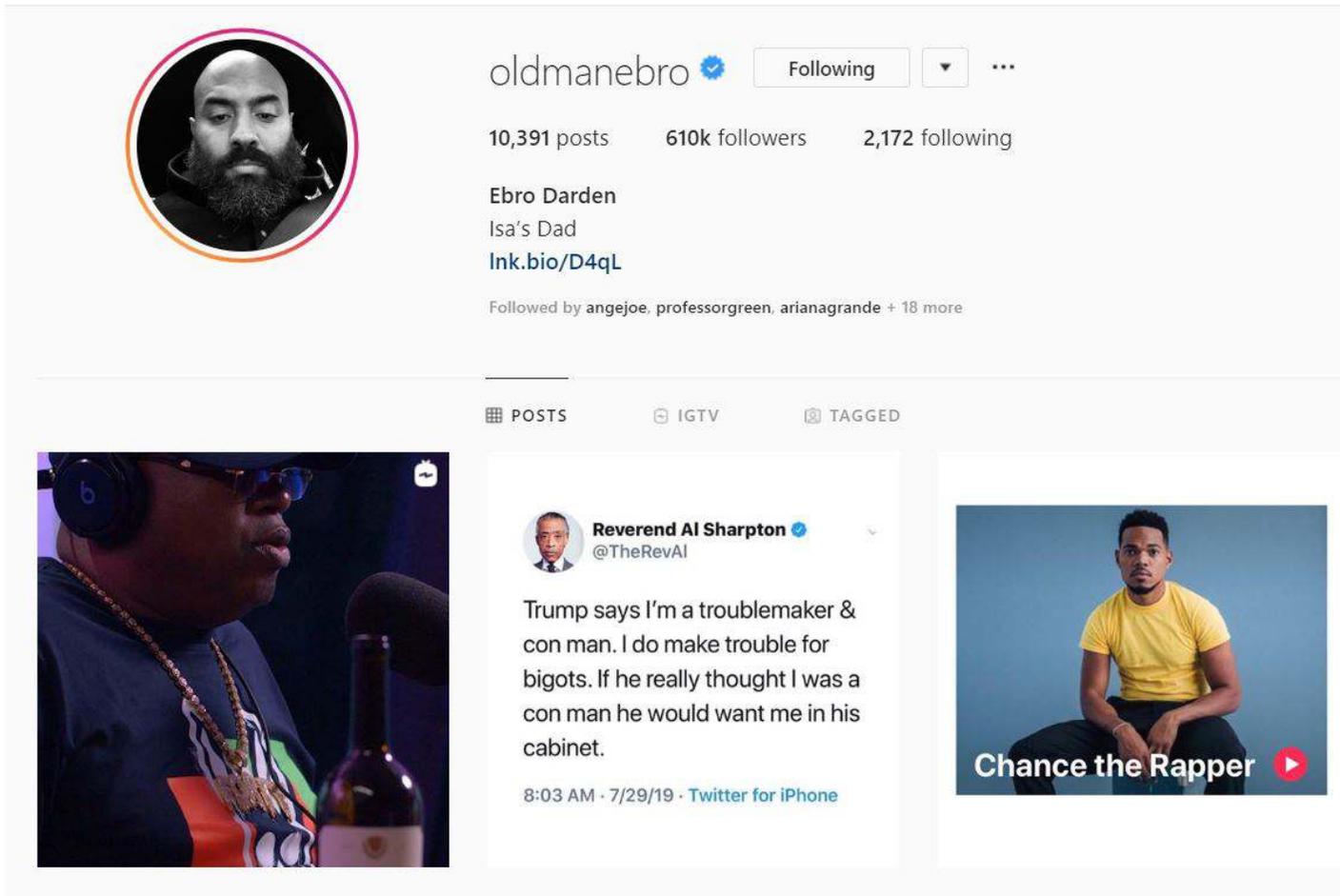
Followed by ourhouseevents, seanhillyman, angejoo + 78 more

POSTS

TAGGED



# Best Practice



The image shows a screenshot of an Instagram profile for 'oldmanebro' (Ebro Darden). The profile includes a circular profile picture of a man with a beard, a bio identifying him as 'Ebro Darden', 'Isa's Dad', and a link to 'Ink.bio/D4qL'. It also shows statistics for posts, followers, and following, and a list of accounts followed. Below the profile are navigation tabs for 'POSTS', 'IGTV', and 'TAGGED'. The 'POSTS' tab is active, showing a grid of content. On the left is a video of Ebro Darden wearing headphones. In the center is a tweet from Reverend Al Sharpton (@TheRevAl) with the text: 'Trump says I'm a troublemaker & con man. I do make trouble for bigots. If he really thought I was a con man he would want me in his cabinet.' On the right is a video thumbnail for 'Chance the Rapper'.

An example of best practice in this space. Ebro Darden. Hot 97 (New York) Beats 1 Radio

On his own personal 'gram, he carries Beats 1 content and his own curated content.



# Best Practice



Ebro cleverly teases content on his Instagram story before posting that content on his instagram

# Best Practice

## Social



01 Beats 1  
14 hrs · 🌐

"I also said to myself, 'A lot of cats that rock with me, I want to put them on this album.'" E-40 dropped 'Practice Makes Paper' over the weekend. Hear about what went into the making of it.

Listen: [apple.co/E40BEATS1](https://apple.co/E40BEATS1)

E-40

-0:57

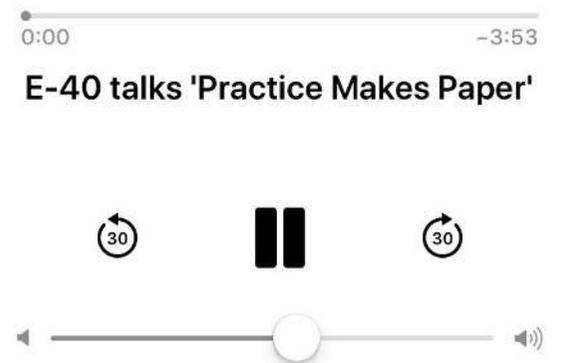
A screenshot of a social media post from Beats 1. The post features a video of E-40 in a radio studio. The video player shows a progress bar at -0:57. The text of the post reads: "I also said to myself, 'A lot of cats that rock with me, I want to put them on this album.'" E-40 dropped 'Practice Makes Paper' over the weekend. Hear about what went into the making of it. Below the text is a link: Listen: apple.co/E40BEATS1. The video player interface includes a play button, a progress bar, a settings gear, a share icon, and a volume icon.

## Radio



Not only does the interview live on Ebro's social. It also has a home on Apple's own Beats 1 Social, the App and the Beats 1 live radio broadcast

## App



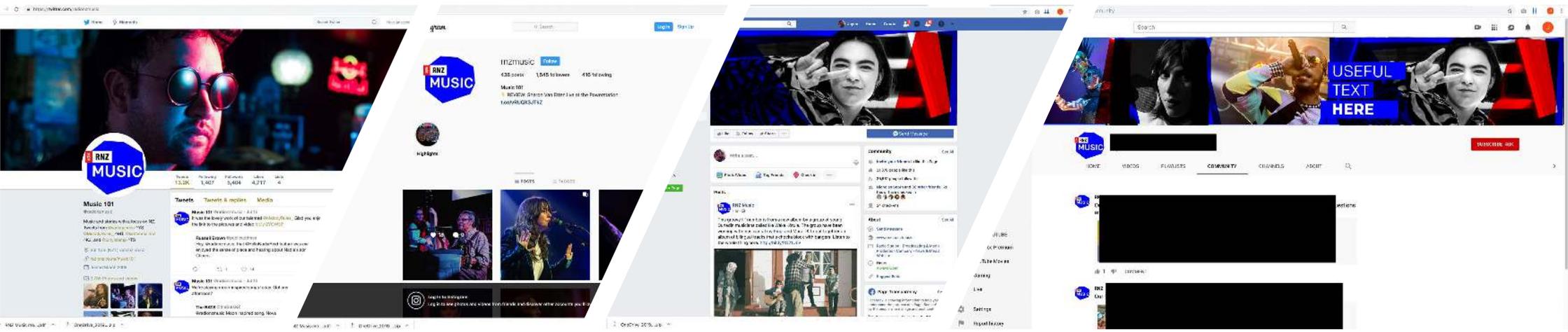
0:00 -3:53

E-40 talks 'Practice Makes Paper'

30

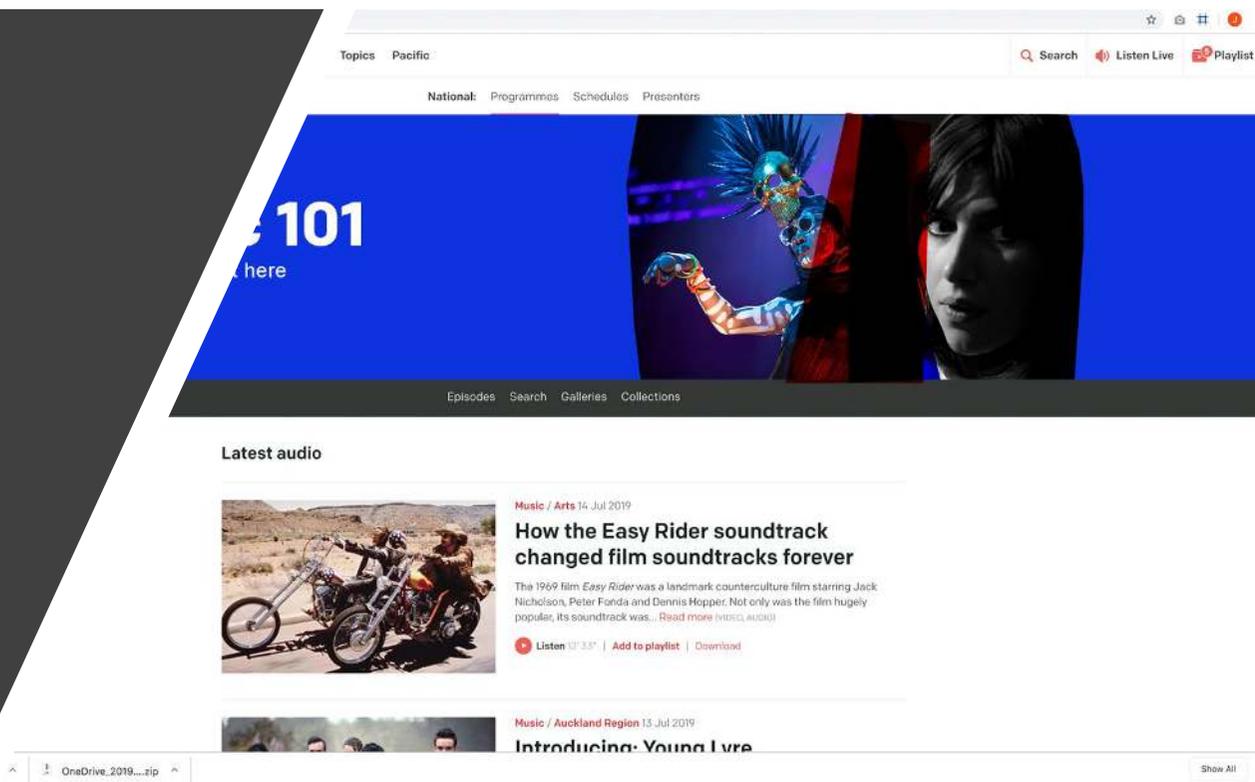
30

Audio player interface showing a progress bar from 0:00 to -3:53. The title is "E-40 talks 'Practice Makes Paper'". Below the title are playback controls: a 30-second rewind button, a pause button, and a 30-second skip forward button. At the bottom is a volume slider.



# RNZ Music Online

- YouTube
- Facebook
- Instagram
- Twitter
- App
- Streaming Services



# RNZ Music Online

TRIPLE J HITLIST

PLAYLIST

## triple j Hitlist

Keep up-to-date with the newest music to hit the airwaves

Created by Triple J • 199 songs, 11 hr 16 min

PLAY

FOLLOWERS 287,705

Filter

TITLE	ARTIST	
Identity Theft	The Chats	a day ago
Stupid	G Flip	a day ago
Imaginary Friends	Japanese Wallpaper	a day ago
Prophet	King Princess	a day ago
Magnify	Northeast Party House	a day ago

TRIPLE J'S LIKE A VERSION

PLAYLIST

## triple j's Like A Version

Every week on triple j's Like A Version segment, artists perform their own take on a current hit or a classic song.

Created by Triple J • 68 songs, 4 hr 26 min

PLAY

FOLLOWERS 106,750

Filter

Download

TITLE	ARTIST	
xanny - triple j Like A Version	FIDLAR	a day ago
Big Yellow Taxi - triple j Like A Version	Allday, The Veronicas	2019-06-28
Across The Universe - triple j Like A Version	AURORA	2019-06-28
Happy Man - triple j Like A Version	LAUREL	2019-06-20
Truly Madly Deeply - triple j Like A Version	Jack River	2019-06-07
Can't Stop - triple j Like A Version	Hilltop Hoods	2019-05-24

RNZ Music playlists on Spotify / Apple Music and other streaming services extend brand reach and offer further artist partnership opportunities.



# How will it look?

- Multimedia Studios
- Social Media hubs delivering content from the studio
- Snackable video!
- Brand agnostic / Multi purpose



# How will it look

- Event Partnerships
- Live performance recording
- Video and Audio live to social media
- Brand Marketing opportunities



**RNZ**

# How will it look?

ST. JEROME'S  
**LANEWAY**  
festival '18

Three overlapping red circles are positioned below the text, arranged vertically and slightly offset to the left.

Event Partnerships deliver exclusive content for playback across all channels.

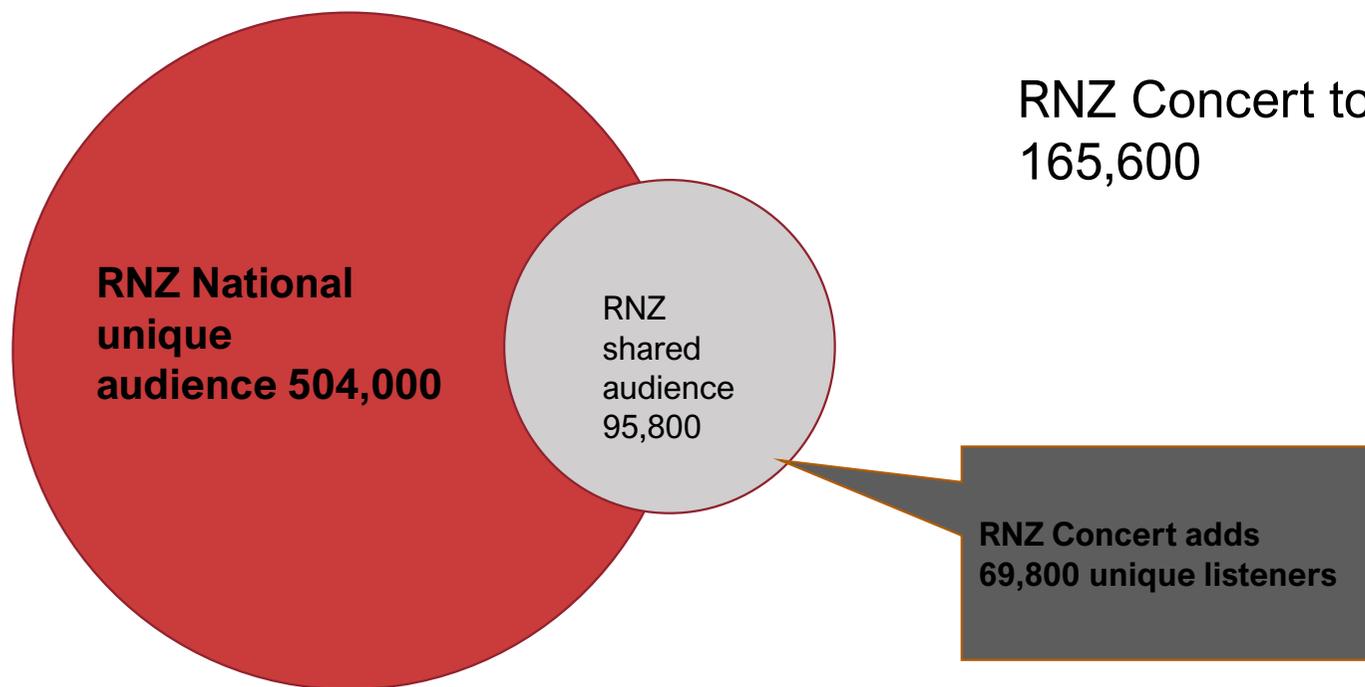
RNZ Music in front of big audience

Bringing big moments to young Aotearoa





RNZ's total combined (unduplicated) radio audience = 669,600



RNZ Concert total audience  
165,600

RNZ National total  
audience 599,800

Concert exclusive audience = 69,800





RNZ's total combined (unduplicated) radio audience = **727,000**

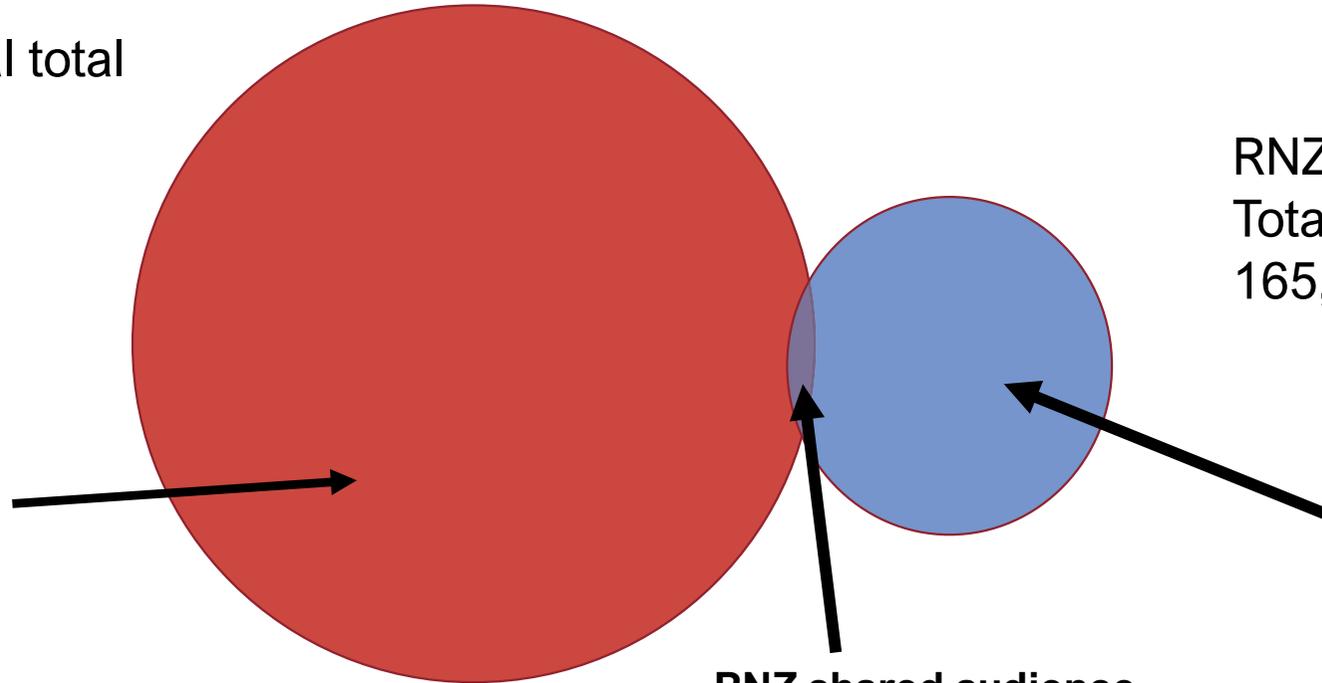


RNZ National total audience  
599,800

RNZ Music Radio  
Total audience  
165,000

RNZ National  
unique audience  
563,000

Unique audience  
increases from  
69,800 to 127,000



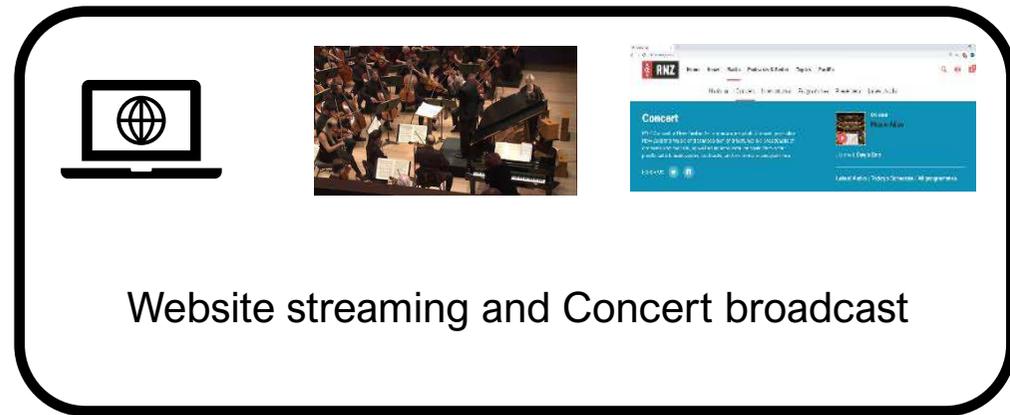
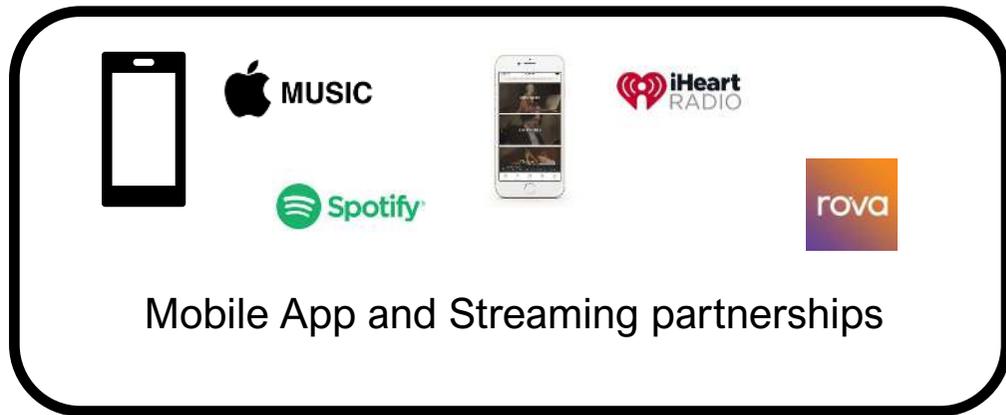
RNZ shared audience  
reduces from 95,800 to  
37,000

**Music brand exclusive audience = 127,900  
(with same audience size but different composition)**

	Total	10-17	18-34	35-49	50-64	65+
Year 1						
Optimistic Goal MC FM	s 9(2)(i)					
Conservative Goal MC FM	s 9(2)(i)					
Pessimistic Goal MC FM	s 9(2)(i)					
Year 2						
Optimistic Goal MC FM	s 9(2)(i)					
Conservative Goal MC FM	s 9(2)(i)					
Pessimistic Goal MC FM	s 9(2)(i)					
Year 3						
Optimistic Goal MC FM	s 9(2)(i)					
Conservative Goal MC FM	s 9(2)(i)					
Pessimistic Goal MC FM	s 9(2)(i)					
Year 4						
Optimistic Goal MC FM	s 9(2)(i)					
Conservative Goal MC FM	s 9(2)(i)					
Pessimistic Goal MC FM	s 9(2)(i)					

# Projected FM Audience



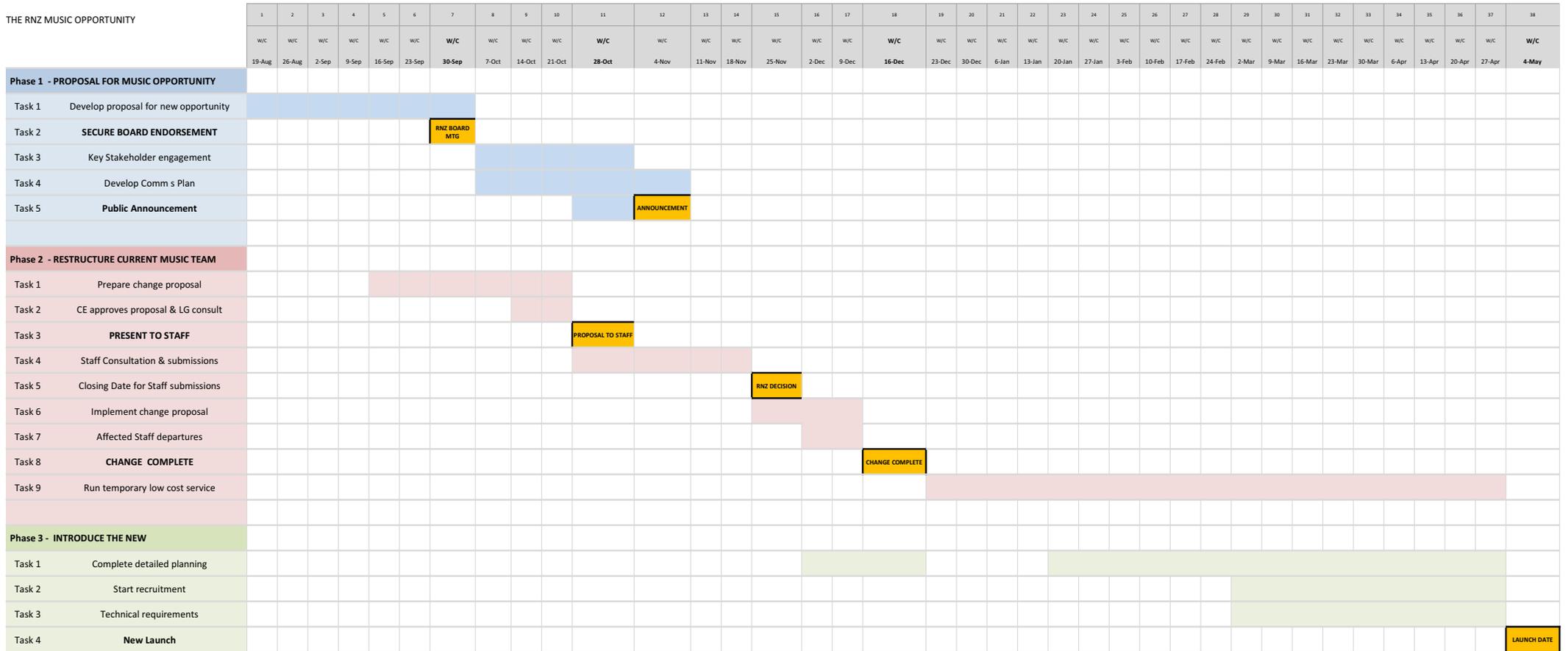


# RNZ Concert future state - Options for current listeners



# PROJECT APOLLO

## THE RNZ MUSIC OPPORTUNITY



# Timeline – to launch mid-2020



1. That the RNZ Board endorse the plan to implement a significant change in the direction for RNZ Music. The aim is to contribute to RNZ's strategic objective of having a lifelong relationship with all the people of Aotearoa. This will be achieved by launching a completely new and different music service in 2020, intended to broaden the reach of RNZ's current audience to include younger New Zealanders and in particular Māori and Pacific Islanders.
2. That the RNZ Board agree the first step will be to introduce and implement a change proposal for current RNZ Music personnel before the Christmas break of 2019. This could potentially result in redundancies for up to 20 staff and cost in the order of \$s 9(2)(a). Of this, \$s 9(2)(a) is provided for in the current budget and a further \$s 9(2)(a) to \$s 9(2)(a) could be offset by reduced operating costs before the new service is fully launched in mid-2020.
3. That a more detailed implementation plan for the new music service will be progressively developed and presented to the Board for their consideration and endorsement by March 2020.

## Recommendation



Note that the objectives for the plan for the new service will include:

1. An operating budget at no more than that of the current RNZ music service, and with the objective of being at least **s 9(2)(a)** less for the first two years to offset the net cost of redundancies, AND
2. A range of alternatives for the current RNZ Concert listeners to continue to be able to access a RNZ classical music service, most likely not on radio, but including online, mobile streaming options.

# Recommendation

