Foreword

In 2017, Austin’s KMFA will celebrate its 50th anniversary. It is an organization with a long and strong history and, as evidenced by the plan that follows, a deliberate and forward-looking strategy for a long and strong future as well.

Over the course of 2014, KMFA’s board and staff engaged in an assessment of internal and external factors likely to affect the organization’s direction in the years ahead. In broad strokes, the internal environment is exceptionally solid. The organization enjoys strong staff and leadership and sound and stable financial status. On the other hand, the external environment is extraordinarily dynamic. The digital revolution that has transformed so many aspects of American’s lives has had, and will continue to have, myriad and fundamental implications for media and entertainment, more broadly, and music listening, in particular. It is in this context that KMFA, as Austin’s listener supported classical radio station, looks to its future.

Situation Analysis

Radio is in a period of disruptive change.

Until the last decade, competition from other sources of music “for rent” was constrained by the limited availability of a broadcast license needed for accessing the airwaves. Today, a broadcast license is no longer the high barrier to entry it once was; now, because of the internet, the proliferation of music available “for rent” is widespread. Going forward, broadcast will continue to exist, but radio’s heyday as the prevailing technology for delivering music is a thing of the past.

The digital delivery system is growing and changing rapidly. Music audiences are turning to an increasing number of platforms for use in homes, offices, on the go, and yes, even in cars (as “connected” cars are becoming the norm). Spotify and Pandora, for example, provide listeners who have internet access with no cost streams of music that reflects their tastes. YouTube provides audiences with free access to both audio and video experiences (familiar to those who grew up on music videos). Large companies such as Apple, Amazon, and Google are playing new roles - - producing both new devices for listening to music and growing business interests in content as well.
Classical music listening is also transforming. There are a growing number of classical music websites; some are extensions of classical radio stations, others are independent. In some markets, syndication is supplanting live and local radio broadcasts. For example, Classical 24 is a classical stream produced by Minnesota Public Radio that radio stations around the country, including some in Texas, subscribe to as a supplement or alternative to producing their own live and local programming.

The changes in modes of “delivering” music also change the way we think about audiences. Heretofore, audiences have been segmented by their taste in music and sometimes, but less often, by the time or place where they listen. Increasingly, audiences will be segmented by their lifestyle and music “consumption” inclinations as well, requiring that providers have deeper knowledge of how and why people listen. Because options are rapidly evolving, audiences’ expectations and requirements will change as a result of their tastes, lifestyles, and opportunities. It is possible that we will witness both audience fragmentation and consolidation at the same time.

Radio is and may continue to be distinguished from other playlists or streams of music “for rent” in two very important ways. First, radio affords a human connection – a connection between the listener and the announcer and a connection among listeners. Second, radio can actively support, even develop, broader engagement in local arts. Indeed, KMFA sees itself as serving an essential marketing role for Austin area arts and cultural organization.

In short, the listening habits of classical radio listeners are changing and will continue to evolve. The competition among “providers” (including but not limited to radio) to “win” audiences is more intense than ever before. This is no time for complacency.

Some of the changes that have surfaced in the last 5 years will likely continue to play a role. It is also quite possible that other important innovations that are simply unforeseeable at this juncture will also have big impacts in the next decade. KMFA will surely live in a more dynamic time during the next decade than it has during the last. The next decade will be a period characterized by new opportunities as well as new challenges heretofore unknown. In order to thrive, KMFA will be required to be constantly learning and judiciously changing.
Within this context, here is the organization’s current thinking about its Strengths, Weaknesses, Opportunities, and Threats.

**SWOT ANALYSIS**

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<th>Strengths / Assets</th>
<th>Weaknesses / Limitations</th>
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<tr>
<td>- Quality programming (content), that is “live and local” and gradually becoming more adventurous</td>
<td>- Limited confidence in audience and market research</td>
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<td>- Financial stability (at present)</td>
<td>- Small and aging facility</td>
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<td>- Integrity of staff and organizational infrastructure</td>
<td>- Existing technology (networking infrastructure) inadequate for substantial digital expansion</td>
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<td>- Austin’s brand and music culture</td>
<td>- Modest decline in membership in recent years</td>
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<td>- Strong ties with local arts and cultural organizations</td>
<td>- Donor cultivation limited by modest levels of donor and audience engagement (interaction)</td>
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<td>- Independence / autonomy</td>
<td>- Uncertain brand strength; suboptimal local market penetration</td>
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<th>Opportunities</th>
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<td>- Digital strategy that leverages the internet (and cloud’s) potential to enable multiple streams, multi-media, and audience insight</td>
<td>- Proliferation of competing music sources/listening experiences</td>
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<td>- Leverage and expand community connections to position KMFA as more, much more, than a radio station</td>
<td>- Aging audiences and donor base</td>
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<td>- Audience development potential based on cross-over among on-air, on-line, and in-person listeners</td>
<td>- Generational challenges in habits and tastes</td>
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<td>- Major gifts and planned giving</td>
<td>- Loss of existing lease</td>
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<td>- Stickier relationships with audiences and donors</td>
<td>- Complacency</td>
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<td>- Gaps created by changes at other Texas classical music stations</td>
<td>- Recruiting and retaining staff in Austin’s increasingly expensive market</td>
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<td>- KMFA’s 50th anniversary is a catalyst for celebrating the past and the future.</td>
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Key Considerations

As sources of classical music grow in number and ease of access, the need for a differentiated identity in order to be sustainable is clear. So too is the unique opportunity KMFA has to leverage the favorable Austin brand and the extraordinary loyalty Texans have to all matters having to do with Texas.

An additional source of valuable differentiation (especially from plain vanilla streams or playlists) is radio’s potential to foster community or “tribes” of listeners. Even non-local listeners can participate, if the invitation and appeal are effective, in branded classical music communities that don’t depend on geographic proximity to sustain a loyal and “sticky” relationship to the source and its community.

Establishing this differentiated position is time-sensitive. Laggards who are slow to adopt change face the risk of being lost in the noise of the few dominant and the myriad small competitors. Advantage will almost certainly go to those entities that have been classical radio stations that adopt evolving online technologies ahead of the curve, develop differentiated and valued content, and forge a strong brand identity.

Guiding Principles

KMFA’s strategy derives from both longstanding beliefs and commitments as well as the recognition of essential new considerations.

I. KMFA’s new direction will continue to embrace these *longstanding beliefs and commitments*.

a. Music is transformative. It sustains people in solitude and in community. It adds beauty and inspiration to life, affording listeners knowledge, novelty, creativity, and emotionally rich experiences. It contributes in important ways to individual and community well-being. It is fundamental, an essential aspect of human life.

b. Classical music is a dynamic art form whose rich history, ever-evolving nature, and boundless variety lend it special relevance to listeners of diverse ages and backgrounds. In a time of declining music education and limited media coverage of the arts, KMFA’s longstanding role as a champion of classical music is more valuable than ever.

c. KMFA sees great value in being “live and local” as both a valued community service and a relevant path to sustainability.

d. As a public service organization, KMFA is committed to quality and accessibility.
II. KMFA’s new direction will embrace these fundamental beliefs.

a. Media will continue to gain importance in our lives. The content and distribution of digital media will continue to evolve and expand.

b. Both differentiated content and a strong brand are essential to success in an increasingly competitive and fragmented environment.

c. Understanding and addressing the listening habits and preferences of audiences and potential audiences is essential.
   - On-Air – with KMFA’s traditional terrestrial signal
   - On-Line – with KMFA’s evolving streams and on-demand offerings
   - In-Person – with an increasing participation in live performances and shared experiences

   Audience expansion and loyalty requires that each channel support audience engagement in the others.

d. Quality audience research and performance metrics are essential to success.

Mission

Classical music inspires and restores the human spirit. KMFA handcrafts exceptional classical music experiences on-air, online, and in community.

Vision

People and communities embrace the growing place of classical music in their lives.

KMFA is loved and supported by a growing audience of loyal listeners everywhere. It reflects Austin’s distinct cultural lens and is essential to its thriving cultural arts community. It is the premier destination for classical music listeners across Texas. And, around the world, KMFA enriches and transforms the lives of adventurous classical music lovers. KMFA is respected and recognized for building communities of those who love and listen to classical music.
Core Values

Listening. Listening is at the core of communication and is essential to learning. KMFA actively listens to audiences and potential audiences, to artists, educators, partners and supporters, and to music.

Excellence. KMFA demonstrates excellence in its product, people, and listener experiences.

Innovation. KMFA will stay ever vigilant of the highly dynamic media environment, anticipating and embracing change, creating and leveraging opportunities to stay ahead of the curve and outside the box. KMFA will be nimble, taking measured and judicious risks that embrace the dual requirements of creativity and discipline.

Collaboration. Advancing the mission and vision require that KMFA grow through the development of mutually advantageous and strategic partnerships with entities dedicated to the classical music, the fine arts, media and entertainment, education, community building, and other nonprofit and corporate organizations. KMFA will be a trusted and valuable partner, in keeping with the mission.

Stewardship. KMFA respects and creates cultural legacies that place classical music in the hearts and lives of people and communities. It is a trustworthy steward of music, money, and community life.
Strategic Priorities

These priorities are essential to building listening audiences and expanding the value of classical music in people's lives.

1) **Music Experiences.** Develop and deliver content across platforms, ever-mindful of audience characteristics, musical preference, and listening and lifestyle habits.
   - **On the Air:** Introduce greater musical diversity. Increase coverage of local performances and topics of local interest. Enhance the personal expression and appeal of radio announcers.
   - **On Line:** Expand digital offerings and develop digital audiences by offering streams of distinctive locally produced content, such as
     - Reverie
     - Ancient Voices
     - Texas-based classical music programming
     - KMFA's on air programming and other streams
   Make content available “on demand” – including content that is local, gently educational, advances the fine arts, and reflects or develops other audience interests
   - **In Person:** Support, participate in, and sponsor gatherings of classical music listeners.

2) **Community Life.** Cultivate communities of classical music listeners.
   - **Locally,** grow KMFA's role as the hub of Austin's classical music community. Implement an array of relevant tactics on the air, online, and in person that strengthen relationships and develop audience.
   - **Focusing primarily on those living within Texas or attached to Texas,** build awareness of and appreciation for the rich array – historic and contemporary – of Texas based classical music – by leveraging Texas pride, loyalty and camaraderie
   - **Regardless of locale,** develop and implement leading edge online community building capabilities. Promoting and leveraging the transformative power music, place it closer to the core of people's lives.
3) **Brand Building.** Invest in KMFA’s brand. KMFA will stand out among a vast array of classical music providers because of its distinct content, personality attributes, link to the Austin brand and the Texas brand, and community building capacity. Mindful that its customers include both listeners and local cultural arts entities, KMFA’s brand strategy will build awareness, familiarity, listening, and loyalty by developing audiences locally, statewide, and online.

4) **Management and Governance Excellence.** KMFA will develop and implement the organizational resources and infrastructure – including human resources, financial resources, technology, and facility requirements – needed to advance the mission and implement the strategic priorities. KMFA will demonstrate best practices in fiscal matters and all other aspects of management. Ever vigilant of the opportunities and threats associated with ongoing change, the organization’s leadership will inspire and guide the culture and business practices needed to support dynamic growth and change. Management will adopt and monitor innovative benchmarks aligned with KMFA’s new strategy; managing the finances and all aspects of the organization to achieve them.

**Summary**

In the increasingly dynamic and competitive media environment that lies ahead, KMFA is committed to handcrafting classical music experiences that are inspiring and restorative. Through diligent focus on these priorities – excellence in programming on air, online, and in person; developing communities of listeners; developing a strong brand; and management and governance excellence – KMFA’s value will increase and audiences will grow in size and loyalty.