

2/7/11

StationtoStation

By Michael Malone

# American Idol: A Case Study In Affiliate Relations

The 10-year-old behemoth is trying to rediscover its voice, but it's still a lesson in how a network and its affiliates can sing in unison.

IT'S STILL EARLY enough in this 10th season of *American Idol* to see the awful singers, but numerous Fox affiliates are already hard at work preparing their own local *Idol* auditions for next summer. As tryouts for the biggest show on television are going on in various markets around the country each summer, some 40% of Fox stations host what are known as "audition promotions"—showcasing the best young singing talent in their markets, digging up some revenue from sponsors, and sending a local name on to a larger stage. And, in at least one case, on to *American Idol* stardom.

Now a decade into its historic run, *Idol* is trying to stem the predictable ratings slowdown that comes with age. Fox and the show's producers hope the introduction of judges Jennifer Lopez and Steven Tyler offsets the loss of Simon Cowell. So far, the ratings have been on par or down a bit from last year, but not enough to send Fox panicking.

But whatever happens with the show's ratings this year and beyond, *American Idol* will be remembered as the perfect example of how no one knows what is going to work in television. And perhaps just as importantly, it will have left behind a playbook for how a network and its affiliates can work together to further the connection with the local market, discover ancillary revenue and attract viewers at the same time.

## What Happens At the Station Level

WTNZ Alexandria (La.)'s seventh "Cenla Idol" (Cenla is short for Central Louisiana) promotion will kick off in June. Auditions will be held at



(Top, from left) Steven Tyler and Jennifer Lopez join Randy Jackson at the *Idol* judges' table this year. Suzy Vulaca won KSAZ Phoenix's 2007 "Arizona Idol" contest and moved up to the *American Idol* stage.



three locales around the market, with the five top performers at each site invited to the grand finale at the Coughlin-Saunders Performing Arts Center toward the end of the summer. Winners in past "Cenla Idol" competitions received airfare to and a hotel stay at a city hosting an *Idol* audition—no minor expenditure for a station that does not have an audition city anywhere close by. The winner of the Alexandria competition also gets an all-important guaranteed audition in front of *American Idol*'s producers.

Without a whole lot going on in DMA No. 178 that time of year, "Cenla Idol," which has been sponsored by car dealer Hixson Ford of Alexandria, becomes a big deal, says Sharon

Rachal, WTNZ general manager. "It's a lot of fun, we make money on it, and it's a good thing for the community," says Rachal.

While *American Idol* isn't the ratings colossus it's been in years past, the talent show still provides a giant halo for partner stations, which are all too pleased to capitalize on its popularity. Network representatives say about 80 of the 200-plus Fox affiliates, along with several Fox O&Os, conducted some sort of local *Idol* talent competition last summer, with a similar number expected for 2011.

"We get an amazing response to anything *Idol*," says Mary Shaney, promotions manager at KTRV Boise, which hosted a "Boise *Idol*" competition last summer.

## Where the Network Comes in

Fox gives the participating stations the guaranteed audition before *Idol*'s producers to bestow upon the winner of their audition promotion. That doesn't guarantee a performance before Randy, Steven and J-Lo, but it does mean the contestant will have the chance to show off their pipes before *Idol* producers at an audition site—something other hopefuls don't necessarily get. "That way, they don't have to wait on line with 10,000 other people," says Rachal.

That foot in the door has already proven to be the ticket to *Idol* glory. Jordin Sparks won KSAZ Phoenix's "Arizona *Idol*" in 2006, earning a ticket to an audition to Seattle—and an eventual *Idol* championship.

In addition to offering the local auditions, Fox's affiliate marketing department works closely with stations to promote the network show in general. This season, Fox gave its stations in the top 50 markets water coolers featuring Tyler and Lopez, along with veteran judge Randy Jackson, around which the stations' morning crews discuss the previous night's episode. The network coughs up oodles of other merchandise—from lower-end swag like T-shirts and hats to top-shelf items such as tickets to latter *Idol* rounds and commemorative *American Idol* coffee table books. The network also offered affiliates the half-hour special *Welcome Home*, which Fox reps say 90 station partners aired leading in to the 2011 premiere.

The stations are a vital arm in Fox's marketing efforts for *Idol*, says Nick Belperio, Fox senior VP of affiliate marketing. "At its core, *American Idol* is a local show," he says. "The contestants come from the markets, so it makes sense to involve stations in the audition process."

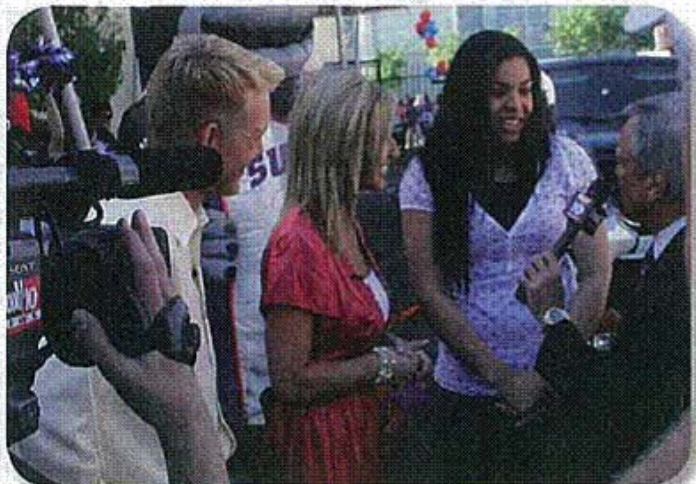
### The Challenges

As one might expect with one of the rare event-viewing series left on TV, both the network and *Idol* producer FremantleMedia monitor the local productions carefully. Stations typically do not show their homegrown talent shows on TV, outside of airing clips on morning shows

and newscasts, to steer clear of both intellectual property issues with *American Idol* and sticky music-rights obligations as well. "Music rights are a nightmare," says one Fox affiliate GM whose station did not host a competition the last few years, after doing so in 2007 and 2008. "Having people perform at a mall is no problem, but once you put it on the air or on the Web, you've got an issue."

Moreover, affiliates are met with a thicket of rules and regs about who can and cannot sponsor their local competitions. Even casual observers of *American Idol* know that Ford and Coca-Cola are primary sponsors of the program; as such, stations cannot sell sponsorships to rival automotive or beverage brands. They also cannot have establishments serving alcohol or promoting gambling sponsor the events. Stations submit their plans for local audition events, including would-be sponsors, to Fox for its OK.

Some station managers find the rules some-



Former "Arizona Idol"—and *American Idol*—champion Jordyn Sparks is greeted by the news team of Fox's Phoenix affiliate, KSAZ.

times border on onerous. "It can be cumbersome," says one small-market Fox GM. "They are not unrealistic, but it's a lot of t's to cross and i's to dot."

Furthermore, hosting such events can be a tall chore for the stations' overworked, and probably underpaid, promotion staffs. But some Fox GMs say the local talent auditions are one of the highlights of the year for them. "I've learned what I can and can't do, so it's not difficult getting our promotion approved," says Rachal.

And while station execs are bullish on the future of the local tie-ins for both *Idol* and the upcoming *X-Factor* (see sidebar), managers at Fox affiliates say the mothership is off to a strong start this season, with new judges Tyler and Lopez helping people get over their Simon Cowell fix. "Ratings have been phenomenal," says Chuck Steinmetz, VP and general manager at WITI Milwaukee. "[Lopez] is great for the Midwest, and [Tyler] is definitely different—and he had to be different from Simon Cowell." ❑

## X Factoring in Affiliate Plans Already

After the next *American Idol* is crowned, Fox affiliates won't have to wait a full year for the next musical competition, as they have Britain-born rookie *The X Factor*—featuring Simon Cowell—coming up for fall. Fox executives say the network can definitely take the marketing lessons learned over the many years of *American Idol* and use the best practices to work with affiliates to make sure X marks the spot.

"We're just now formulating our plans," says Nick Belperio, Fox senior VP of affiliate marketing. "It's a massive priority for affiliates, as well as for us."

Station partners says there is room on their air—and perhaps on their local stages—for two distinct talent competitions. "We're anxious to hear more about *X Factor*," says Mark Metzger, VP/GM at KLSR in Eugene, Ore. "It would be nice to have another megahit like *Idol*." —MM

E-mail comments to [mmalone@nbmedia.com](mailto:mmalone@nbmedia.com) and follow him on Twitter: @StationBiz