

To: Members of the WBUR Board  
From: WBUR CEO, Margaret Low  
Re: A Catapult Initiative Update  
Date: January 5, 2023

As we step into 2023, we're laser focused on the financial health of WBUR. Simply put, we must make more than we're spending. With our strategic plan in place, we expect to achieve that goal and be operating at a sustainable run rate by the end of FY25. Beyond our relentless attention to editorial excellence, that means we must grow our audience across platforms by more than 5% and deepen audience engagement and people's willingness to give. We must also increase annual revenue from \$40M to \$49.5M in that same time frame.

To achieve those goals, investment in our Catapult Initiative is essential. In advance of our meeting next week, I want board members to fully understand what we're trying to accomplish with this initiative and why. The purpose of this memo is to lay out a clear case for Catapult and the work we've undertaken. I will describe the problems we're trying to solve, the transformational work ahead and the impact we expect to see.

My apologies in advance for the length of this note. We have an important story to tell.

Let me begin by laying out the crucial elements of Catapult — a name we chose because it captures how this work will propel WBUR into the future. They include:

- I. Systems — modernizing our infrastructure**
- II. Audience — understanding our customers**
- III. Brand — defining and amplifying the WBUR promise**
- IV. People — building our expertise**

**I. Systems — modernizing our infrastructure**

As I think about WBUR, I keep coming back to the image of a house — a beautiful house, in fact. WBUR is a leader in the public radio system. We punch above our weight and reach millions of people every week in Boston and beyond — with high-quality local and national journalism and enriching experiences that foster understanding, connection and community. Our most devoted fans tell us that WBUR is “essential” in their lives. They say that WBUR “makes the world a better and more informed place.” That we’re “a lifeline.” The news source they “trust most.”

I feel lucky to lead an organization that makes such a difference in people's lives. Our reach and reputation are hard-won. For years, we've invested in our journalism and our programming. And

rightly so. At the same time, we've neglected other necessary improvements. To extend the analogy, the foundation of this beautiful house is buckling under the weight of our ambitions. It may not be visible from the outside, but there are simply not enough solid beams to hold up the house. Without proper attention, it won't be long before cracks appear in the walls, a ceiling begins to sag and the porch slips from its moorings. This is not unusual for a non-profit that has to raise most of its money on the promise of ambitious journalism and new ideas. Donors tend to invest in things they can hear and see — areas of coverage that address the most consequential issues of our time.

WBUR Board Chair **Paul Gannon** says the infrastructure work we must undertake is in part “*deferred maintenance*.” It's not very sexy. But some things you just can't neglect or you forfeit your future.

This neglect has two very direct consequences. First, it has reduced our operational efficiency in ways I'll describe below. Second, and even more importantly, it has hobbled our performance at a time when our power to sustain our journalism depends on our ability to transition from a broadcast to a digital business model.

Just about everything we do behind the scenes is manual in nature. We work on antiquated systems that require tedious, time-consuming labor. This results in a breathtaking lack of efficiency and lackluster outcomes.

Our colleagues in Membership, Development, Business Partnerships and Finance spend countless hours entering and extracting data by hand into dozens of systems that don't talk to each other. None of our software tools work together. Which means our teams end up spending time piecing together information rather than working together toward shared goals.

Let me offer a few examples:

- As Election Day approached, we wanted to notify the WBUR audience about our coverage and push people to listen live and/or go to WBUR.org. Great idea! But easier said than done. The people we wanted to reach were scattered across multiple lists in separate systems, requiring us to identify and remove the duplicate emails so we didn't overwhelm (or annoy!) anyone with multiple missives. It took 10 colleagues across four departments more than four days to send that one email. My rough back-of-the-envelope calculation suggests that one election night email cost us conservatively \$5,000. With Catapult in place, the cost of that one email will be closer to \$50. One hour of one person's time.

- To encourage giving through IRA accounts, we wanted to send an email to donors older than 65, who've been contributing to WBUR for more than 10 years, had not donated in the last two months and who had not already given via their IRA during the calendar year. The age data is currently stored in three different places and the formatting of that data is inconsistent. So we had to pull a report that provides the giving information and then manually sort out the ages in an Excel document — leaving much room for human error. This effort involved two departments and four hours of manual data manipulation.
- Every time we want to send a thank you, a renewal notice or try to recapture a lapsed member, we have to manually pull and segment our lists. With limited staff hours, we miss many opportunities to solicit and grow our membership rolls. With email automation and a single donor database, we'll be much more strategic in our outreach.
- This lack of integration means we do not have a comprehensive view of a donor's giving history or engagement with WBUR. If a donor contributes during an on-air fundraiser, then donates a car, and then contributes via a donor-advised fund — these donations are all managed as separate transactions in different accounts. If a donor attends a CitySpace event, that information is logged in another system. If a donor is also a newsletter subscriber or a sponsor, this information lives in yet another place. To consolidate this information, colleagues from various departments have to gather information from a myriad of systems. Painstaking, manual work.

Catapult's technology will help us realize considerable efficiency. Beyond that it will revolutionize the way we work and dramatically improve our ability to deliver results. In the digital age, we can no longer rely on pledge drives and direct mail alone to fuel our membership efforts. We need to understand each and every audience member's interaction with WBUR across every platform, from first anonymous encounter, to the next time they visit WBUR.org, to newsletter signup, to one-time donation to sustaining membership. And that requires both technology and the expertise required to put that technology to good use.

The first step is to get audience data: name, address, phone number, donor history, estimated wealth, editorial interests, favored platforms — into a single repository or Customer Relationship Management system (CRM). The second is to combine that information with real-time digital analytics — where you came from, how much content you consumed, how frequently you visited, what actions you took — so that we can deliver the right “prompts” or calls to action at the right moment in your audience journey. This is the job of a Customer Data Platform (CDP).

## **II. Audience — understanding our customers**

WBUR has struggled for years to build a larger, more engaged digital audience for the simple reason that we don't have enough information about the crossover between radio and digital

engagement. We know even less about our digital-only audience and we're unable to address people in real time with anything but the most generic messages.

We've effectively been flying blind. Catapult will allow us to identify our audiences across platforms and to understand their behavior and propensity to become more involved with WBUR.

What inspires someone to go from being a casual listener to someone who puts a WBUR bumper sticker on their car? What prompts someone to give for the very first time? What are the shifts in that person's relationship with WBUR that result in these displays of affinity?

Our vision is to be a daily habit for every person in Boston and beyond who seeks to engage with the most consequential issues of our time. And to provide an essential source of news and information. In order to do that, we must know our audience in a more meaningful way.

With Catapult, when we look at our audience profiles we will know if you subscribe to one of our newsletters, what you've read on our website, if you've attended a CitySpace event, if you've downloaded our listening app, and if you've donated and when.

A CDP also supports personalizing an audience member's experience with WBUR. By knowing who you are, we can recommend stories you might be interested in or invite you to an event you won't want to miss — and we can send these messages via text, email or social, using the platforms we know you spend time on. This is a seamless and elegant way to strengthen our relationships.

Critically, this also means you will *not* get messages or prompts — often in the form of intrusive pop-ups — asking you to donate, or sign up for a newsletter or the quiz, when you have already done so.

Additionally, once we know who each audience member is, we can move that person on the path toward membership. Deepening your connection so you can't imagine a day without WBUR and will continue to give and give more.

The CDP will allow us to sort our audience into smaller groups or segments, using just about any factor we want. We can create an audience segment as large as everyone who donated in the last two years or as small as everyone who signed up for a particular newsletter. This is where we start to realize the real power of the platform.

By grouping people into similar segments — based on the quality of their engagement, donor history, editorial interest — we can address them more personally and hopefully drive even deeper, more meaningful engagement.

The same capabilities will be put to use by our Business Partnerships colleagues, allowing them to direct sponsorship messages to the audiences they want to reach.

Of course all of this has to be done in a way that respects personal privacy. Readers always have the option to opt out of tracking. But if well executed, the information we gather will result in a better experience for everyone who engages with us. This will be a dramatic shift. For decades, the only way broadcasters like WBUR could develop a giving audience was with relentless pledge drives. It should be noted that this is still the most effective way to drive new member support. But as audiences increasingly move to digital platforms — and escape the intrusiveness of the pledge drive — we need smarter ways to engage them.

The ultimate goal is to have robust and complete profiles of everyone who interacts with us. That won't happen right away. We will have rich profiles on some of our users. Others will remain anonymous. But by understanding their behavior, we can recommend stories, newsletters, events or podcasts of likely interest. So, over time we can convert them from anonymous visitor to email registrant to first-time donor to full-fledged member and sustainer. And do it efficiently, at scale for thousands and thousands of people.

This is table stakes in the digital age. We must connect with our audiences as individual human beings, deepen the experience of those who already know and rely on us and give newcomers a reason to come back again and again.

### **III. Brand — defining and amplifying the WBUR Promise**

In order to engage people more deeply, beyond acquiring the right technology, we need to know how to talk about ourselves. How to compel people to make WBUR a meaningful part of their lives — a daily habit and a source of news they can't find anywhere else. And we need to have an irresistible story to tell.

*“Public radio is great at telling stories. But terrible at telling its own story. We don't do a good job. Not just WBUR — it's true across the whole system.”* That's what WBUR Board Member **Melissa Fetter** shared when talking about her efforts to refresh the KERA brand in Dallas — one of her proudest accomplishments as board chair there. *“It was transformational,”* she told me and *“captured the attention of the city.”*

If WBUR is going to grow our audience and deepen engagement, we need a similar brand transformation. (Our WBUR Brand Evolution Strategy Brief is below for anyone who would like a refresh.)

We don't live in an environment where “if you build it they will come.” Like any business, if we hope to grow — we need to tell people what WBUR has to offer and define the WBUR promise. In this cacophonous world, with so much competition for people's time and attention, it is imperative that WBUR stand out as offering something special and distinct from our

competitors. We have an opportunity to reignite the imagination of the audiences who already know and love us and to capture the interest of those new audiences we hope to win over.

The brand work will have a powerful impact — and is a fundamental part of our business growth strategy. Rather than remain stagnant, a brand evolution and an associated marketing campaign will allow us to differentiate ourselves from the competition and increase awareness of what we offer the world. We don't need to redefine who we are, but we do want to break free from outdated perceptions and establish novel ways to communicate with our audience and tell the WBUR story.

#### **IV. People — building our expertise**

While we anticipate a technology transformation — these are not plug and play systems. We can't just pick a package and a vendor and step back and let things fall into place. Technology can do a lot, but it can't provide the human intelligence we need to sort and make sense of the data and to individualize the way we relate to our audiences.

With new tools in place, we will suddenly have a huge amount of data available to us. But that data won't mean anything unless we can translate the information into human terms. What email made someone become a donor? How many interactions did it take before someone was inspired to give. What messages work best? This is where our new Data and Marketing Hubs come in.

Beyond people who can analyze the data, we'll need additional marketing colleagues who can write and nurture relationships. Take advantage of our new brand campaign to tell the WBUR story in the most meaningful way and to create personalized marketing messages — through email, social and text. Those messages that inspire people to make WBUR a daily habit and ultimately to become a donor.

Today WBUR sends the same messages and calls to action to everyone. In this dynamic and ever changing landscape that must change. We must develop the capability to message people differently — craft 10 different versions of one email or text to personalize the experience.

Right now we do a good job engaging audiences with our editorial offerings. But the experience once you're a member is transactional at best. Instead of just asking for a "credit card update" or sending a fairly impersonal renewal notice — we need experts to work across teams and to interact with those donors in a caring, consistent and creative way. Imagine a world where we could offer our most devoted fans special member privileges. "Things that you could nerd out over if you love WBUR," as our newsletter chief **Meagan McGinnes** likes to say.

So how do we realize this vision? Let me take each step in turn:

#### **I. The technology solution**

- II. The required investment**
- III. Return on investment**
- IV. Closing thoughts & questions to consider**

- I. The technology solution**

After a months-long review process, we recommend moving forward with Salesforce as our technology solution. As we've shared over the last several months, Chief Operating Officer **Deb Taylor** led a rigorous process to land on the ideal software solution for WBUR. She worked side by side with head of Engineering, Operations & IT **Karl Voelker** and head of Product **Joan DiMicco**. With input from across WBUR, this core team developed a robust RFP and a list of potential vendors. But first, the team surveyed a number of our public radio peers from **WNYC** to **American Public Media** as well as other like-minded organizations from **MoMA** to the **American Museum of Natural History**. This helped narrow the software companies that might best serve WBUR's needs. We ultimately sent our RFP to six vendors.

In the end, two market leaders — HubSpot and Salesforce — came back with proposals. To land on the right solution — Deb and the core team engaged more than a dozen members of the WBUR staff from across the organization including: Editorial, Business Partnerships, Membership, Marketing, Development, Finance, Product and IT in the review and selection process. This not only created a sense of excitement and shared purpose — it also ensured that we made the right pick for WBUR and that there is meaningful buy-in before we launch the Catapult effort in earnest.

With that as a backdrop, here are the Salesforce tools we expect to purchase:

**Non-Profit Cloud:** This is Salesforce's CRM tool and will take information from our donation management system (where donors give on the web, by phone, etc.) and create a unified view of contributions so we can better manage individual giving. A holistic view of our prospective and existing members and donors will be "housed" in this solution. Email lists can be organized in this tool. It will take just a few clicks to join multiple pieces of data into a single view. One tool will provide a much-needed "single source of truth."

**Marketing Cloud:** Salesforce's CDP and Marketing Automation is called Marketing Cloud. This solution will allow us to unify profiles and create audience segments. From this, we will be able to scale engagement, as described above, by creating automated communication journeys.

**CRM Analytics:** This solution can integrate the totality of our data to drive engagement. Identifying a group within a certain range or characteristic will be a few clicks away. This solution provides predictive analytic capabilities — making us smarter about what will work, allowing us to see all our opportunities and to act on them.

## II. The required investment

**The total cost for Catapult with all the elements I described above (plus some additional needs detailed below) is XXX over the next 2.5 years — the remainder of FY23 through FY25.** Let me break that down beginning with the numbers in the tables below. Line items that are one-time costs are noted with asterisks.

**[Confidential financial information removed]**

As you can see in the technology table, one of the highest price tags will be for platform integration. This will require a professional integration team that will:

- Lead WBUR in a robust planning and prioritization phase.
- Develop a detailed roadmap.
- Design a vision for system integration.
- Configure the new system to WBUR's requirements with an intuitive user experience.
- Through a custom design, enable us to take data out of our existing systems and move that data safely into Salesforce — setting WBUR up for ease of use and long-term success.

In short order, with the help of the integration team, we will develop project milestones with a view of the capabilities that will be unlocked over time. This will enable us to review progress against our goals and to report on that progress with frequency.

### **Ongoing operating costs**

- **Salesforce licensing costs**
- **Donation management system & member portal:** We have customized our current CRM (Allegiance) to include donation management. Donation management offers the giving forms that individuals complete to make a donation, and handles the sustainer program and other unique offers such as the Valentine's Day flower campaign. To minimize risk, while we transition to a new donation management solution, we will stay on Allegiance for a limited time and load this data into Salesforce nightly. This is why the expense isn't reflected until FY24. We will also need to identify and implement a customer-facing member portal that can communicate offers, retrieve tax records and enable easy payment updates.
- **Contingency:** Wise counsel, including from multiple board members, affirms that these major technology projects often take longer and cost more than original estimates. So we



believe it's necessary to include a contingency of 25% to account for unexpected expenses on all our technology costs.

- **Decommissioned Tools:** The costs for our existing solutions are small — hence the lack of functionality — and we estimate that we can remove XX of annual costs beginning in FY24.

## **The people**

**Hubs:** As I described above, our new tech platform will require new skills. So we are planning to stand up Data and Marketing Hubs with four and three new FTEs respectively. The table above shows that those hires will take place over time and, depending on financial resources, this is a place where we can apply the brakes on spending if necessary.

**Salesforce Administrative Support & Project Management:** We will need a strong administrator to support user requests, communicate configuration needs to Salesforce, etc. Additionally, WBUR has limited project management talent and we will need ongoing PM support to help us with planning, change management, communications and training.

## **III. Return on investment**

Outlined below is the expected direct return on our technology investment. It's crucial to note that the biggest contribution we expect from this investment is that it will allow us to *replace* broadcast-related revenue that otherwise will be lost if we fail to drive membership across emerging platforms in the digital age. **It is not just a matter of growing revenue — we must also stave off the impact of the structural decline in broadcast.**

## **Financial Impact**

**[Confidential financial information removed]**

**As you can see, the return we've estimated is conservative and is based on our technology investment alone.** It does not include the branding investments or the people.

The next few years will be largely investment years. Our revenue teams — Development, Membership and Business Partnerships — have collectively estimated growth each year beginning in FY26. This results in a payback of our tech investment in a little over five years.

With all that, we mustn't define this investment as just a matter of dollars and cents. We can make reasonable projections about cost savings, the recapture of opportunity costs, and the actual financial return on this investment. But the primary motivation for doing this is a realization that

if we don't — WBUR will stagnate and we will miss our chance, with the right tools and people, to modernize and become a digitally sophisticated enterprise that can thrive for years to come.

While we want to be highly attentive to return on investment, most importantly the systems we plan to acquire are essential to running a media business today and without them we will forever be back on our heels and simply have to manage decline.

#### **IV. Closing thoughts & questions to consider:**

Catapult is a constellation of strategic moves that, taken together, will be transformational for WBUR. It will relieve burdens that we face every day and unlock our potential to grow and engage audiences and to future-proof our revenue.

We're thrilled that three board members have already stepped up with \$1M each to support these efforts — in hopes that other board members will participate in whatever way possible.

**As we prepare for our meeting next week — we have a series of questions we would like you to consider.**

- 1. Do you now have a more complete understanding of Catapult?**
- 2. What questions do you still have?**
- 3. Do you feel comfortable recommending approval of this multi-year Catapult investment?**

We'll discuss this and more on **Tuesday, January 10**. In the meantime, feel free to share any thoughts in advance. Thank you so much for engaging on this critical topic and for joining us on this exciting ride.

## WBUR Brand Evolution: Strategy Brief

WBUR is Boston's NPR and a public media leader committed to exceptional journalism on-air, online, on demand and on stage. Our mission is to produce high quality journalism and enriching experiences that foster understanding, connection and community for an expanding circle of people. Our vision is to become a daily habit for every person in Boston and beyond who seeks to engage with the most consequential issues of our times.

WBUR is best known as an exceptional audio brand, reaching 7 million listeners across the country each week with two national radio programs, *On Point* and *Here & Now*. A pioneering podcaster, we've built new audiences with chart-topping, critically acclaimed podcasts like *Modern Love*, *Dear Sugars*, *Endless Thread*, *Circle Round*, *Anything for Selena* and *Consider This*.

WBUR is brimming with talent and ambition. In addition to our national reach, WBUR has one of the strongest local newsrooms in the country. We are a trusted and beloved local news source, known for reporting original stories that provide insight and cultural context to audiences in Boston and the region. Beyond audio, we produce an impressive roster of newsletters from WBUR Today to CommonHealth to Cooked and short-run election guides. WBUR's CitySpace — a stunning, state of the art events venue — sets us apart. This street-facing ground floor space is home to more than a dozen events each month that put WBUR at the center of civic conversation in the city.

Audience support makes WBUR possible. As a non-profit, WBUR has no paywall and no subscription fee to access our journalism — thanks to businesses that support our mission and want to reach our audiences, and people who give voluntarily to become WBUR Members, keeping independent journalism accessible for all.

Despite our many assets, these are challenging times. WBUR must remain relevant in today's attention economy. The pandemic shifted behavior, accelerating the decline of live, linear broadcast listening with more people working from home and commuting less. Audiences continue to migrate to digital and social media for news on demand, 24/7 — and this, combined with a distressing, relentless news cycle — has led to news fatigue. A recent [study from the Media Insight Project](#) shows 79% of Americans ages 16 to 40 consume news daily but aren't happy with what they are getting.

We believe that WBUR can be the antidote. Our rigorous reporting is done with immense care about the audience and the community, and the resulting stories are beautifully crafted pieces in sound, pictures and words that capture your attention and help you make sense of a complicated

world. One of the bedrocks of WBUR's journalism is holding power to account. We serve people and the community at large by revealing hidden truths and challenging the status quo.

WBUR is about head *and* heart. Not only do we keep our audiences up to date on the most pressing news of the day — our devoted fans tell us that WBUR often reminds them of their humanity. That's because, when we choose to cover a story, we ask ourselves: "what will people learn, what will they feel and what will they remember?"

WBUR has defined a three-year strategic plan, mission and vision which requires an evolution of our brand. Our plan includes building out content and a technology platform to develop connections with new audiences in ways that will ensure we're here for decades to come. It calls for us to grow audiences by over 5% (though the digital channel goals are over 40%) and increase our revenue by over 20%.

## **Project + Outcomes**

Our brand evolution focuses on the following outcomes:

**Expand and Broaden Our Audience:** Our goal is to expand our audience to ensure we're discovered and relevant for the next generation of WBUR fans. The brand evolution will make current and prospective audiences see WBUR in distinctive new ways that feel modern and alluring and go beyond broadcast.

Diversity & Demographics: Our target audience, between the ages of 25-54, lives in Greater Boston. We are committed to reflecting the community that we serve, which is increasingly more diverse. Today, WBUR's traditional broadcast audience skews older (60% is 55+) and about 82% white, while the market is 70% white. Podcasts and events attract new young fans, and we must constantly replenish their ranks and encourage them to experience WBUR across platforms. We want curious knowledge-seekers with open minds and hearts to discover WBUR — and we believe the moment is ripe! Mission-driven organizations are more culturally relevant than ever before given Millennial and Gen Z expectations of the brands they choose.

Our national audiences are hugely important as well, and all of our brand work will be experienced both locally and nationally.

Daily Habit: Whether you're seeking to be informed, inspired, updated or diverted with a moment of joy, WBUR has a product to meet your needs. From live streaming to podcasts to events to newsletters and more, we want WBUR to be a touchstone — part of your life, your regular routine, your daily habit.

Differentiation: While being “Boston’s NPR” generates instant gravitas, WBUR must create distinction of its own — from other media as well as GBH, another NPR member station in the market.

### **Deliverables for the brand evolution**

- **Brand Strategy:** Develop strategic foundation for the brand, working with internal and external stakeholders plus current and target audience brand perceptions of WBUR. Leverage NPR membership where valuable, and create distinction from another local member station.
- **Brand Identity:** Brand architecture + systems (WBUR and its sub-brands), tone of voice, core visual identity elements to include logo, typography, color palette, graphic elements and photography style, templates and motion identity. We want to explore a sonic brand identity to support our multi-audio platforms.
- **Marketing Strategy:** A bold marketing campaign and tagline to launch the new brand into the world, along with all of the creative assets to deploy it (audio, video, social and out-of-home rank as priorities).

We recognize this is ambitious. WBUR has a powerful history. We’ve been broadcasters for more than 70 years and we’ve fostered vital relationships with millions of listeners over the decades. Our job now is to deepen the relationship with the audiences we have and to develop that connection — to build those relationships — with new audiences in ways that will ensure we’re here for decades to come.