

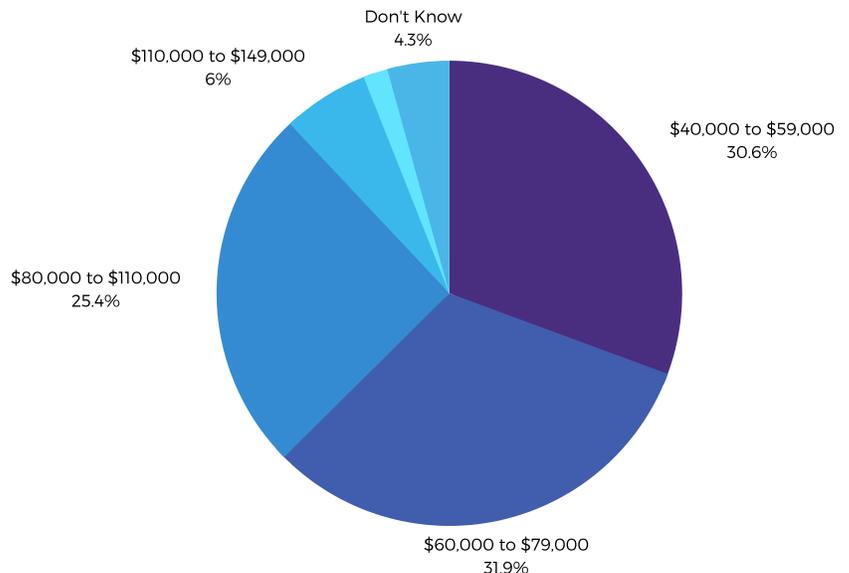
# 2021 RADIO SALES COMPENSATION STUDY

We are proud to release our **3rd annual Radio Sales Compensation Study**. As we continue to add more years of data, we can track trends and provide radio station owners and managers with valuable insights so they can budget accordingly. This year brought a new area to investigate. Our survey was conducted over the summer when we were well into the COVID-19 pandemic. Covid triggered many changes in our business and impacted how we employ and compensate people. We added more questions, and as situations arise in the future, we will continue to adjust accordingly by including questions that are relevant to current market conditions. We always probe for information that is critical to decision-making, and we accommodate as many requests for new questions as possible.

## SURVEY RESULTS

**What is the current income of your average seller at your station?**

**THE AVERAGE RADIO SELLER EARNS \$60,000 TO \$79,000**



**MSN INSIGHT:** We are seeing an increase in the \$80,000-\$110,000 range from last year.

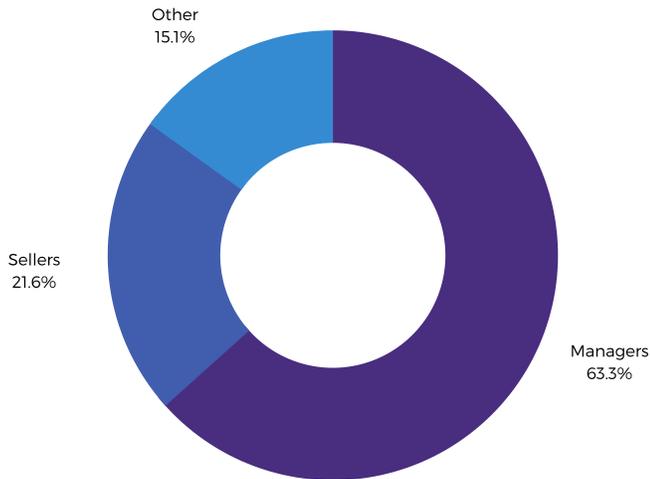
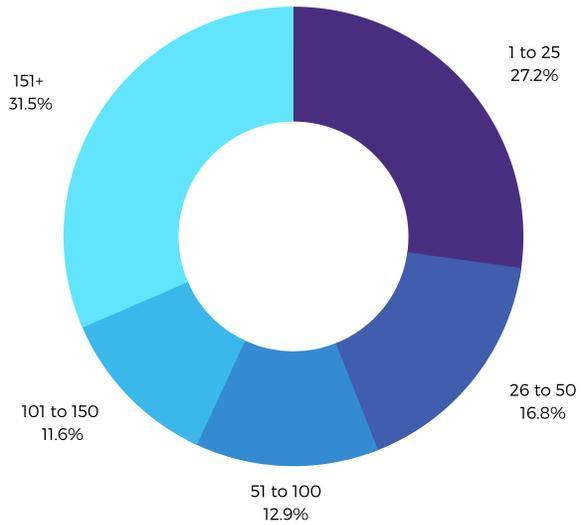
## Survey Demographics

### Market Ranking

# 31.5%

MARKET RANKING 151+

**MSN INSIGHT:** This is a great response so we can average all market sizes!



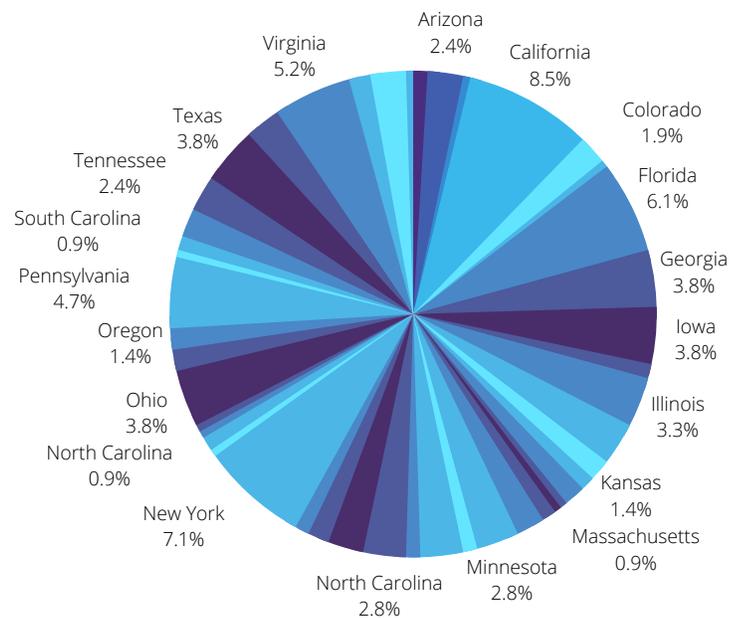
### Who took the survey?

# 63.3%

MANAGERS

# 45

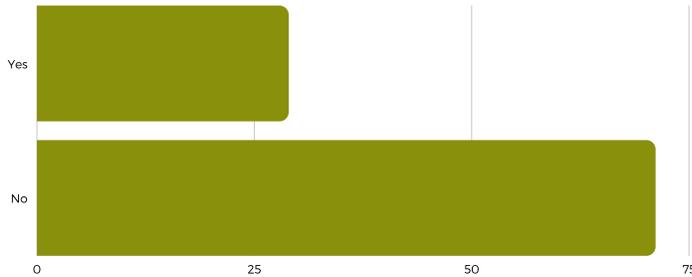
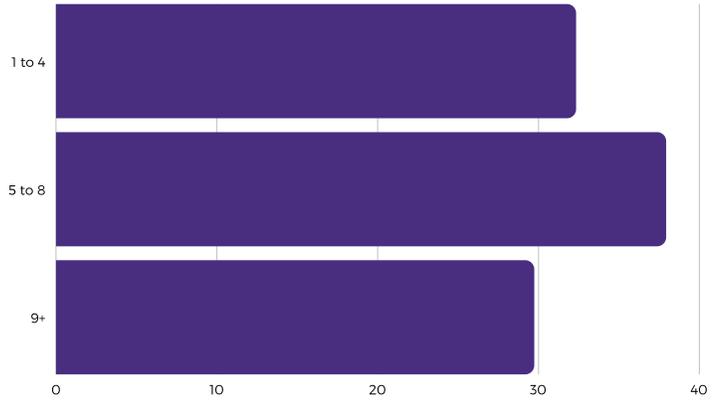
STATES PARTICIPATED



How many sellers on your team?

37.9%

5 TO 8 SELLERS



How many are part-time?

28.9%

WORK AS PART-TIME EMPLOYEES

**MSN INSIGHT:** Radio stations can build their sales teams by adding more part-time sellers.

How does this differ from pre-Covid?

49.1%

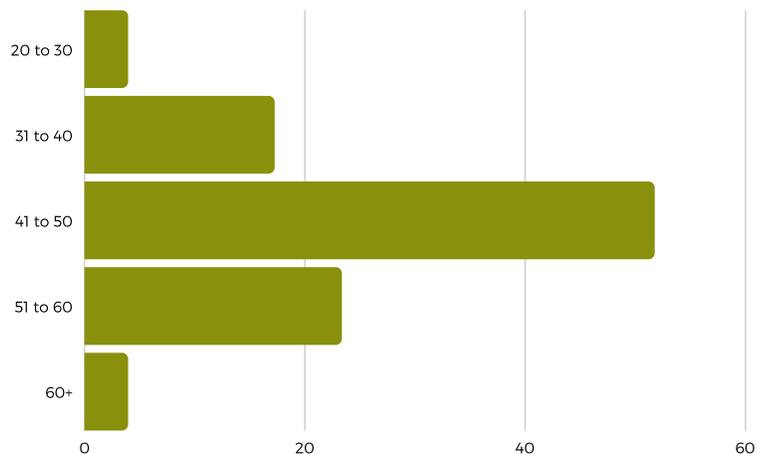
HAVE THE SAME AMOUNT OF SELLERS AS PRE-COVID

- 36.2% We have fewer full-time sellers
- 14.7% We have more full-time sellers
- 49.1% We have the same amount of sellers as pre-Covid

Our salesteam average age is:

41 to 50

**MSN INSIGHT:** We are now showing 27.2% at 51+ which has grown by almost 10%

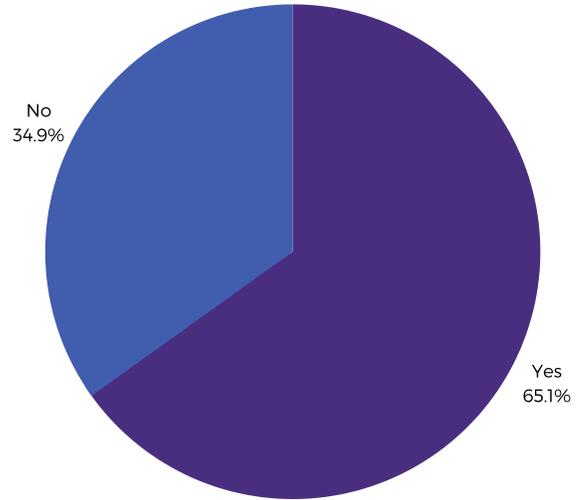


**Is there a different compensation plan for new hires vs. established sellers?**

**65.1%**

**COMPENSATE DIFFERENTLY**

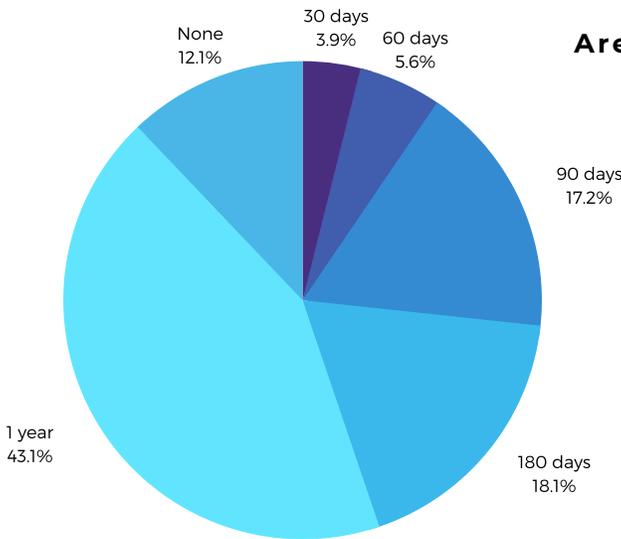
**MSN INSIGHT:** This is very consistent with past years so we don't see much change here.



**Are new hires paid a guarantee for an initial period?**

**43.1%**

**OFFER 1-YEAR COMPENSATION TO HELP NEW HIRES**



**MSN INSIGHT:** A big jump from last year for those offering a 1 year security period, which is needed in recruiting top candidates.

**Does management consider non-revenue activity/ accomplishments/ goals as part of the new hire compensation plan?**

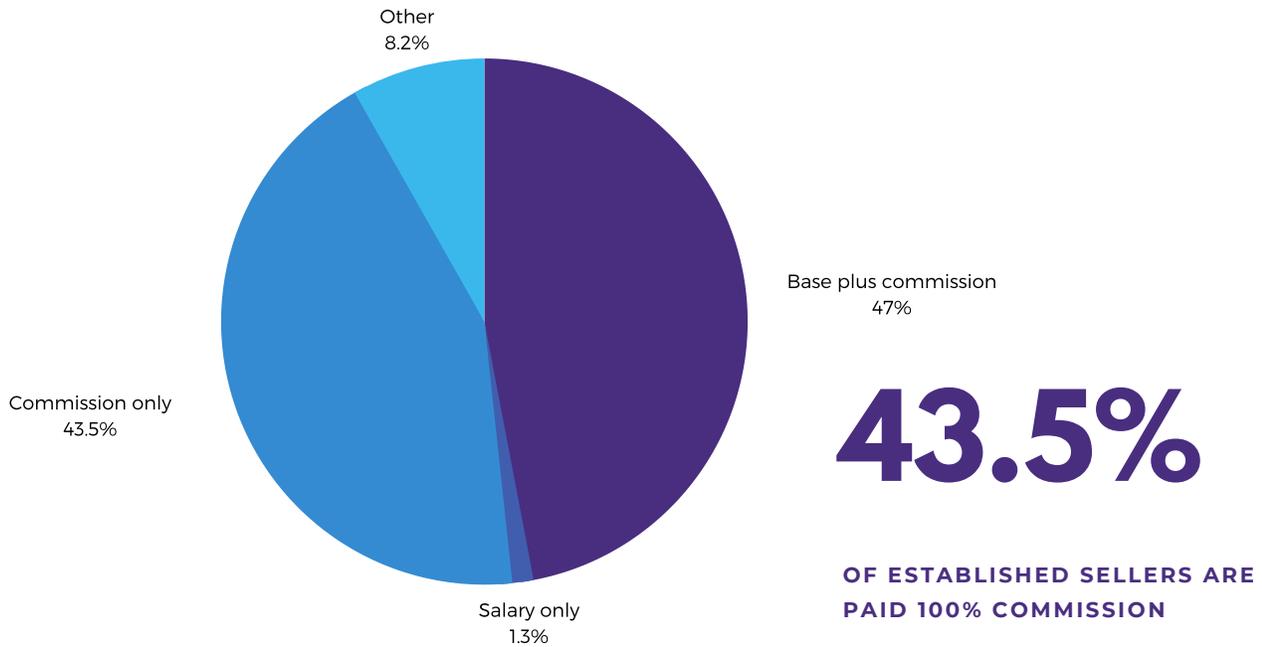
**42.2%**

**DO CONSIDER NON-REVENUE ACTIVITY AS PART OF NEW HIRE COMPENSATION**

**MSN INSIGHT:** There is a slight growth in this category, which could be tied to trying to keep top performers during COVID.

## For established sellers do you pay:

Base Plus Commission \* Salary Only \* Commission Only \* Other



**MSN INSIGHT:** Commission only compensation is down almost 13% from last year, indicating a move to base plus commission.

## The compensation plan for established sellers has changed since pre-Covid:



# 70.7%

**OF COMPANIES STATED THAT PAY HAS NOT CHANGED SINCE PRE-COVID**

## Our company pays a premium or higher commission for new business:

# 46.1%

**OF RESPONDENTS SAID THEY PAY A PREMIUM OR COMMISSION ON NEW BUSINESS**

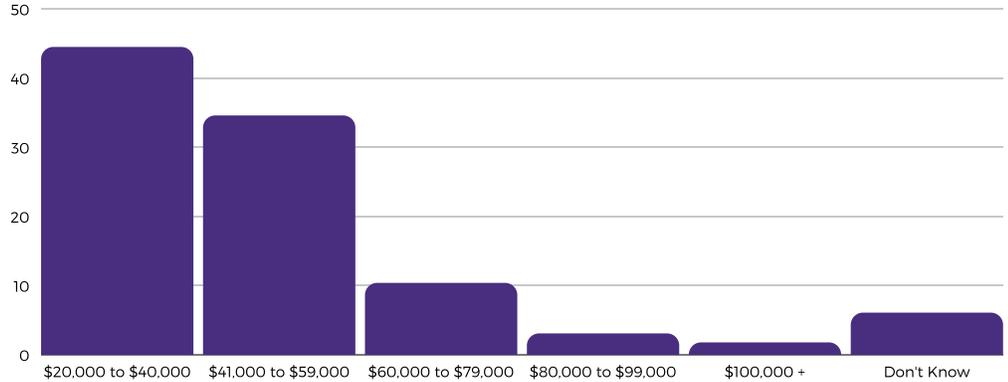
### MSN INSIGHT:

This was a surprise as we expected to see more stations paying a premium as an incentive to pursue and close new business. This is much lower than television.

Select the amount closest to the current annual income of your entry seller:

44.4%

% OF ENTRY-LEVEL RADIO SELLERS EARNING ON AVERAGE \$20K TO \$40K A YEAR

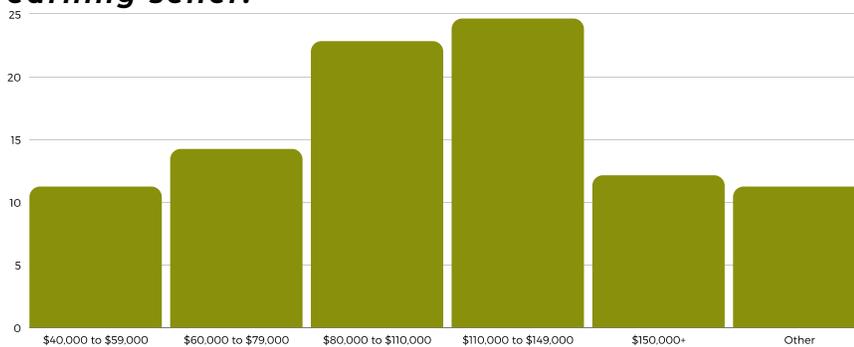


**MSN INSIGHT:** \$60K to \$79K has shown a big jump which is positive for new hires coming into radio sales!

Select the amount closest to the current annual income of your highest earning seller:

24.6%

OF TOP RADIO SELLERS EARNING ON AVERAGE \$110K TO 149K A YEAR



**MSN INSIGHT:** Pay in the \$110K to \$149K range has risen 8% from last year.

Our sellers earned more or less in 2020 than in previous years:

8.2%

% EARNED MORE IN 2020

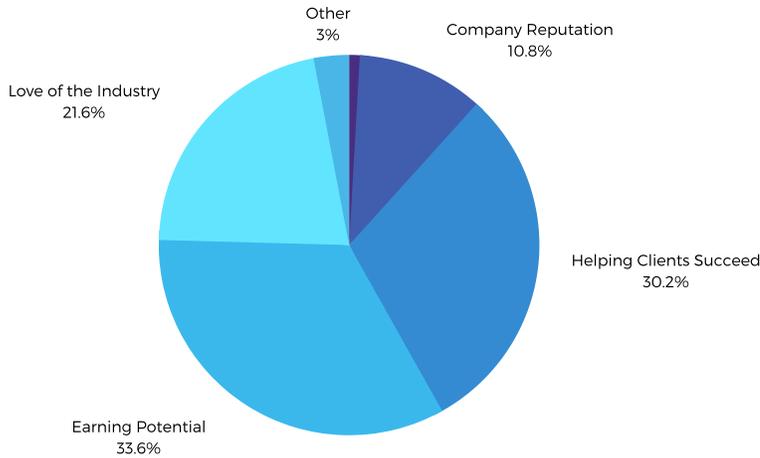


26.6%

OF THOSE WHO SAID THEY EARNED MORE STATED IT WAS DUE TO HAVING A REDUCED STAFF AND TAKING ON MORE ACCOUNTS

**MSN INSIGHT:** Those who reported sellers earning more in 2021 share it was good hard work that kept them going!

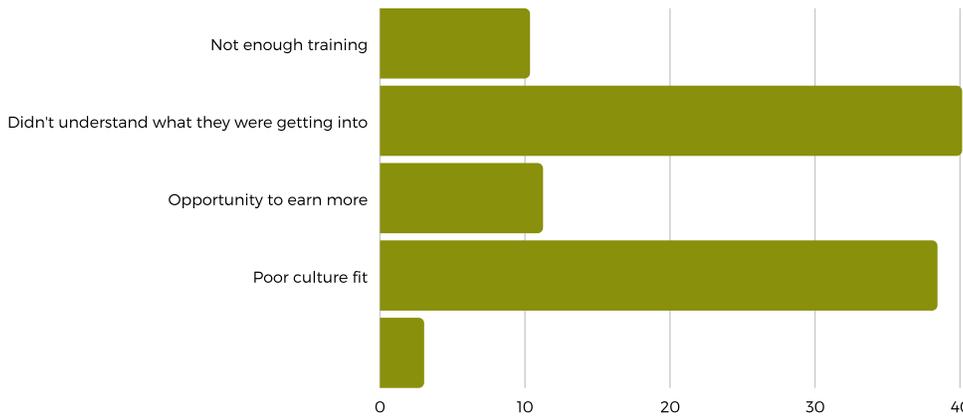
**What do your sellers feel is their motivation for working in radio? Select the answer that best describes your overall team:**



**33.6%**

**ARE MOTIVATED BY EARNING POTENTIAL**

**If you have turnover, it is usually due to:**

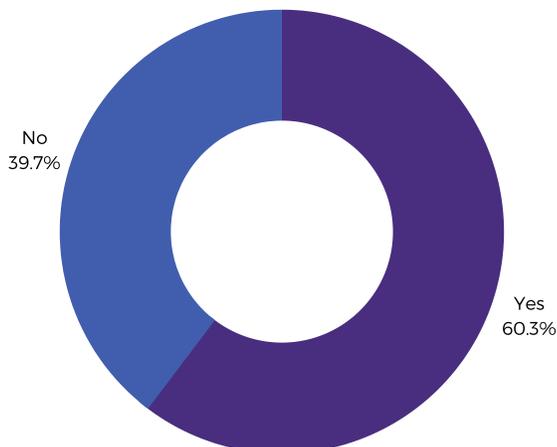


**40.1%**

**SAID REASON IS THEY DIDN'T UNDERSTAND WHAT THEY WERE GETTING INTO**

**MSN INSIGHT:** Too many people say they didn't understand what they were getting into! This proves that correct onboarding, transparency, and more detailed interviews are crucial!

**Do you have a program in place to promote Diversity?**



**60.3%**

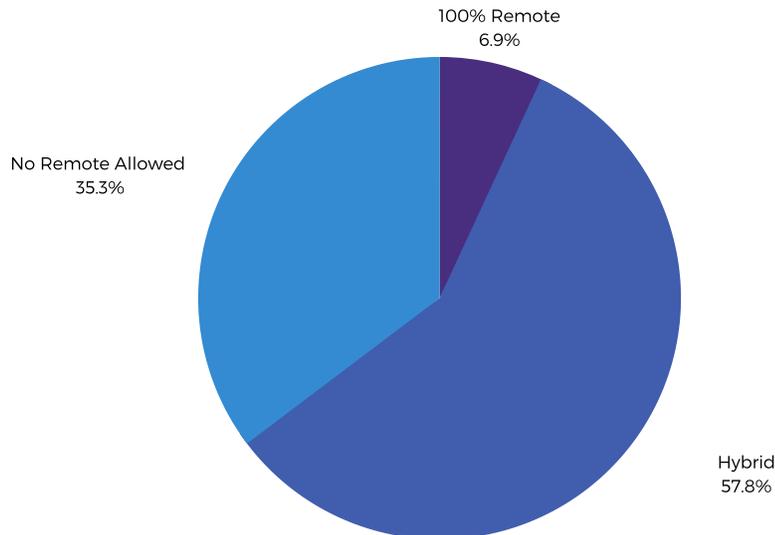
**SAID YES**

**MSN INSIGHT:** While we hoped to see a higher number here, it is healthier than other media.

**When asked "What are the most successful platforms to encourage diversity in your workforce?" Here are the results ranked 1 to 6:**

- 1** JOB POSTING ON WEBSITE
- 2** SOCIAL MEDIA
- 3** JOB FAIRS
- 4** COLLEGE RECRUITMENT
- 5** REFERRAL PROGRAMS
- 6** ADVERTISING IN MINORITY ORGANIZATIONS

**We plan to bring back our sales team:**



**57.8%**

**PLAN TO KEEP THE SALES TEAM HYBRID**

**Top Reasons for Turnover**

**MSN INSIGHT:** This was a surprise with 35.3% asking sellers to come to the office. Those that offer a 'hybrid' may benefit from more interested job applicants.

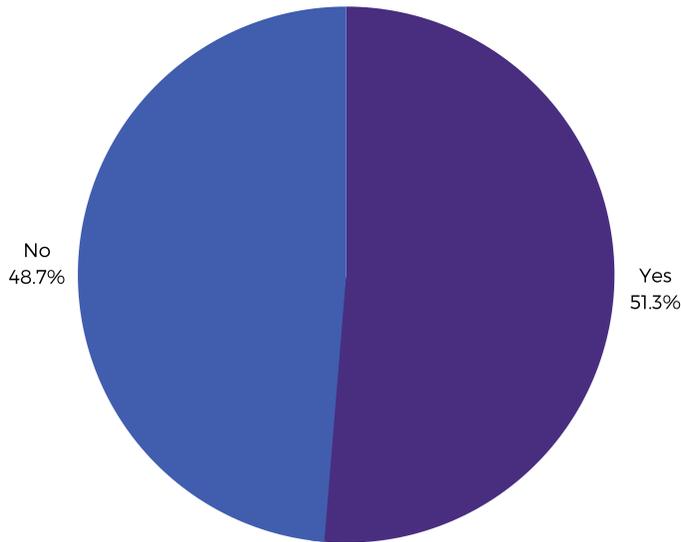
**We have one sales staff that sells all products:**

**89.7%**

**SAID YES**



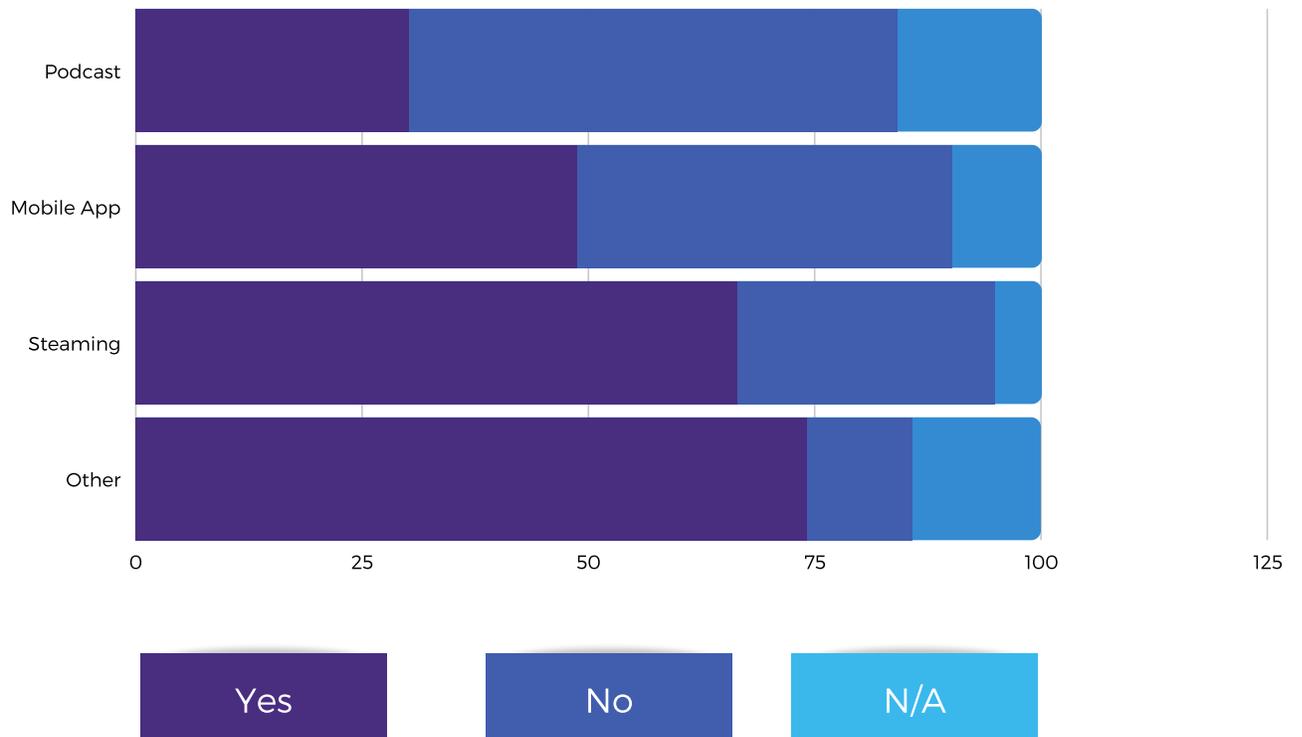
**We have a digital specialist to drive all of our new products:**



**48.7%**

**SAID THEY DON'T HAVE A DIGITAL SPECIALIST ON STAFF**

**Does Your Sales Team Actively Sell Opportunities in:**



## **SURVEY DETAILS**

The 2021 Radio Sales Compensation Study consisted of 19 questions and promised confidentiality to all who participated.

From our 232 unique responses, 63.4% were in a managerial role. The study was conducted over a four-week period between late June and mid-July via email to Radio Ink subscribers and to Media Staffing Networks' confidential database, as well as on social media.

MSN offers similar studies in television and newspaper, to provide owners and operators a better understanding of compensation models across media platforms. All results can be found on [mediastaffingnetwork.com](https://mediastaffingnetwork.com).

### **FOR MORE INFORMATION**

**Contact Laurie Kahn, CEO/Founder of Media Staffing Network**  
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**480-306-8930**