

**United Church of God, an International Association**  
**Council of Elders Meeting Report**  
**Feb. 23, 2009 (part 1)—Milford, Ohio**

The February meeting of the Council was called to order by Chairman Robert Dick. In the morning session, President Clyde Kilough and the administration presented the quarterly review of the progress in accomplishing the objectives and strategies of the current Strategic Plan. Later in the day, Mr. Kilough proposed a plan for the media mix strategy—which would include using commercial TV. He also spent time fulfilling the request from the Council to “prove the premise” that immersion education is the most effective way to address the key strategy of “how will we approach our long-term education programs?” Treasurer Jason Lovelady rounded out the day by proposing the budget for the next fiscal year.

**Review of the Current Strategic Plan**

Mr. Kilough commented that this plan and format, which the administration now uses, helps to focus on our priorities, and it shows us our progress. Organizationally, it has been very helpful. The report focused on second quarter results (October-December) and other recent developments that have been accomplished since the December report.

Public Proclamation:

- We have seen a steady increase in first-time Web visitors. We passed a major milestone in the last quarter (October-December) by having, for the first time, more than a million visitors to our Web sites. Of the 1.063 million visitors, over 250,000 (28 percent) have returned, which is referred to as Web visitor loyalty.
- One of the new tools to increase Web loyalty is a “Frequently Asked Questions” (FAQ) section that has been posted on [ucg.org](http://ucg.org), which currently consists of 30 questions, with 25 more to be added soon. A set of newly designed Web pages feature eight of our booklets.
- Our Web marketing plan now includes both display and video ads—in addition to keyword search advertising. For the second quarter, we saw a 23 percent increase in subscription results from the first quarter (29,997 to 37,011).
- A new Web designer has now been hired: Tom Disher, from the Meadville, Pennsylvania, congregation, starts employment in early March.
- A training workshop for all writers is being planned for March 17-18. The uniqueness and key elements of the gospel message will be emphasized.
- The new online *Bible Study Course* is still in the developmental stage. Three sample lessons have already been written. An internal review of the lessons is in

progress. Ultimately, we would like to have embedded videos that will further add to the impact of the lessons.

- The *Good News* circulation in the United States is now at 442,000. The annual renewal is currently underway, and hence the March-April circulation is projected to be 337,000.

#### Congregational Care:

- The one-day seminars for the pastors covering the subject of conflict-resolution skills will commence in July 2009.
- Biblical research materials to improve the quality and depth of speaking will be made available to the ministry in the spring of 2009.
- Experimental online ABC classes for the newly-hired pastors will continue through May 2009. An assessment of the program will then take place.
- A new tool designed to help give an assessment of the spiritual growth of the members is being overseen by Doug Horchak and will be available soon.
- Two men have been hired into the full-time ministry this fiscal year: Fred Nance and Bill Johnson.
- Twenty-three students have been accepted to ABC next year. This will be a younger group, as all those accepted so far are under age 30.
- One hundred seventy-five certificates were presented to those who attended the two-day ABC Continuing Education Seminars at the Winter Family Weekend in Louisville, Kentucky.
- The weeklong ABC Continuing Education Seminar is planned for Cincinnati in June 2009.
- Over 50 participants have paid for the spring education tour of Israel during the Passover and Days of Unleavened Bread. Ralph Levy and David Johnson will accompany the group and will provide 16 hours of instruction. The educational sessions will be videotaped.
- There are currently six messages and sermons from the Greece tour that are posted on the <http://abc.ucg.org/tours> Web site.
- The U.S. average church attendance in 2008 was 11,466. There are currently 94 full-time U.S. ministers overseeing 216 U.S. congregations. In 2008 there were 163 U.S. baptisms. The largest U.S. congregation is Houston North (average attendance of 353).

### Organization:

- The home office communication committee submitted the remaining items from their initial proposal to management on Feb. 17, 2009. Management will review the proposal with the communication team in March and begin implementation of phase two in April 2009.
- Regular monthly meetings are also held at the home office in which employees give updates about various aspects of the work.
- On Dec. 30, the home office had an all-day employee meeting to begin the employee training program. Chris Anderson spoke on the benefits available and Steve McNeely spoke on management and leadership concepts, the importance of setting goal statements and performance appraisals.
- A couple of the key deliverables in the next few months include formal employee performance appraisals (June 30, 2009), a review of the retirement policy (Aug. 1, 2009) and a study of salary and compensation ranges (Aug. 1, 2009).

### **Media Mix Plan 2009-2010**

Mr. Kilough stated that the first strategy in the public proclamation goal is to “establish a media mix to achieve our targets.” This is an issue we have struggled with for a number of years, he said. Three years ago the Media Steering Group, in several meetings, came to the conclusion that it is far easier to identify the media world as it is and identify the challenges, than it is to identify the solutions, chart a course and commit to that course.

The most challenging aspect for us organizationally, said Mr. Kilough, is that we all recognize the need to preach the gospel—it is in our hearts and is our spiritual lifeblood. We are all here as a result of the gospel being preached, and there should be no question in anyone’s mind that we all want to see the gospel effectively presented to the world. But there has also been a sense of uncertainty about how to best do that. There are many different opinions because there are many different options. But everyone desires to see something gel that we can get excited about.

Mr. Kilough further commented that with the development of the Strategic Plan, we were commissioned, as a high priority, to establish the media mix to achieve our targets. The key is to weave all the media aspects together, as all areas of media have a role. A lot of people have been involved for months in everything from researching to brainstorming. He commended especially John LaBissoniere, Peter Eddington, Clay Thornton, Clint Porter and Jason Lovelady, under Larry Salyer’s supervision.

The world of communication is rapidly changing, not only technologically, but psychologically, remarked Mr. Kilough. Add the societal changes taking place in terms

of the effects of increasing sin and immorality, declining biblical knowledge, cultural stresses like those described in 2 Timothy 3, changing views of religion in general, and it is a challenge to understand how we effectively reach people with the gospel. Everything is changing, but that doesn't mean everything is different—it calls for careful analysis to try to make the best decisions about what we can do with our financial and manpower resources.

Mr. Kilough referred to a book titled *Branding Faith*, by Phil Cooke. A new book by the author gives further in-depth analysis of the past, present and future of religious telecasting: *The Last TV Evangelist: Why the Next Generation Couldn't Care Less About Religious Media and Why It Matters*. We are not the experts; we bring our past models and experiences, but are we willing to think differently in light of the current world? Mr. Kilough pointed out that this is what the Council heard in December, and that David Gosse's presentation really solidified it.

Concerning the Web, Mr. Kilough quoted from Tim Berners-Lee, cofounder of the World Wide Web: "The web as interaction between people is really what the web is. That was what it was designed to be, a collaborative space where people can interact... Today media is about personalization. The 'mass audience' isn't interested in the same thing anymore, they tasted customization and there is no going back."

The question that Mr. Kilough posed was how to weave all the tools of the media, such as television, radio, print ads, brochures, direct mail, etc., into a cohesive plan with the Web being the primary vehicle for reaching the world. He said that over the years we have used the Internet and print, but how do we use TV and radio?

To answer the question, Mr. Kilough asked the following question: "What do we do best?" He stated that we have some very fine talent in this building. When we look at our existing manpower, what have we done best in video production? Answer: Anything that is collaborative, puts creative minds to work and allows time for good production and editing. He gave examples of the Feast video, the camp video and the ABC video. There has been review and editing. The projects weren't rushed, and they were well-developed.

Mr. Kilough said there is a way we can do the same thing with TV—to produce high-quality 30-minute television in the manner that we believe can work well. We can develop it as part of a strategic approach that integrates with all other areas of media, and it can be done with the existing manpower. He said that we've gathered the input, crunched the numbers and are ready to go forward with television in a manner that is within our means financially and our manpower capacity. In fact, it is a better way to use our money and manpower.

#### The Proposed Plan:

Mr. Kilough said the plan would be to produce a library of 30-minute TV programs featuring major teachings that identify the true gospel and the United Church of

God. Instead of weekly programs, we would start producing timeless topical programs to be run as specials in targeted markets.

Mr. Kilough mentioned that production would be along the same model we use for the Feast videos—well thought through, with thorough planning. This takes advantage of our strengths (as he said earlier, “anything that is collaborative, puts creative minds to work and allows time for good production and editing”). Historically, we were trained in a mass media approach, but it no longer works the way we were used to. Collaborative means not only in-house here, but tapping into people in the Church who have the expertise. We have seen this at work in the Web team and education teams. He said we need to find and use the experts we have, those who understand how to reach the world, making them part of the advisory group that helps develop high-quality programs that can have an impact on the target audiences.

The next part of the plan, Mr. Kilough said, would be to produce 30-second TV commercials to promote our vision and to direct viewers to the Web sites where people can find what they want, whenever they want it. Also, in conjunction with the TV commercials, we would produce 60-second radio ads.

Mr. Kilough then noted that we would target certain cities with TV commercials, radio ads and the TV specials. The criteria would be: 1) Search for cities that would have affordable TV times available. 2) Merge that list with congregations that have sufficient size and stability. 3) Direct a marketing campaign to those cities on a rotating schedule. The strategy would be to pick subjects that are key, relevant elements of the gospel message, and then coordinate ads to precede the TV specials.

Mr. Kilough presented the following benefits of having 30-minute TV specials:

1) They would be a strong, in-depth follow-up to television/radio spot advertising in various targeted media markets.

2) They would give us the opportunity to better introduce ourselves to listeners and viewers in particular markets at better times.

3) We could have high-quality production since plenty of time can be spent in research, topic and script development, footage and editing. The program development would not be driven by time, but by quality.

4) They would allow for strong promotion in targeted markets via multiple advertising avenues, for example, letter and e-mail to coworkers and donors and all *Good News*, *World News and Prophecy* and *Vertical Thought* subscribers, local media such as community events notices on television and radio stations, newspapers and direct mail.

5) They would provide an important introduction to follow-up personal appearance seminars in each targeted market.

6) They would separate us from the competition of the stereotypical religious market. Mr. Kilough had a handout that showed the saturation of religious programming on television. One of the stations dedicated to religious programming, The Word Network, has in one week, 112 different preachers and 16 organizations. Another, the Trinity Broadcasting Network, has in a week's programming, 55 different preachers and 29 organizations. He also catalogued last Sunday's previews from his cable TV guide and found that there were 62 different religious programs on Sunday alone.

Mr. Kilough further commented that he would prefer not to be lumped in with that religious milieu because our message could get lost in the stiff competition of that audience. The 30-minute TV specials, in different time slots and on different days, can separate us from the pack.

7) They allow for financial flexibility because this plan does not lock us into long-term obligations. If income surges, we can easily expand this program. If income plunges, we are not committed to 26- or 52-week contracts.

The benefits of spot advertising on radio and TV were presented next:

1) They allow us to reach large audiences during high listener/viewer periods, outside the early morning airtimes generally made available to churches airing 30-minute programs.

2) They can be employed for short periods of a few weeks or even a few days in target markets. This flexibility is unlike 30-minute programs that can lock advertisers into 26- or 52-week contracts.

3) They are specifically designed to encourage people to visit our Web site where visitors would discover an abundance of short written material and 5- to 8-minute video presentations on many subjects. Visitors would also find links to (and have the opportunity to explore) our other Web sites containing deeper spiritual teaching.

4) They serve as a portal or gateway to the gospel. They would serve to invite listeners and viewers to begin discovering the truths of God. Those who do not respond have still been exposed to the gospel message (Matthew 24:14).

5) They provide rapid response to current events. We can record commentaries covering the news of the day and air them on radio as early as the next day. Commentaries covering more generic subjects could be archived and regularly re-aired in new markets.

6) They can build awareness and familiarity with our brand (who we are, what we do and the true values we represent).

7) They can place our messages before a wide variety of demographic elements including gender, age, culture, race and religion.

8) Relevance: They can reach audiences in a helpful and memorable way by covering topics that impact people daily—godly values-based subjects such as happiness, family, morality, finances, honesty, relationships, respect, responsibility, etc., plus commentary on current events from a biblical perspective.

9) They are easily measurable using cost per thousand (CPM) as the generally-accepted metric used in television and radio. Nielsen would supply television audience data and Arbitron would furnish data for radio audiences. Nielsen audience data is generally not supplied for 30-minute television infomercial airtime used for religious programming.

10) They would be available for international areas. Ads are adaptable and can be employed on television and radio stations in many nations around the world as opportunity arises for other regions.

Next in the mix, after an area has been saturated with ads, commercials and TV specials, Mr. Kilough proposed that we follow up with personal appearance seminars. He used the example of Jesus Christ and the apostles in that they conducted much of their ministries through public, person-to-person, preaching and teaching.

Mr. Kilough further stated that “person-to-person exposure,” and personal public speaking, in all cultures, remains one of the most powerful ways to convey a message and develop a loyal relationship with people. Herbert W. Armstrong’s experience in the Radio/Worldwide Church of God had consistent success using public Bible lectures.

Another factor in having what we could call “*Good News* Seminars” is the involvement of the local members. Mr. Kilough remarked that members respond enthusiastically to supporting this method of preaching the gospel. Their personal example and involvement is a great asset in developing relationships with new people.

Mr. Kilough also said that seminars are a highly-accepted way of effectively exposing people to topics of interest. This is a common educational tool for millions of people in our culture, offering multiple formats that can be adapted to the subject and audience.

In summary, Mr. Kilough pointed out that the media mix plan would provide TV and radio ads in targeted cities chosen on factors of national ratings, *Good News* penetration, congregational size and stability. They would be followed by TV specials, and then by public seminars. Based on a continually-expanding library of programs that we would have in our “tool box,” adaptable in international areas or by local interest, it would offer financial flexibility. All of these elements work together and all of them would steer people to our Web site for further information and relationship building. This plan gives us an opportunity to disengage from typical religious programming and build our own identity.

The key goal, as he further stated, is increasing our brand awareness in targeted markets, one or more at a time, steadily increasing. The goal is not “cost per response.” That would be a terribly expensive way to increase *GN* subscribers. It is a major tool in bringing credibility and traffic to our Internet presence, and from there people learn far more about us and can build the interactive relationships.

Mr. Kilough discussed one last point that has been considered extensively as part of how we go from here. For several years we have had a line item in the budget for airtime feasibility studies. This raises many considerations to be answered. For example, he offered some of the questions he had asked John LaBissoniere to answer. If we have the product we want to test:

- What is the best way to establish the right metrics for testing? What are we testing for? To see which presenters, or what program subjects, or what program formats, pull the greatest response?
- How would you construct such testing? When, where, why, how and for how long? We have a couple of different formats and three different presenters—are tests designed to test these against themselves, or just to determine responses?
- How do we go about determining effectiveness and “reasonable response”? What are all the types of measurements we could use and the pros/cons of each?
- Costs: Exactly what are we talking about? For various times and channels, what are the kinds of costs involved?

Mr. Kilough said that the most telling observation came from Mr. LaBissoniere’s research to the next questions we asked: What do we know already from Canada? What has been the true cost of the Canadian *Beyond Today* experiment? What can we show statistically, and in what areas of measurement—new contacts, new subscribers, etc.?

Canada has been airing *BT* on Vision Network for over two years. The program has aired for 137 weeks at a cost of over \$174,000 (all figures in U.S. dollars). There were 5,649 responses, but 2,044 were already on our files, so new responses have totaled 3,605. The cost per response was \$31, but the cost for adding new contacts was over \$48. Further, according to Nielsen viewer statistics on the Vision Network in Canada, analyzing 13 weeks of programming between Sept. 7 and Nov. 23, 2008, *BT* attracts mostly a “traditionalist” demographic, which are people born between 1900-1945. That means we were not reaching a wide audience. Dennis Horlick, an elder in Canada, had written, “If you analyze the program over 13 weeks you will see that *women 65 plus represent 70%* of those who tuned to *Beyond Today*.”

Mr. Kilough noted that based on the Canadian results, we concluded that instead of investing in further testing in U.S. commercial markets, it is wiser to incorporate a new approach to TV programming in a coordinated media mix package. What has formerly been a line item for airtime feasibility studies in the budget is now embedded in the development of 30-minute topical specials for commercial TV broadcast. He also said

that until the media mix package is put into effect, *BT* would continue to air as usual, but using repeat programs. This would allow for media personnel to focus on new productions.

Mr. Kilough then quoted from *The Last TV Evangelist*: “Media strategy means more than just creating an effective radio or TV commercial. It means identifying the audience you want to reach, understanding how they want to connect, providing a website or other means for that connection to take place, planning a response vehicle and providing follow-up. In the media mix of the future, a web presence will often be the hub of a campaign. Using websites, blogs, mobile media or social networking applications, the ‘connection’ will be the central thread that coordinates entire campaigns.”

In his summary comment, Mr. Kilough said that this media mix can provide the means for the big ticket items we do in media to work together to accomplish the strategic goal to “proclaim the gospel message, continually increasing its impact and global reach.”

(end part one of Monday, Feb. 23, report)

John Foster  
*Council Reporter*

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