

Homogenization: Good for Milk, Not for Music

By Melody Ewing

The Future of Music Coalition released an in-depth, one hundred and twelve page case study this week criticizing the consolidation of radio. The report, titled *False Premises, False Promises: A Quantitative History of Ownership Consolidation in the Radio Industry*, claims that listeners of terrestrial radio on national and local levels have been harmed as a result of the various mergers. The study purports that the aim of the Telecommunications Act of 1996, originally intended to prevent undue concentration in radio ownership, has backfired. By allowing unlimited national consolidation, there has been less competition, fewer viewpoints, and a decrease in diversity in radio programming. The report also says that radio consolidation has no added benefits for working individuals in the music industry, such as DJ's, programmers and musicians.

The study analyzes three decades of collected radio broadcast data in order to examine the changes that have taken place in the radio industry since the Telecom Act of 1996. Some major points include:

Fewer radio companies: The number of unique companies that own radio stations reached its peak in 1995 and have steadily declined over the past ten years.

Larger radio companies: Radio-station holdings of the top ten largest companies in the radio industry increased by nearly fifteen times in between 1985 and 2005. During this same time frame, holdings of the fifty largest companies increased nearly sevenfold.

Increasing revenue concentration: National concentration of advertising revenue went up from 12 percent market share for the top four companies in 1993 to fifty percent market share.

Increasing ratings concentration: There is a continued national concentration of listeners. The top four firms have 48 percent of the listeners and the top ten firms have nearly two-thirds of listeners.

Declining listenership: Across 155 markets, radio listenership has seen an overall decline during the last fourteen years—a 22 percent drop from its peak in 1989.

The quality and variety of radio programming has also arguably made a significant decline. Along with consolidation came an overall lack in musical diversity being broadcast on radio stations. Just fifteen formats make up 76% of commercial programming, with radio formats overlapping up to 80% (in terms of the songs played on them.) Even more alarming, playlists for commonly owned

stations in the same format overlap up to 97% in some cases. Niche markets are now almost nonexistent. Genres such as bluegrass, folk, jazz and classical are broadcast almost exclusively by small station groups.

Radio programming that remains focused on just a few formats makes for a gross homogenization of the airwaves. It creates a corporate product that is being spoon-fed to consumers.

Radio stations aren't necessarily playing music that people will like; rather, they're playing the least distasteful music that will keep them from changing channels.

The proven statistical decline in listenership is a telling figure. It demonstrates an overall dissatisfaction with what the radio industry has become. More often than not is the comment heard "I hate what's on the radio today!" Consumers have developed ways of combating this trend, however. More so now than ever, people are using iPods and other digital media players in order to control their music experiences. These players offer portability, customized playlists, and now even music videos and movies—features that radio lacks. Those who typically only listen to radio in their cars may not have to any longer. It is reported that 70% of 2007 model automobiles will be equipped with iPod connectivity, creating a seamless integration from media player to car.

Advent of satellite radio has also diversified consumer's listening experiences by offering hundreds of channels, all commercial free, giving the consumer a true variety of programming.

Possible solutions to regain listeners in radio broadcasts include a reformation of the Telecom Act, placing a cap on the number of stations a single company can own. This would reduce the corporate giant structure that is commonly associated with radio today. Another plan would be to use a grass roots approach to individual stations, eliminating the majority of syndicated programming and returning to original segments, live DJ's and engaging listeners with more interactivity. People like to share their opinions regarding music, so a decrease in the set playlist format would be beneficial, allowing listeners more freedom to customize their listening experience through requests. A true representation of diversity in the music played can also offer a seemingly obvious solution. Also, playing new material that doesn't fit the cookie cutter mold of what's generally popular may offer a new spin on the content currently presented on many stations. With new material comes a new sound, and it takes time for something new to catch on. If it's new, the audience may not necessarily like it immediately, but they may eventually be turned on to it.

HD Radio also offers some degree of promise. Many listeners have grown accustomed to the hi-fidelity nature of CD's and iPods. Weak FM signals and interference frustrate listeners to the point of changing the channel. HD

signals provide a clearer stream of audio, so the resultant sound is a vast sonic improvement over other radio transmission signals.

In short, radio isn't dead, but it is in desperate need of an overhaul. Corporate structuring and homogenous playlists have resulted in an overall lack of content quality and diversity.

Some might say that video killed the radio star. I'm inclined to think corporate consolidation did.