

Traditional radio, which became ubiquitous in the 1920s with the emergence of stations such as NBC and the BBC, is the original mass medium. But the media world is changing and radio's role is increasingly challenged by Internet content, HD and satellite radio broadcast formats, and evolving audience expectations. To some industry watchers, these advances have now reached a crescendo that pressures radio stations to provide more for their listeners; to change with the times or die of old age.

At January's Consumer Electronics Show (CES) in Las Vegas, the humble radio received some special attention as an unlikely star. CNN even called it *the* big hot tech frontier and "the all-time greatest sleeper of a tech trend."

Hmm.

True, there may have been some amazing 2008 radio genre debuts in the form of HD iTunes tagging, new services such as FlyTunes and slick new satellite radio desktops like the XM Sound System, which records any of 170 live channels at the click of a button, as well as MP3 hand-helds, like the Inno.

However, when I mentioned to radio analyst Mark Ramsey,



XM and Sirius' likely merger (satellite has aggregated 17m subscribers, traditional radio reaches 240m people a week).

"If the radio industry is really going to try to capture what's happening technologically going forward five or ten years, it needs to understand that it's no longer about an antennae in the back yard! It's a distribution system for their proprietary content," he stated. He believes we'll see less music stations, because companies are finally coming to understand that from a youth perspective, music is no

Adjust Your Radio, America!

president of *hear2.0*, that radio was proclaimed the new beachhead in the home networking wars at CES, he remarked, "that's a lot of hoey". According to Ramsey, radio's single most valuable factor is the *human* factor which makes its programming content unique, with the real issue for radio being 'carbon-based' technology'. That is, real people delivering fresh, live programming content.

"Radio has to its credit millions of people who habitually come to it every single day," Ramsey advised. "Its simplicity, and the fact that it's ubiquitous, easy, and part of everyone's daily habit are incredible advantages. It means you, in fact, have *permission* to connect with these people on a daily basis. It's the original social networking."

I love radio. I listen to it all the time in my car, on the Internet, or clipped on when I go running. So, for a front line take on radio's destiny, I turned to founder of Radio Mentor and Bridge Ratings Dave Van Dyke, who is currently ABC Radio Networks' VP, affiliate relations. Van Dyke and I have served on the board of Cellecast, a company building mobile radio services. His team at ABC provides 440 affiliate stations across the US with content and services that keep ABC competitive with TV, Internet, and shifting demographics. For him, traditional radio's big challenge is declining profit margins, encroachment from Internet media, and, to a lesser extent, HD radio and satellite radio companies

The original social networking medium is changing fast, reports Howard Greenfield.



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longer key on the radio as they get it from iPods, the Internet, and elsewhere.

Are radio's finest days behind us, or will it morph into a new form? Hybrids such as FlyTunes, designed for the iPhone, will no doubt continue to be emulated on other platforms. This radio-like service is rolling out with 20,000 downloadable music channels and no monthly fees. According to FlyTunes, it trumps all radio options, including satellite, because it works with existing cell phones and media players, has 100 times more channels than satellite, and plays inside buildings and aircraft (unlike satellite radio which must receive its broadcast feed from the sky).

Some say the radio industry is on a collision course with its future due to an increasingly splintered audience and consequent advertising challenges. While most of the audience that grew up with radio, aged 35 to 40 and older, are very much attached to it, the younger generation grew up on web and MP3 alternatives.

In Van Dyke's view, facing changing demographics, the Internet, HD, and satellite, traditional radio will need to be on top of its digital and Internet strategy to prevail. But the good news is that "more people tune into the radio each day than the number that go on the Internet. The future is terrestrial radio's to lose and is completely in the hands of the people that are running it."

