

The future of radio (part II)

By [Anthony Duke](#) 22 Aug 2012

In [part I](#) of this three-part series on the current state and future challenges of an old medium, I noted that traditional time spent listening (TSL) to radio was declining; radio listenership trends are showing that people still love their favourite stations; and I asked what exactly is streaming radio. Here, in part II, I look at audience targeting; marketing; music; talk; live internet radio; existing FM stations with web streaming; listener-driven radio; social media; the cloud; and positioning (or the lack of need).

To recap, Wits Radio Academy, under Prof Franz Kruger, recently held its third [Joburg Radio Days](#) conference, looking at the future of radio. This series is adapted from my conference presentation.

Audience targeting

Commercial internet radio is targeting a potential niche it has identified as consisting of good income earners, and where traditional radio stations are either not paying specific attention to the motif or address in general content.

Radio is targeting a broader demographic group and with a mainly open terrestrial footprint. It cannot afford to spend air time on limited interest groups or restrict content to an insignificant clique taste.

Marketing

To get an income:

- Who is streaming radio targeting and how?
- Who is traditional radio targeting and how?

Is there a difference? Are advertising agencies adapting to the new models? An agency's compensation is tied to the size of the media buy. What happens as listenership declines?

Everything is changing and it can happen very fast. YouTube is only seven-or-so years old. The iPhone is just over five years old. *"And, they were invented by companies that weren't even in the TV, radio or phone business. They are transformational technologies. I'm trying to get everyone's attention that the status quo is dead. But, even more important, something is being born at the same time"* - **Bob Garfie** - *"the Chaos Theory"*

Out there, personally I am exposed to:

- **Music**

There's a flood of 'internet radio stations' that are purely musical genres of your choice; Just FM, 181FM, Bakgat, Planet Radio, Big R, 100hitz, Free Radio, Uni FM. There are thousands more from all over the world.

There's also 'request' radio, where you can choose your own playlist or one influenced by millions of

others, such as 'Your Choice' Last FM. Ja.fm is a good example of listener-driven choice in South Africa.

- **Talk**

There is news, community, government, agriculture, educational, comedy, political, sports,* technology, religion, the home and many others, along with blog stations talking about gardening and vintage cars

- **Live internet radio**

There are internet stations adopting traditional radio formats to a degree but offering news, videos, competitions and access to many other information sites. Locally, 2oceansvibe, worldtunes.net, loudradio.tv and Ballz Visual Radio come to mind. Ex-radio presenters Darren Scott, Kevin Savage, Richard Hardiman, Paul Rotherham, John Walland and others are on streaming only. Using Google Hangout, 567 Cape Talk listeners view and interact via live-stream on YouTube.

I found religion at internetgospelradio.co.za.

- **Existing FM stations with web streaming**

Commercial, community and public stations all have sites and audio streaming (or it is available). Locally, onlineradiostations.com gets you plenty.

All of them will direct you to a Facebook page, at the very least, and the biggies have extensive websites and exposure on and to social media sites. Capital London, Heart FM, KISS FM, 5FM, KFM HVS, BBC stations all have sites that are as attractive, if not more so, as a straight internet station, with multiple of consumer choices. They have big budgets, after all.

Like Ja.fm and 80's Streaming on KFM, the opportunity exists to stream specialised music channels. They have the best of both worlds and, in all these instances, the potential for listener-driven radio (LDR) is there.

- **Listener-driven radio**

Although I am hearing a simple request on a Cape station seriously being described as "listener-driven radio", there is a whole new wave of the phenomenon in the US. This allows listeners to "take control" their favourite station for hours at a time through real-time online voting.

Fans access the complete playlist via mobile or PC, and vote for their favourite songs. LDR systems share votes, dedications and other information on Facebook and Twitter. Voters can choose SMS, IM or emails about when their favourite songs are about to play. A built-in music recommendation engine introduces new music off-air.

"Digital radio is a powerful platform for advertisers because it is targetable and offers insight into the tastes and responses of users, especially when combined with listener-driven technologies. Advertisers can leverage market intelligence gleaned from the listener-driven technology to change messaging and creative in live ad campaigns. Digital radio is said to create a faster feedback mechanism for digital campaigns, enabling marketers to update their creative or messaging, in

order to increase the effectiveness of the campaign, before the actual campaign ends. Ads that are not performing can be pulled out at any time and replaced, based on data about the effectiveness of the campaign in question" - [Attila Bernariusz, divisional head of Kagiso Digital](#)

"Critics complain that such listener-request software is a technological patch on the real problem: lack of respectable human gatekeepers in commercial radio. Even the most dynamic technology, such as the internet music service Pandora is at best, artificial intelligence"- **Radio Intelligence**

- **Social media**

My reasoned research shows that Facebook is the biggest but there are over a hundred other social media platforms, excluding Twitter, that have a million or more users, some as high as 400million.

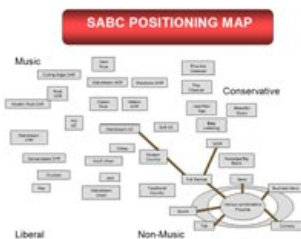
- **The cloud**

Podcasts abound and anything can be put on the [cloud](#). Mechanically, it could make spot scheduling easier and shared corporate playlists more impersonal.

Has anybody been let down by traditional radio? Advertisers - did radio read the signs? Listeners - is there way to get disenfranchised listeners back to radio? The critics say the answer is to hire more human hosts that know and love music but this is an old-school approach, isn't it?

Positioning (or the lack of need)

Traditional positioning in radio was a map of the different genres by format.



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[click to enlarge](#)

Mouldy radio positioning maps

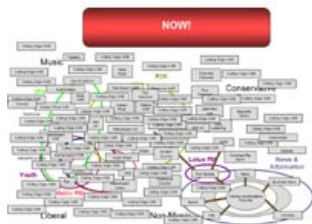
Where the market demanded it or it was considered necessary, it was important to be very sure of your positioning in the existing radio environment. It was obviously affected by locality but relied very heavily on the demographic profile, spending power, entertainment and the information deemed appropriate. By and large, competing formats were avoided.

We know it all hotted up overseas and more and more frequencies were allocated and rating wars were the norm. Although lagging in regulation until the New South Africa came about, this country has followed a similar path.

SA is unlikely to suffer from a similar US hangover of the 70s through 90s, which saw the network conglomerates and media groups buying every commercial station. This led to a gradual eroding of local tastes and senses that were cherished and valued in radio.

Large-scale syndication started putting the 'sameness' in radio. Various forms of automation have weakened the overall positioning of radio as a medium and there is widespread alarm in just about every community in the US about big business lowering radio standards, leading to disturbingly low levels of public opinion.

Many professionals believe it is the end of radio as we know it. It is unfortunate that this self-mutilation had been taking place at the same time that fed-up listeners and discerning consumers had been given the gift of the internet.



[click to enlarge](#)

Today, this has been turned upside down and we have as many niches as there are human interests, each making an inroad somewhere.

In [part III](#), I will look at SA radio's initial overreaction to the web; if radio can adapt or die; non-traditional radio vs traditional radio and inherent ironies; how radio stations can make use of the opportunities of online and social media; and whether radio stations can survive without web, audio-visual and text departments.

For more:

- Bizcommunity: [The future of radio \(part I\)](#) by Anthony Duke
- Bizcommunity: [The future of radio \(part III\)](#) by Anthony Duke

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