

WHY ARE AMERICAN MEDIA SO COMMERCIAL?

What factors have contributed to increasing the commercialization/corporatization of media?

I. The natural demands of capitalism

Can see this when look at individual businesses

Businesses need to continually grow, to make more and more money

Do any of you own stock? How do stocks grow? Stocks grow when profits increase. If they don't grow, shareholders don't earn a return on their investment.

You can see how this affects media companies:

* In TV, the survival rate for new shows has declined; few new shows stay on the air because networks give them less time to prove themselves. In the past, networks could afford to give shows a couple of seasons to prove themselves.

* Same thing for pop musicians and authors. An artist like Bruce Springstein probably wouldn't have made it in this climate; his first couple of records sold poorly.

II. Advances in technology

Why did advertisers love radio when it first came out?

- Radio eliminated the burden of physically distributing a product. No shipping costs. No real middlemen.
- Doesn't require reading
- Reach huge audience simultaneously.
- Add music, sound effects. More emotional.

Television?

Moving images; huge selling tool; immulative; more emotional.

No English required

In sum, technology has given companies new ways to advertise.

I could show you all a thousand logos that you could name instantly.

But this would never have worked 100 years ago because the only medium then was print (books, newspapers, magazines)

* print isn't the best medium for reaching a large, diverse audience.

Or think of billboards. Technology for vinyl ads is only a about 5 years old.

* TV screens on planes and in elevators

- * Digital product placements / sportscasts
- * Automated coupons in stores

III. Changing patterns in Government regulation (and deregulation) ; changing laws so that they favor big business

regulation = establishing laws
deregulation = removing laws

- 1. Removing limits on media ownership ---> Consolidation of media into fewer, larger companies (deregulation)**
- 2. Decline of the public interest standard in broadcasting (deregulation)**
- 3. Expansion of copyright law (increased regulation)**
- 4. Changes in First Amendment**

CLEAR CHANNEL

What's the intended audience for this article?

It's in the Wall Street Journal, so it's for business audiences.

Does anyone here listen to KISS-FM? Where are the DJs on KISS-FM based?

In NYC because new york is a huge market, but...

What about in Idaho. Where are the Boise DJs based?

San Diego.

What about making a request?

Can't do it.

What happens when people call to talk with the local DJs?

It's always busy.

DJ pretends to be at a party but he wasn't —what do you think of this sort of thing? Is this ethical? Would you listen to a radio station that does this?

Who owns KISS-FM?

Clear Channel

Clear Channel operates 47 KISS-FM stations. According to Clear Channel's rep, why so many?

"We can produce higher-quality programming at a lower cost in markets where we could never afford the talent," says Randy Michaels. "That's a huge benefit to the audience."

Why, according to the WSJ?

It's a huge benefit to Clear Channel, which can boast of a national reach and *economies of scale* to advertisers and shareholders.

What effect does KISS-FM's system have on music played?

Homogenizing. Someone in San Diego decides what plays in Idaho, Nevada, Ohio, etc. There used to be many more country music and Christian stations in south, for example.

What else does Clear Channel own?

Concert promoting and outdoor advertising (billboards)

Why do you think they'd want to be in concert promoting and outdoor advertising?

Why is such a huge corporation allowed to control so much of the airwaves?

Because the government loosened ownership rules

What happened to ownership rules in 1996?

The FCC relaxed them.

Before 1996, a company could only own 40 stations and only 4 in the same market. After 1996, a company could own 8 stations in same market --> Rapid consolidation.

This general trend—media ownership deregulation—we'll be reading more about soon.

KISS-FM exec compares his stations to McDonald's. How is KISS like McDonald's?

It's like a chain; you get same thing in different places

How is it unlike McDonald's?

- * Product different: Information and music, not cheeseburgers;
- * the fact that McDonald's is national is widely known whereas KISS stations wants to have it both ways. It pitches itself as national to advertisers, and local to audiences.