

Internet radio could continue to hurt broadcast radio

We are on the cusp of some new technology that will give you more options on your car radio, and a recent survey found a lot of people would change their listening habits. This could be yet another nail in the coffin of broadcast radio . . . or not.

Those of us whose roots are gray have heard this before. There was quad radio, the next big thing in FM. You got four channels instead of two, but you had to buy special receivers and more speakers. There was AM stereo. That sure made a splash. Digital radio. Right.

In the long run, none of these really helped terrestrial radio. Satellite radio came along. I got it in my car and never looked back. Since then I can truly say I have not listened to broadcast AM or FM in my car – ever.

Now we're hearing that Internet radio may soon become available in cars. As one who already owns two fantastic Internet radios in my home and who has wired them so they can be heard in every room, I'll be one of the first to get a set in my car, and I am hoping I can still keep satellite.

My history as a broadcaster probably qualifies me as a wonk of sorts, so it might be doubtful that many other people would want Internet radio in their cars, but a new study recently released by Mark Ramsey Media notes that Internet car radio would have a lot of appeal.

When asked if Internet car radio would cause them to listen to less local radio, 34 percent said yes. But would they actually get an Internet car radio? When given a choice between adding an iPod to the radio or Internet tuner, a whopping 58 percent opted for the Internet system.

This survey covered 2,100 people in 22 different markets around the nation and has a low margin of error (+/- 2 percentage points). My interpretation is that it shows the hole radio has dug itself into.

Lack of localization brought on by voice-tracking; endless spot clusters; marginal "talent;" and insensitivity to what the audience wants – all these have simply driven many music radio listeners completely away from the medium. Now that we're used to the sterility of the broadcast product, we find that we can get that same sterility, along with niche music formats to our liking, on the Internet. It's a no-brainer.

I haven't heard of many radio station managers who have seen the light and are spending money for good talent to dramatically improve their air product, so many of us on this side of the speakers will keep going elsewhere. And if Internet radio does show up in our cars, we'll enjoy its offerings. Those few terrestrial stations with unique formats and that are also streaming online will benefit, because we will be able to take them along for the ride.

The rest of the radio stations will continue to cry in their beer about how bad the business climate is.