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"Summary of article by J. Fred MacDonald[1]: The Emergence of American Television: The Formative Years *and* Toward a New Video Order: The 1980s"

In ceding the airwaves to merchandisers who used them to make a living, Americans guaranteed that the utilitarian potential of radio and television would never be fully realized. With transmission initially limited to the few channels possible on the VHF band, competition was stifled and the potential of the medium to serve many audiences was restricted. Allowing a few similarly structured networks to program for such a richly diverse nation ensured the triumph of formula over invention, simplicity over the profound. As impressive as some network fare would be -- and, indeed, much network programming was enormously popular with viewers and well received by critics -- national broadcasting would always be driven by the propensity to satisfy mass tastes while disappointing the legitimate expectations of audiences with narrower interests. (58)

Daily, [TV] has bombarded an already materialistic society with countless advertisements urging the purchase of specific products, needed or not, affordable or not; but it has been a crucial vehicle for creating popular demand within an economy greatly dependent on mass consumption for its viability.(55)

In the early twentieth century, cultural leaders heralded the arrival of free television as public educator and entertainer, facilitator of an enlightened era. This paper argues that network television has failed to deliver on its early promise, promoting mass-oriented commercial entertainment at the expense of satisfying individual preferences. The growing popularity of cable television and video cassette recorders threatens the networks where they are weakest, offering more autonomy, more choice and diverse programming that appeal to wider range of tastes.

The success of television programming has always depended on its ability to reach mass audiences. Sponsors' interests in having their products seen by as many people as possible made it less profitable for networks to appeal to diverse preferences. This programming orientation was motivated by the interests of national advertising sponsors who quickly discovered that television was a much more effective sales medium than radio, albeit more expensive. By 1952, just 13 years after the first TV broadcasts, television had captured more than 50 percent of all broadcast advertising revenue.

While the profit incentive to create mass audiences has led to one nation under television, the inability of network television to satisfy diverse interests lies behind the recent exodus to pay television. The commercialization of television required that successful programming be measured by market share instead of quality. Consequently, network television has traditionally offered what was most acceptable to the largest numbers of people, rather than what was most preferred by individual consumers.

The television industry's tendency to market to the masses was exaggerated by federal regulations in 1945 that restricted early video transmissions to the Very High Frequency (VHF) band width. The decision delayed until 1953 the opening of the Ultra High Frequency (UHF) band width, which could have accommodated more stations and appealed to a diversity of tastes. In the brief VHF-only era, the Big Three networks National Broadcast Company (NBC), American Broadcast Company (ABC), and Columbia Broadcast System (CBS) consolidated their advertising base and created barriers to entry for potential challengers. Development of UHF was effectively crippled by high start up costs, monopolization of national advertising dollars and big-name entertainers by the major networks, limited transmission range, and small audiences. Early UHF stations were relegated to broadcasting reruns of programs that had already aired on the big networks.

The major networks remained unchallenged until the 1980s when the cable industry rose to prominence and an alternative network, Fox, began to attract viewers and advertising dollars. The success of cable television was due to its ability to satisfy individual demand without having to rely on national advertising which requires access to the largest possible audiences. Freed from the constraints of least-common-denominator taste, cable flourished as consumers willingly paid for choice and diversity in programming. The success of Fox also owed much to consumer dissatisfaction with traditional network fare, as well as to the willingness of its owner, Rupert Murdoch, to sink billions of dollars into start-up and promotional expenses.

The original intention that television be a trustee of the public airwaves was compromised by regulatory concessions to corporate interests. The cultural potential of television was undermined by two regulatory events: the early failure of the Wagner-Hatfield Amendment to the 1934 Communications Act and the more recent decision by the Federal Communication Commission (FCC) to "unregulate" television in the early 1980s.

The Wagner-Hatfield Amendment, prior to the advent of television, would have required that one quarter of all radio licenses be reserved for educational and cultural interests. Without this amendment, the Communications Act laid the groundwork for the eventual commercialization of television as well as radio. "Unregulation" meant that television was no longer to be viewed as trustee of public airwaves and should be treated no differently from any other part of the market. Even the modest surviving public interest provisions were gutted under the Reagan Administration. According to the head of the FCC in 1982, a television was just like any other appliance, no more than "a toaster with pictures."

In an important respect "free" television is just like any other service offered by the market: it costs money. Television advertisements cost the average American household an extra $24 a month in 1988 for purchased goods and services.

Network television was neither free nor addressed to a nation's diverse interests. Between 1953 and 1988, the top rated network programs drew fewer and fewer viewers, as ratings for the most popular shows dropped 54% percent. Consumers became bored with the limited range of programming offered by the major networks.

The rise of cable and development of electronic accessories like video cassette recorders (VCRs) added to the malaise of the big three networks but also gave consumers more choice, more autonomy and the ability to see what they wanted when they wanted it. Increasingly, the television medium became more personalized with the variety offered by cable narrowcasting and VCRs.

With the imminent arrival of interactive television, the television medium offers the intriguing possibility of facilitating town-meeting style democracy through electronic voting on pressing civic issues as well as the opportunity for advertisers to market to the needs of individual consumers rather than mass audiences. General Motors is currently researching interactive advertising using televisions, personal computers, telephones and facsimile machines. In the future national advertisers may achieve the ultimate in market segmentation, addressing individual consumers through interactive electronic media.

Notes

1. These chapters illuminate the history of network television. This summary emphasizes those parts that address television advertising, television as public utility, and the potential transformation of television into a personalized medium.