

3 July 2005



By:

[Apple, iTunes and the Podcasts. Who's Got the Most to Lose?](#)

And why

Sometimes revolutions come out of nowhere. You wake up in the morning, drink your coffee or juice and start preparing for your daily chores. And then boom!, you find out that Apple has decided to integrate podcasts in the iTunes online stores. And this is no test project, because iTunes offers from the start over 3,000 podcasting sources, which are publishing podcasts on a daily basis. You feel glad for Apple, because it has managed to come up with something interesting once again, but in the same time you can't help but wonder who's going to be affected by this initiative. And if you take a minute to think about it, you realize that the list keeps getting longer and longer. 1. Radios. The halo effect generated for Apple by the iPod and iTunes combination has been a subject of debate for a long time now. More and more people were buying an iPod, and then were beginning to think about an iBook or a MacMini. That was until things began to stall. iPod's sales suffered a slow decrease, and then Apple went for help to one of its few trusted allies, one of iPod's offsprings, the podcasts. Podcasts are, in a manner of speaking, some kind of personalized radios. Easy to be recorded and distributed, free-of-charge and allowing everyone to state their opinions (as long as they're not promoting pornography or copyrights infringement), the podcasts have numerous advantages over the radio. You can schedule your favorite show at any hour, you don't even have to remember to turn on your radio because the podcasts' distribution system lets you know when a new episode is available, and you can pause it at any moment only to start playing it again later on. Podcasts are much more interesting, but also more rapid and effective. Thus, the radio stations that won't start broadcasting as fast as possible on the podcast frequency will have the most to loose. 2. Yahoo Music, Napster, RealMedia and MSN Music. The download market has proved to be such an attractive market that lately an increasing number of companies have decided to invest in this field, trying to get for themselves at least a small part of iTunes' success. With the appearance of podcasts, iTunes will appeal to an even larger number of visitors, which will lead also to an increase of musical content sales. Hence, it was not a just a coincidence that in the same press releases in which Apple has announced that the number of iTunes subscribers had reached 1 million, the company also pointed out the fact that now the iTunes catalogue offers over 1.5 million songs.3. Google, Yahoo and the search engines. And this will happen once commercials will be inserted into podcasts. This hasn't been achieved yet, but it looks like ways of inserting ads into podcasts as well as sponsored podcasts are bound to be released in the near future. Podcast commercials have the advantage of reaching exactly the desired target audience, and it will be interesting to see just how much these services are going to cost. It's hard to estimate yet the success of this new type of advertising or who'll be in charge of its management, so the perspectives for the next two years are not very encouraging. However, after this trial-period, the podcasts are likely to be the potential winners of the online advertising game. The large companies involved in online advertising at this moment, as for example Google and Yahoo, will have to take very seriously into account the appearance of this new player in the online commercials field, and to consider offering something just as interactive as the podcast-ads. Yahoo, for instance, has already inserted commercials in its Launchcast service, and will probably find the podcasts to be a serious competitor. If the podcasts maintain their current growth rate, and it's very likely that they will become even more popular, in 4 or 5 years they might become one of the most interesting types of online advertising. 4. The MP3 players' manufacturers. From now on, any MP3 player to be launched on the market will have to offer podcast support. The ones not fitted with this facility won't stand a chance against the iPod. Apple's device hasn't had a

real challenger up until now, but with new content, which is specially designed for the iPod, the other companies have to go along with this trend in order to remain on the market. This statement is valid for the software players as well. The best example is that of Windows Media Player, in which Microsoft has invested quite a lot of money, and which now has to learn to play podcasts, but this example can be applied for all the other software players. 5. Information websites. News websites have to keep their users informed regarding the latest novelties. They will be obliged to offer podcasts as well, considering their rapidly growing popularity. The Gartner report analyzing the impact of podcasts recommended that these sites should invest in the new technology. Practically, any important website will have to provide podcasts, in order to offer its users a fast, alternative access method to information. It's clear that Apple's support for the podcasts will change for good the way we interact with the Internet. Not only the above mentioned entities should take into account this revolution, but there are many others that should very carefully consider what's going on with the podcasts and in what way they might influence the provider's current and future services. So, whether you like it or not, the podcast revolution has begun!