The Myth of Convergence

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The words have been bombarding us nearly everyday over the years: super-highway, broadband, interactive, convergence, multimedia, cyberspace, the Internet. We are promised a new world of a digital communication cornucopia—tele-education, telemedicine, video-on-demand, vast amounts of information, and even videophones—all delivered over a digitally converged information superhighway.

We were urged to join in the high-tech multimedia-mania, or risk being left behind in a cloud of semiconductor dust as the broadbandwagon rushes down the communication superhighway. Yet all the hype was confusing, and separating the sense from the nonsense was a mighty struggle.

Much has been written and said about the convergence of computers and television, of hardware and software, of all forms of entertainment, of various sources of news, and of the companies that provide such services, with this convergence motivated predominately by an evolving digital landscape. However, such convergence seems to be mostly a myth.

The very term “convergence” is so all-encompassing of a large number of concepts that by attempting to be everything, convergence is nothing more than an over hyped illusion. The future can be no more certain than that which is being examined, and thus the undefined and illusionary nature of convergence means that its future is equally undefined and illusionary.

The past is littered with myths of convergence. Computers and television were converging. Indeed, television sets and most computers use the same technology of cathode ray tubes for displays. And TV sets are increasingly using digital processing to create the image on the screen. But similar technology does not mean that television and computers are converging into a single appliance in our homes.

Computers are used for such purposes as word processing, sending and receiving e-mail, and surfing the Internet. Computers are an interactive medium for information processing. On the other hand, television sets are used mostly for watching television—a passive entertainment medium. Television sets and computers are used for very different purposes. Other than the technology of a cathode ray tube, they have nothing in common. One might just as well claim that the telephone and the TV set are converging since they both use a loudspeaker for sound.

What about using the home TV set to access the Internet; yet another form of convergence? WebTV was based on the premise that millions of American will do exactly that. But history tells us that this premise was flawed.

Perhaps believing in the convergence of computers and television, Bill Gates bought WebTV for half a billion dollars. This was not a wise acquisition. WebTV was launched a few months before the 1996 Christmas holidays. A massive advertising campaign over television, magazines, newspapers, and radio was conducted, yet failed to attract much consumer interest. But it did attract Bill Gates, convincing him to buy the company in what became yet another illusionary quest for convergence.

For decades, we have been told that computers and communications have been converging; yet they have not yet converged. The supposed synergies between computers and communications have proven very elusive for those giants of industry who have sunk billions of dollars in trying, such as IBM and AT&T. Today we are told that computers and television are converging in a new world of digital TV. But if we have learned anything from the past is littered with myths of convergence. Computers and television were converging. Indeed, television sets and most computers use the same technology of cathode ray tubes for displays.

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past, it is that convergence is a myth and we should be very skeptical of such promises.

Companies have merged and acquired one another in the name of convergence and the supposed synergies that would result. Such industrial convergence is really consolidation in the name of convergence. A recent example is the AOL acquisition of Time Warner, which is now universally acknowledged as a mistaken foray in the pursuit of convergence. Years earlier, Sony acquired CBS Records in pursuit of a supposed convergence of entertainment digital hardware with content. This convergence also was a myth.

Today’s communication industry consists of a number of segments, such as: publishing (books, magazines, newspapers), radio broadcasting, television broadcasting, cable television, cinema, movie theaters, telecommunication (telephone and data), and computers (hardware and software). In the past, the boundaries between these segments were well defined. Today, because of advances in technology, the interests of one segment overlap the interest of other segments, and this leads to a feverish blurring of boundaries, with perceived threats and supposed new opportunities.

Indeed, all modalities of media have become the “0s” and “1s” of digital. But in the past world of analog media, we would not have spoken of an analog convergence. Just because media are digital does not mean that media have converged.

Over a decade ago, telecommunication companies worldwide were busily peddling ISDN (Integrated Services Digital Network). ISDN was based on the premise that all forms of communication were becoming digital – voice, data, and video – and would be sent over a common digital network. Today, information in the form of data is sent over the digital Internet, voice is digitized and sent over digital networks, and video is increasingly being broadcast to homes in a compressed digital format. It does not matter whether the signals are digital or are combined over a common network. What do matter are the purpose, directionality, and modality of the signals.

The success of the Internet has created an environment of euphoria and panic to discover technology’s next great winner. But innovation should not be based on religious zeal and blind faith in the proclamations of the cyber-pundits of the day.

The future will be determined not by the greedy wishes of a few but by the confluence of a number of factors, such as technology, consumer needs, business culture, regulatory policy, and finance. Anyone attempting to make sense from nonsense must have a strategic understanding of all these factors, along with knowledge of history to avoid repeating the mistakes of the past.

At a time when hype is at a peak of frenzy and panic, it is even more essential to remain cautious and to allow greed to lead competitors into big mistakes and financial losses. Today, more than ever, is a time for strategic focus and skepticism – along with the realization that convergence is a myth and not a mantra to be followed.