

**COUNTRY MUSIC AND TEJANO MUSIC RESEARCH DOCUMENT  
PREPARED FOR  
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## OVERVIEW

In the past three years, country music has experienced the largest growth in terms of listeners, buyers and media exposure than any other musical format. This growth has outpaced the boom country music enjoyed during the "Urban Cowboy" phenomena.

In this document is research gathered on the current state of country music to include who is listening to it on the radio, who is buying it and where it is being bought, and what other country music oriented merchandise these consumers are buying.

As part of the research, we have included some industry perspectives on why the country audience has gotten younger and why country music has become so popular.

Also included in this document is research on tejano music. Although statistical data is not available on this format yet, several articles have appeared in the past three years that show a remarkable growth trend.

While we are looking at the present and future trends of these musical genres, it is important to note that both have a long history in this country and in both genres dance has always been an integral part of the music and the lifestyle of it's consumers.

## WHO IS LISTENING TO COUNTRY MUSIC

Statistical research has been conducted by several groups since 1991 to measure who is listening to country music and to try to define the audience demographically as well as psychographically. Below are the findings that are used by most record labels, the Country Music Association and country radio programmers.

The Keckley Daniel Entertainment market research firm identified three distinct market segments during phone, in person and focus group research.

- \* Traditionalist- country to the core. Age range is 18-50 but their artist preference is narrow. Artists they will listen to include Conway Twitty, Ricky Skaggs and Randy Travis. Geographically these listeners are concentrated in area from Canada through the Midwest into the Tennessee and Ohio Valley. Few to none reside in the Northeast or West Coast. This group represents about 25% of the country listening market, but only 15% of album sales. They purchase cassettes to CD's 5 to 1.

- \* Transition 30's- includes people in their early 20's to early 40's who listen to country as their primary entertainment. This audience grew up not listening to country and now prefer it to other formats. They like it because it's understandable and is more in sync with their values and passage through life. This group comprises 45% of the country market population, but it buys 55% of the product. These consumers have an aversion to older country product which they perceive to be of poorer quality. They buy a mix of new artists and traditionalists. They watch some TNN and CMT video shows, but religiously watch the award shows. Most listen to 3 radio stations of which 2 are country. This group is nationwide.

- \* Country convert- this is the fastest growing segment. These consumers listen to country but also look for artists like Elton John and Phil Collins. This group accounts for 30% of the country-oriented population and buys about 30% of the product. They are likely to buy Wynonna Judd, The Bodyguard soundtrack and Phil Collins at the same time. This segment is mid 20's to late 40's and predominantly in their 30's. This is the market that has expanded country music to the Northern and Western corridors.

The convert market is more likely to buy based on artists and not format and their tastes will change rapidly. The transition 30's will buy based on artist and format and will probably stick with it once they buy. The traditionalist is very selective about their purchase. but intensely loyal and once you've hit, you're there for life.

ASI Market Research conducted a telephone survey for Country Music Television. They interviewed over 400 viewers in 12 markets.

- \* CMT viewers buy an average of 7 country albums per year which record labels categorize as an active consumer.
- \* Videos play a role in which albums they buy.
- \* 48% of 18-34 year old are enjoying country music more this year than last year.
- \* 41% of 35-49 year old are enjoying country music more this year than last year.

Since 1980 country radio has grown from 1,534 stations to over 2,500 nationwide. In November 1992 Katz Radio Group reported on who was listening and what age cells showed growth and where if any there were losses.

Radio compositions showed growth among 18-24 and 25-34 listeners and noticeable decreases in the 35-44 and 45-54 year old groupings.

Overall, female listeners time spent listening was down while male listener totals were up. Below is an example of number of hours and minutes spent listening each week on a national average by age and sex.

<u>25-34</u>	<u>35-44</u>	<u>45-54</u>
10:39 Men	11:17 Men	11:07 Men
9:59 Women	10:20 Women	10:53 Women

The Country Music Association commissioned Simmons to study some of the lifestyle and purchase habits of country consumers. All figures are based on listeners of country radio which is their method of determining reach.

\* More ecology-minded adults listen to country radio than any other format. These people consider themselves to be active in recycling and promote banning products that are perceived to be bad for the environment. Over a 5 day cume, an audience of 17,379,000 country radio listeners considered themselves to be ecology-minded.

\* In one week country radio reached 11,528,000 adults who consider themselves to be brand loyal, more than any other radio format listener.

\* In a 1991 Simmons report, country radio audiences increased in all county groups. Attached is a breakdown of total adult listeners by census counties in each radio format.

## WHO IS BUYING COUNTRY MUSIC AND WHERE

As reported in a recent Billboard magazine article, country music product sales increased from a share of 12.5% of total product purchased in 1991 to 16.5% in 1992. Rock music purchases dropped from a 1991 share of 36.3% to 33.2% in 1992. It's important to note that country music's share almost doubled since it's 1990 share of 8.8%.

Soundscan data is now used religiously by the record labels in tracking album sales by region and retail account each week. The arrival of the numbers from Soundscan each week coincide with the chart reports from both Billboard and Radio & Records magazines.

Overall each of the labels queried believe that most of their sales are generated nationally in only three retail stores and through WalMart and KMart stores which receive their product from Western Merchandisers. They list Musicland as number one, Superclub which includes Record Bar and Turtles second and then Camelot stores as their top sellers. Unilaterally they felt that Tower Records sold very little country product and have been uncooperative in the past with the Nashville labels and too expensive. Record stores comprise 62.1% of the sales, other stores 22.8%, tape and record clubs 10.6% and mail order 4%.

Country product is sent to retailers on consignment. Promotions and end aisle displays are planned well in advance for the label, however, which artists product goes on display can change up to the day the displays are set up. This gives the records labels a lot of flexibility in changing release dates on albums and holding off on product that doesn't seem to be getting a good reception on radio or on the video channels. If product is sent to retail and is returned, it typically signals the end of the album's promotional life and the label will pull support or change strategies midstream.

Despite the growth of country music nationally, each record label marketing team gears a good deal of their promotional campaign to appeal to Texas. The old axiom in country music still holds true today... to break in country music, you've got to sell in Texas.

Attached is the Soundscan data for the week of June 21, 1993.

## MERCHANDISE AND LIFESTYLE CHOICES OF THE COUNTRY CONSUMER

Bar patrons in Buffalo New York's Golden Nugget were quoted in a 1992 Time magazine article about country dance clubs. Heidi Fisher, 28... "In a disco, if you're not a size 3, forget it. They're into spandex heaven... Here it's more relaxed and I can be myself." Gary Marcenkowski, 25... "Now that promiscuity is out, the atmosphere in a country bar offers another advantage. It's less of a pick up scene."

A T-shirt for sale at Guitars and Cadillacs in Kansas City reads " Just looking for a dance. Not romance."

Dance has always been a part of the country music experience ranging from the honky tonks and dance halls of Texas and the southwest to the barn dances in the Midwest and Southeast. Today we're talking about more than two-stepping and cotton eyed Joe dancing. In the past two years the number of country music dance clubs has increased 60% to number over 1,200. More than 500 of these clubs have a capacity of 1,000 or more.

The concept of incorporating dance into country music is not new. However, it took on greater significance in 1992 when Mercury Records met to determine how to launch Billy Ray Cyrus and his first single "Achy Breaky Heart" and Arista Records was looking for a new angle to promote Brooks & Dunn's next single "Boot Scootin' Boogie". Both record labels decided to take it to the dance clubs before releasing a copy to country radio. Both labels had plans to create a special dance and a contest tie-in. Arista remixed the Brooks & Dunn single to include a disco extended play version of the song to send out with their contest. When Arista executives got wind of the plans for Billy Ray Cyrus, they dropped their contest and released the first country dance remix to the clubs. Mercury went ahead with their plans to teach the Achy Breaky dance and hold local dance contests to promote the song. These promotions launched the artists careers and propelled them into superstardom on their debut albums. A precedent had been set and since then almost every artist has released at least one remixed song to the country dance clubs along with their videos which show people doing a dance step either created or specially selected for the song.

Distribution of these songs and videos to the dance clubs are handled by two companies in Nashville. Country Club Enterprises services the CD's and keeps in touch with all of the clubs to report to the labels how they are received in the market and Aristo Media handles these duties for the videos.

Nashville record company executives now include country dance clubs in all marketing campaigns in much the same way as their New York and Los Angeles counterparts do for their pop and rock promotions.

The popularity of dance clubs prompted CMT to create a Saturday night programming block of dance-oriented videos called the CMT Saturday Night Dance Ranch. TNN has been broadcasting the dance show Club Dance for several years. This show is so popular that TNN has added a second dance show called Dancin' at the Hot Spots. Dancer Rebecca Holden and her cohost James Hill go on location to the hottest country dance clubs nationwide. They also demonstrate some of the newest and hottest dances in each of the clubs.

All of this has spurred a new and growing market for instructional dance videos. TNN already offers an instructional home video from its Club Dance show featuring the fundamentals of country dance, the two step and the waltz. Club Dance Series II will feature The East Coast Swing and the Triple Play. The lessons are given by award-winning dancers who are joined by some of the Club Dance show regulars.

Choreographer Melanie Greenwood, creator of the Achy Breaky dance, has a new instructional video series entitled Country Gold Dance Instruction. Giant Record's artist Libby Hurley hosts the series and teaches the steps to dances created for songs by Brooks & Dunn, Collin Raye, Chris LeDoux, Steve Wariner and Libby herself.

Another very successful series is sold on TNN and CMT entitled Country Dancin' USA. This company has recently launched a new magazine That's Country which includes tips on clothing and accessories for the dance club lifestyle.

Country America magazine has become the largest circulation magazine focusing exclusively on country lifestyle. In 1991 the magazine started aggressively working with the Nashville record labels to create promotions, sweepstakes and programs to benefit the magazine's advertisers, help launch new artist's careers and entice the consumer to buy the magazine and the product.

**NOTE: COUNTRY AMERICA IS WORKING ON DEVELOPING A NATIONAL COUNTRY DANCE COMPETITION AND INSTRUCTIONAL VIDEO PROMOTION. THEY ARE GOING TO BE LOOKING FOR ADVERTISERS TO SPONSOR THIS PROGRAM LATER THIS YEAR.**

Country music fans have always been avid consumers of artist's promotional merchandise. The country music industry grosses \$3 billion in merchandise sales according to Winterland. In 1991 Winterland sold \$1 million in merchandise at country concerts. In 1992 that figure jumped to \$12 million. The reason for such a dramatic increase included signing more country artists who were achieving success faster than ever and the fact that retailers Penney's, WalMart, Target and K Mart started selling country artist's T shirts in their stores. Penney's carries a variety of country artist's T shirts in 300 stores nationally and Garth Brooks' product in 1,400 stores. When MCA recording artist Marty Brown started his tour of WalMarts in the South and Southeast he was drawing hundreds of fans who wanted to buy his merchandise on the spot.

Country fans are so loyal that the Country Music Association believed in the potential for a national fan club offering members merchandise and discounted cassettes, CD's and videos. The CMA licensed it's name to Omni Marketing Systems of Detroit. Omni utilizes FANTRAC, a direct marketing system which solicits members from names acquired from various country music publications. Omni used FANTRAC in 1988 for the superstar group New Kids On The Block which is recognized as the most successful fan club in the entertainment industry. All country artists utilize a fan club to send out newsletters, advance announcements of their tour schedules and offer discounted merchandise through direct mail as well as to include other items of interest to their fans. Country artists have always been dedicated to their fans and this is never more clear than during the annual Fan Fair event in Nashville. This event has become so popular that the State Fairgrounds can no longer accommodate the number of fans that want to attend. The Fairgrounds has a capacity of 24,000. In 1992 another event called Fan Jam was created and takes place the third week of May in Dallas. The facility can accommodate over 50,000.

Beyond T shirts, country artists are walking advertisements for western apparel. In order to fit in at country dance clubs, new customers are hitting the stores looking for the boots, shirts and hats worn by the popular artists.

The Western and English Trade Market Association reported an upswing in overall sales with some stores showing increases of 33%. They attribute this growth to the popularity of country dance halls. In addition, they believe that when the economy becomes shaky, people return to their roots and in this country roots are in Western wear. The biggest selling items are boots and hats and after that brightly colored western shirts.

In 1992 Brooks & Dunn signed an endorsement with western apparel manufacturer Panhandle Slim. What started as free shirts for the band and exposure in print and billboard ads has grown into a line of Brooks & Dunn shirts designed with the artists' input. Since the mid 80's Tony Lamas has offered a line of George Strait boots and belts in their catalog and in selected western stores. Kenny Rogers designed a line of shirts to be sold through the Shepler's Western Wear catalog and stores. Earlier this year Suzy Bogguss launched a line of her own western wear and debuted her designs at a show in New York's Cowgirl Hall of Fame.

In an effort to reduce the costs of dressing and imaging a new act, record labels have been working out endorsements with Wrangler to receive free jeans and shirts, Justin and Dan Post boots and with Stetson for hats. These are apparel the artists are comfortable wearing. Manufacturers and retailers agree that consumers will walk into the store and ask for the shirt they saw Tracy Lawrence wearing or the boots that Patty Loveless wore in recent video. The products of choice for real country aficionados include Wrangler, Stetson, Justin, Panhandle Slim and if you can afford it a Manuel jacket for those very special occasions.

## THE CORPORATE SPONSORS OF COUNTRY

Marlboro was one of the first national sponsors of country music. Among the industry and several members of the media, Marlboro is still considered the premiere sponsor of country music and is credited by many as the catalyst for the expansion of country music. Although Marlboro has been visibly absent from the scene since 1989, the reputation of quality and integrity remains intact. The difference between Marlboro and other sponsors is the fact that Marlboro created events that artists wanted to be a part of and virtually all other sponsors have only attached their name and product to an existing tour by a singular artist or touring package. No other sponsor in country music has taken the time to find out what would benefit the industry and the consumer and still achieve the sponsor's goals and objectives. \*

Outlined below is a current listing of the sponsors in country music. Most of these companies turned to country music from pop and rock sponsorships since 1989.

Budweiser: Tour sponsorship, radio, television and print ads and POP behind the Travis Tritt, Trisha Yearwood and Little Texas tour. The program is called the Rock 'N Country tour. The program is the same in every market. Banners on site, backstage meet and greet and advertising featuring the artists.

Bud Light: Tour sponsorship, radio, television and print ads and POP behind George Strait's tour. This is the second year of sponsoring George Strait. The program is same as their Budweiser tour and is dependent upon George Strait's touring schedule.

Tropicana Twisters: A first time sponsorship behind Reba McEntire's tour. The program is the same in every market and includes banners on site, backstage meet and greet, radio, television, print and POP advertising using Reba's image. The markets and dates are dependent upon Reba's touring schedule.

Jim Beam Country Caravan: A club tour that featured Joe Ely and Lucinda Williams. Neither artist is country or get played on country radio. Same program in every market with banners on site, meet and greet and print advertising. They tried to tie in a talent contest, but there was no advertising or promotion support in the markets to generate entries. There was no effort made on behalf of Jim Beam to work with the music industry in creating a talent contest that they could use as a scouting tool. Because of the choice to use Lucinda and Joe, the concerts were promoted on rock radio, but the shows were hosted by a country disc jockey to promote entries to the talent contest.

Valvoline: A first time sponsor of country music. They are currently promoting a country compilation cassette with purchase wherever Valvoline is sold. Summer tour sponsorship of Sammy Kershaw. The sponsorship came after Sammy used the Mark Martin Valvoline NASCAR car in his music video. The program is limited to a backdrop banner and two inflatable Valvoline bottles on or near the stage and backstage meet

and greet. There is no Valvoline advertising to support the tour, but POP is up in all Valvoline Instant Oil Change outlets and other locations where their product is sold.

Revlon: In perhaps one of the boldest steps taken by a sponsor, Revlon has created a new perfume called Wild Heart and a complete promotion campaign centered around Trisha Yearwood. There is no tour support due to her commitments to Travis Tritt and the Budweiser Rock 'N Country tour. She will be featured in all television, print and POP advertising for the perfume. A special cassette premium is planned for Christmas as a gift with purchase.

Black Velvet: Tour sponsorship over two years with Tanya Tucker. The program is the same in every market with banners on site, backstage meet and greet, print and POP advertising. Unfortunately, Tanya is not the most stable artist with a history of drug and alcohol abuse. Tanya recently canceled a number of concerts and industry insiders say that she's in rehab again. Black Velvet started a club level dance contest promotion which has received little publicity. Queries were made to executives at Tanya's record label (Liberty) to obtain more information, however, they were not sure what the program includes.

Jose Cuervo: Tour sponsorship of Willie Nelson in 1992 and 1993. The program is the same in markets where Willie is on tour. Banners on stage and print ads. A talent contest was started, but like Jim Beam it has not been successful. The program was very disorganized and entries were submitted by clubs, judges were secured by Willie's publicist. No winner has been announced to date.

Bama Jam: Sponsorship of Alabama's June Jam festival on the Saturday after Fan Fair. The event is a full day of country music with proceeds going to a children's charity. Bama Jam conducts a talent contest in their key southern markets. Entries come from tie-in radio stations in each market. One live competition takes place the day before June Jam. The winner performs at June Jam and receives a cash prize. Some industry people and usually one artist who are involved in June Jam will serve as a judge at the live competition. Publicity for this program is limited to the tie-in radio stations and the local market newspapers.

True Value/GMC Country Showdown: A talent contest which has had several different sponsors over the years. It started as the Wrangler contest and is run the same way as Bama Jam but on a national level. A regional live contest takes place where 10 bands represent their radio station and the winner goes on to a national live competition. The national contest has taken place at the Grand Ol Opry House with a headliner like Willie Nelson. Each band plays three songs and then a concert follows. The event is televised on TNN and the winning band gets \$5,000 and new truck and a record contract. NOTE: The record contract is misleading since it has been a single song produced in a studio by a major label, but it is never released. This contest has been in place since 1982 and did not receive national publicity until GMC started to sponsor Randy Travis and became a partner in this promotion.

Miller Lite: Tour sponsorship of male country artists. This year the sponsorship includes Clint Black and Alan Jackson. The program is the same in every market with banners on site, backstage meet and greet, radio, television, print and POP ads utilizing the artists. Markets are determined by the artists' touring schedule.

Frito Lay: Tour sponsorship of Billy Ray Cyrus. The program is the same in every market with banners on site, backstage meet and greet, radio, print and POP ads. Advertising has been created for television utilizing Billy Ray Cyrus and Mark Chesnutt as the new Frito Banditos.

Clairol: Through a donation to the Red Hot Organization and a value-added advertising campaign in New Women magazine, Clairol is sponsoring the Red Hot + Country album that is being spearheaded by Kathy Mattea. To launch the project, Clairol will run a July FSI offering a cassette featuring Kathy Mattea's current single and the single she recorded for the Red Hot + Country album free with proof of purchase.

Several sponsors have developed sweepstakes, gift with purchase and bounceback campaigns tied to compilation cassettes. These companies include:

- Banquet Frozen Food
- Dominoes Pizza
- Wendy's
- Hardee's
- Valvoline
- Country America/Sony Music

Despite all of the new sponsors that have entered the country music marketplace, none have been able to replace Marlboro. Because these sponsors typically change the artist they support each year, they have not been able to generate any loyalty among the artists, the industry, the media or the consumer.

Marlboro is recognized for taking the music to larger audiences and providing first class production consistently. Additionally, Marlboro is known within the music community for developing a top notch talent contest that utilized record label talent scouts as judges and secured studio time with first class producers and musicians. The longevity of the talent contest cannot be ignored when you have top talent that was either discovered or claims Marlboro as the impetus to their success. Two such artists are Ronnie Dunn of Brooks & Dunn and John Berry who's debut album has just been released on Liberty Records.

## LIVE CONCERTS AND NATIONAL TOURING

Country artists tour more often and consistently than any other genre of music. Unlike rock or pop, a country artist will release one new album every year and sometimes they will also release a greatest hits or Christmas album as well. In order to promote their product, they tour up to 300 days a year. Country shows take place primarily Thursday through Sunday. Monday and Tuesday are travel days and in the south Wednesday is still considered Church night.

In 1992 touring revenues for the top 12 country acts grossed \$84 million, a 60% increase since 1990. These acts played to nearly 5 million people nationwide over the course of 7 months.

Each year talent buyers converge on Nashville during the week of the CMA Award Show to attend an entertainment buyer's convention at Nashville's Convention Center and Stouffer's Hotel. During this week 80-90% of all country tours are booked for the following year. Due to the proliferation of amphitheaters who have started a weekly country concert series, a number of dates are held a year in advance for these venues.

Younger acts who had a successful first album, like Sammy Kershaw or Tracy Lawrence begin headlining in clubs with a capacity of 500-3,000 throughout the year. As they move up to playing small theaters or appearing on a packaged arena tour, their schedule shifts to the "live touring season". This season begins in April with theaters and some arena shows, moves into state and county fairs, festivals and amphitheaters June through September and then back to theaters and arenas in late September and October. Some artists will stay out performing in arenas through mid November. Very few artists tour from November through March unless it is at the club level.

Most of the new breed of country artists, like their fans, grew up in the 70's listening to and seeing bands like Kiss, ZZ Top, Lynyrd Skynyrd, The Rolling Stones or Pink Floyd. This has significantly impacted their stage shows. Artists like Alan Jackson, Marty Stuart, Garth Brooks and Clint Black are hiring rock music set designers to design their shows and are incorporating special effects, inflatables, and other props to enhance the "show" aspect of their performance. Newer artists like Sammy Kershaw are just as likely to sing the Kansas song "Dust In the Wind" and then go into a George Jones classic. Likewise some of the younger artists like Collin Raye will add the Eagles tune "Take It To The Limit" to their show and forego any reference to traditional country legends.

Country artists have always started out making more money per concert than their rock counterparts. Many say this is to cover the cost of their tour bus and fancy stage clothes. However, fewer country artists rise to the superstar status of Michael Jackson or Mariah Carey as quickly. (They also don't disappear as quickly as Milli Vanilli)

This year's amphitheater and arena headliners include:

- Garth Brooks
- Alan Jackson
- Clint Black coheadlining with Wynonna Judd
- Dwight Yoakam
- Billy Ray Cyrus
- Alabama
- Travis Tritt
- Hank Williams, Jr.
- Reba McEntire
- Brooks & Dunn in some markets

Headlining in theaters with a capacity of 1,500-3,000:

- Lorrie Morgan
- Marty Stuart
- Mary-Chapin Carpenter
- Vince Gill
- Tracy Lawrence
- Sammy Kershaw (will start later this year)
- John Anderson

Headlining in clubs with large capacities:

- Ricky Lynn Gregg
- John Michael Montgomery
- Joe Diffie
- Billy Dean
- Confederate Railroad

Most of the other artists are included in packaged shows, playing only on fairs and festival dates or are waiting for the release of their next album.

## INDUSTRY PERSPECTIVES ON WHY COUNTRY MUSIC HAS GROWN

Most industry leaders credit CMT as having perhaps the greatest impact in the new "look" of country music. Critics and label executives agree that the economic uncertainty of the 90's has turned people toward the solace of country music. It's uncomplicated music made by accessible stars for people who are dealing with difficult and complicated real life issues.

Furthermore, the songs have changed. For decades a country song included rowdy working-class everymen loving, cheating on or crawling back to strong women lyrics. Topics were limited to cheating, prison, religion, drinking, trains, Mom and when in doubt the American flag. Today songs range from a young field hand learning about sex from a widowed farm woman in Garth Brooks' recent hit "That Summer" to the male empowered "Better Man" by Clint Black who ends a relationship by saying "I'm leaving here a better man/ Knowing you this way/ Things I couldn't do before now I think I can/ And I'm leaving here a better man."

Similarly women aren't sitting home crying over their lost loves and cheating men. Mary-Chapin Carpenter songs on her latest album range from the track "He Thinks He'll Keep Her" about a 36 year old mother of three who's been so taken for granted by her husband that she packs his bags one day and tells him "I don't love you anymore" without any regard for the future to an irreverent fantasy of winning the lottery and having two of her favorite country stars Dwight Yoakam and Lyle Lovett fighting over her in the song "I Feel Lucky". There is also sassy Lorrie Morgan who tells her cheating man "If you think I won't go just watch me". Her most recent hit, "What Part of No Don't You Understand?" is indicative of the attitude most women take with them to the country dance clubs these days... as Lorrie says in the song "I'm not interested in romance or what you have in mind".

Today's country artists are younger, better looking and better educated than their predecessors. They are more likely to have graduated from an Ivy League college than a prison cell or the school of hard knocks.

## WHO IS LISTENING TO TEJANO MUSIC AND WHERE

What is known as tejano today has developed under several names through the years. Since the early '80s, the term tejano has become the standard for a music that is basically Mexican polkas and cumbias mixed with elements of rock, pop, country and rap.

Tejano music appeals predominantly to a Mexican population with some Anglo consumers in the Southwest beginning to tune in. Ordinarily a subgroup of a minority population would have little to no influence on a musical genre, however, one need only look at the Hispanic population in the United States to see how this could be true for tejano music.

Mexicans comprise approximately 65% of the total Hispanic population in the United States. They are concentrated primarily in urban areas, with Los Angeles, San Antonio, Austin, San Francisco, Seattle/Tacoma, Chicago, Denver, Houston, McAllen/Brownsville, El Paso and Albuquerque having the largest populations.

In the music industry, the Hispanic influence is already felt with the growing number of Spanish-language recordings being marketed within the borders of the United States. In 1988 the Hispanic population had \$130 billion in purchasing power and in 1989 that figure increased to \$141 billion.

Unfortunately for marketers of Spanish music trying to tap into the Hispanic marketplace, Soundscan nor any of the other viable research firms have tracked the Hispanic consumers. This will change shortly with Soundscan starting to track Spanish language music this summer and hopefully radio research will follow in the next year or two. For now all we have are articles that have appeared in Billboard magazine in the past three years and phone calls placed to Spanish language radio stations and clubs in Los Angeles, Denver, Chicago and Albuquerque.

## PERTINENT FACTS GLEANED FROM THE MEDIA

In a 1991 Billboard article reports from retailers and distributors signaled the beginning of commercial expansion of tejano music to include Anglo retail chains and greater numbers of Hispanic mom-and-pop stores and swap meets carrying music product.

Early on tejano acts attained robust album sales in Texas, but in 1991 groups of hybrid tejano acts including La Mafia, La Sombra, Grupo Mazz and Selena were credited with forging new marketing outlets for their music. At the same time large American record labels such as Sony and Capitol with distribution in the larger Anglo retail stores began signing and marketing these artists. To be considered a success, these artists must sell in California, which is the most lucrative Hispanic market.

According to Nelson Balido, president of San Antonio-based distributor Southwest Entertainment, "the major record companies that have come in the last five years have really made a difference in the distribution of the product and making it more palatable to a greater number of people. It didn't have a good image and now I think it has a much better image."

Grupo Mazz, who musically took a step backward on their 1989 breakthrough album "No Te Olvidare" to pay tribute to their Mexican roots, are one of the largest selling tejano acts today. Their musical strength is their dance-inducing polkas and cumbias. "If there's anything that our people do at our dances, it's DANCE," says band guitarist and producer Jimmy Gonzalez, in Billboard.

In March 1992, Ramiro Burr made these comments in a Billboard special section on tejano music:

One of the principal reasons the Tex-Mex industry continues to emerge and expand in the '90s is the recent influx of talented producers, songwriters, musicians and other professionals whose creative inspirations have helped keep the music fresh. These New Wave Tejanos are helping the music overlap its traditional polka-based rhythms to incorporate contemporary elements of rap, country and dance, and to relate familiar tales with a modern twist or off-the-beaten-track arrangement.

The "New Wave Tejano" acts he referred to include La Mafia who incorporate some rap rhythms and dance-oriented beats; La Sombra who blend traditional polka rhythms with hard drums and keyboard hooks and some rap sections; Selena who emphasizes pop dance tunes with a mix of synthesized percussion creating danceable cumbias and polkas; Mazz combines the old and the new creating some of the most dance-inducing songs in the tejano market.

In this same special section writer John Lannert explored the hype and reality of the tejano to country crossover that was starting to happen. Although there are currently

three acts that are tejano country, The Texas Tornados, Emilio Navaira and Shelly Lares, only the Tornados has achieved mainstream success. Their 1990 debut album sold 325,000 units but they have not been able to sustain these sales in subsequent releases.

Warner Brothers Nashville, on the strength of the Tornados first album, announced a Nashville-based Latin division which they have since disbanded. They still plan to release Texas Tornados product from Nashville, but are reluctant to try working it in the Hispanic marketplace. This hasn't stopped Sony Nashville and MCA Nashville from exploring the Hispanic market for acts that they believe can appeal to both markets. Sony has just signed Rick Trevino who they will work through Nashville and their sister label Sony Discos later this year. MCA will be working in tandem with Jimmy Buffet's Margaritaville label to release the Iguanas to both the Hispanic and Anglo market. Rick Trevino will release an English and Spanish version of the same album simultaneously. Even though Liberty Records, Navaira's Capitol Discos sister label, did not see the potential for Navaira to reach the country consumer, his management which is based in Nashville are currently in negotiations with Dwight Yoakam's producer for Emilio's next album which will be available in both English and Spanish.

In March 1993 another special section appeared in Billboard. Writers Ramiro Burr and John Lannert expounded on the continued growth of tejano music.

The Tex-Mex industry now has five major record labels (Capitol/EMI, Sony, Rodven, WEA Latina, and Fonovisa) actively marketing tejano acts. Before 1990 only one was interested.

In 1992 revenues of tejano record sales were estimated at about \$9 million wholesale, up from \$2 million in 1980.

From the industry's standpoint 1992 marked several breakthroughs which included the first-ever Grammy win by a tejano artist (Little Joe), La Mafia won two awards at Billboard/Univision Latin Music Awards, and tejano stars La Mafia, La Sombra, Mazz and Emilio Navaira started appearing in mainstream venues drawing record crowds.

When KXTN became the number one general-market radio station in 1992, San Antonio became the first city in the nation with a Spanish language music format at the top of the ratings. KLAX in Los Angeles soon followed as the leader in its market. In 1992 tejano music specials were produced on KENS (CBS), KWEX (Univision), and KLRN (PBS) TV stations in San Antonio.

Radio is starting to see an upswing in listeners and have converted more than a dozen radio stations in the Southwest from California to Texas to tejano formats. KXTN program director Rudy Rocha believes that tejano is the top 40 for the '90s.

New stations include KRIO-Fm in San Antonio, which is the only city with two tejano FM stations; KBSO-FM Corpus Christi, Texas; KABQ-AM and KANQ-FM Albuquerque, N.M.; KSWV-AM Salinas, California; KOHT-FM Tucson, Arizona and KTNO-AM in Dallas.

Executives from Capitol/EMI and Sony Discos, the two top labels in tejano, estimate there are about 350 radio stations that play Latin music in the central region of the U.S., from Chicago to Texas. Of those, about 50 are all-tejano stations and about 100 stations play some Tex-Mex music in their mix.

We called a few radio stations to find out who they market to and where they do promotions in their markets. Outlined below are their comments.

Chicago: WIND-AM plays top Mexican hits, banda, cumbia, ballads and tropical but no tejano music. They target an audience that is Mexican age 18-25. The same company owns WOJO-FM which plays banda, grupos and continuous Mexican with no tejano. WOPA-AM plays continuous Mexican, banda, tejano, ranchero and some salsa. Every Tuesday this station airs a two hour tejano show. Their target audience is Mexican 25-45. The Noa Noa Nightclub and Casino Tropical feature live bands, dancing and play banda and Mexican music.

Denver: KBNO-AM plays continuous Spanish, mariachi, salsa and Tex-Mex with a target audience 18 and older. KJME-AM plays a wide variety of music from Tex-Mex, ballads, banda, ranchero and requests. Neither station named a nightclub in the market that has live bands or promotions.

Albuquerque: KABQ-AM is a bi-lingual station that plays new Tex-Mex, local bands twice an hour and cater to some bi-lingual Mexicans who commute between Mexico and New Mexico for work. KXKS-AM is a completely Spanish language station playing ranchero, norteno, cumbia and small amounts of tejano. KABQ's program director suggested several local clubs for promotions. El Ray has a capacity of 900 featuring live bands, a dance floor where people usually dance to the bands; Sunshine Theater with a capacity of about 900 features bands and dancing. This was a movie theater with a slanted floor which allows people who are seated to watch the dancers and the band without an obstructed view; Rollerwest has a capacity of 1500. This former roller rink features live bands, dancing and is known for its good sound system.

Los Angeles: KLAX-FM/KSKQ-AM share owners both are Spanish language stations featuring banda, ballads and mariachi. KLAX became the leader in the market after adding banda. Three Mexican nightclubs that are in the Los Angeles vicinity include Stingers in Ventura with a capacity of 300 featuring dancing and live ranchera, banda, cumbia and Mexican rock every Thursday-Sunday. Their target audience is Mexican 21-35; LaCita Nightclub in Oxnard is a smaller club catering to the blue collar traditional Mexican audience. The club owner did not speak any English and his son spoke only enough to tell us that they cater to an older crowd; Leonardo's in Oxnard

features live Mexican entertainment Thursday-Sunday. This is another club we could not get more information on over the phone.

Although it was not requested, it is important to note that the fastest growing music in the Mexican market is banda. Historically banda was an instrumental music with tuba and festive horns that had a distinctive German Oom-Pa-Pa sound. The music remained unchanged until about ten years ago when vocals were added, tubas were replaced by bass guitars and saxophones were added to the mix. As banda modernized, Mexico's youth culture took notice. The band credited with this explosion in the United States is Banda Machos.

In the late '80s banda began to be recorded by Mexican labels such as Musart and Musivisa. Without retail distribution in the U.S., fans were forced to swap tapes that were brought across the border from Mexico. Banda seem to be most popular among the first and second generation Mexicans. It has been slow to catch on in Texas where the population is primarily third and fourth generation Mexican.

Banda music is starting to gain in popularity beyond the borders of California. Chicago's large Mexican population hears banda on WIND and goes banda dancing at Mario's Ballroom. In New York City, where Dominican and Puerto Rican music dominates, promoters filled the Roseland Ballroom to capacity when several thousand fans paid \$40 each to hear a night of banda music.

Banda was dismissed as hillbilly music by the majority of Mexican acts. Now a top salsa artist Jorge Muniz is now promoting a banda album. As one retailer noted "...this is the equivalent of Def Leppard putting out a record of show tunes..."

One Los Angeles club, Luna's Los Palacios, caters to banda. There La Quebradita and other banda dances are update by couples dressed in boots and cowboy hats.

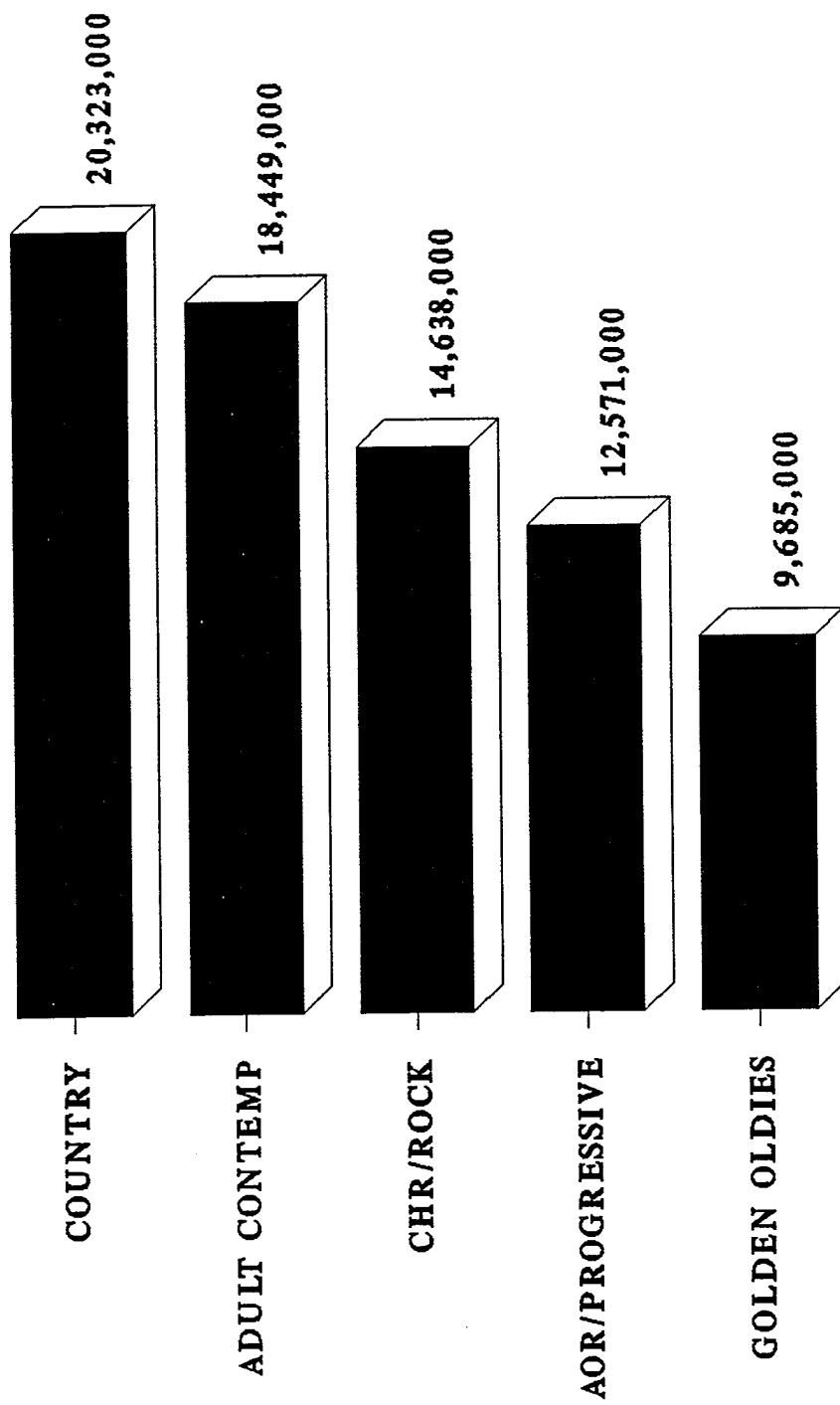
# LEADING FORMATS IN COUNTY SIZE A

## AVERAGE FIVE-DAY CUMULATIVE AUDIENCE



SMRB 1991

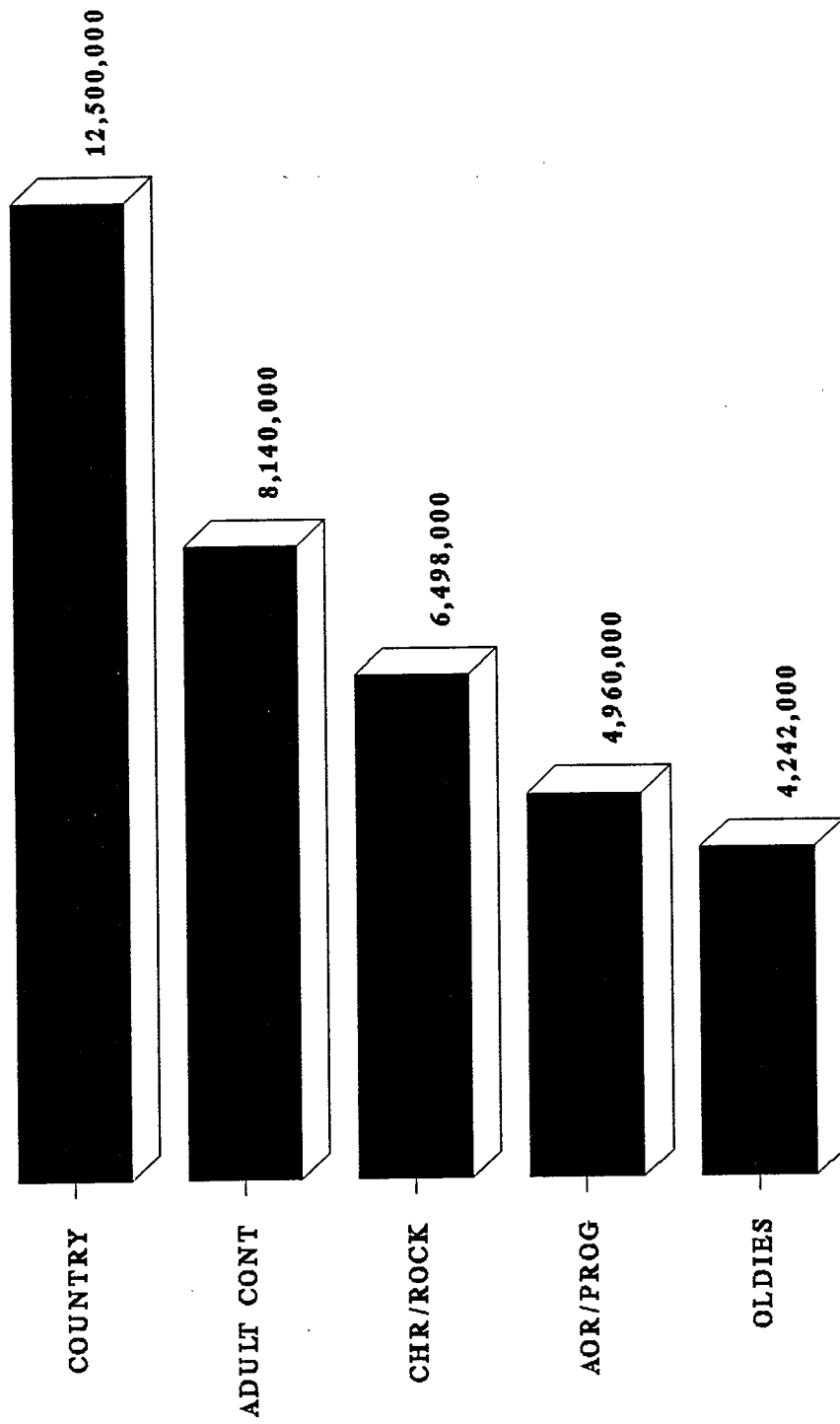
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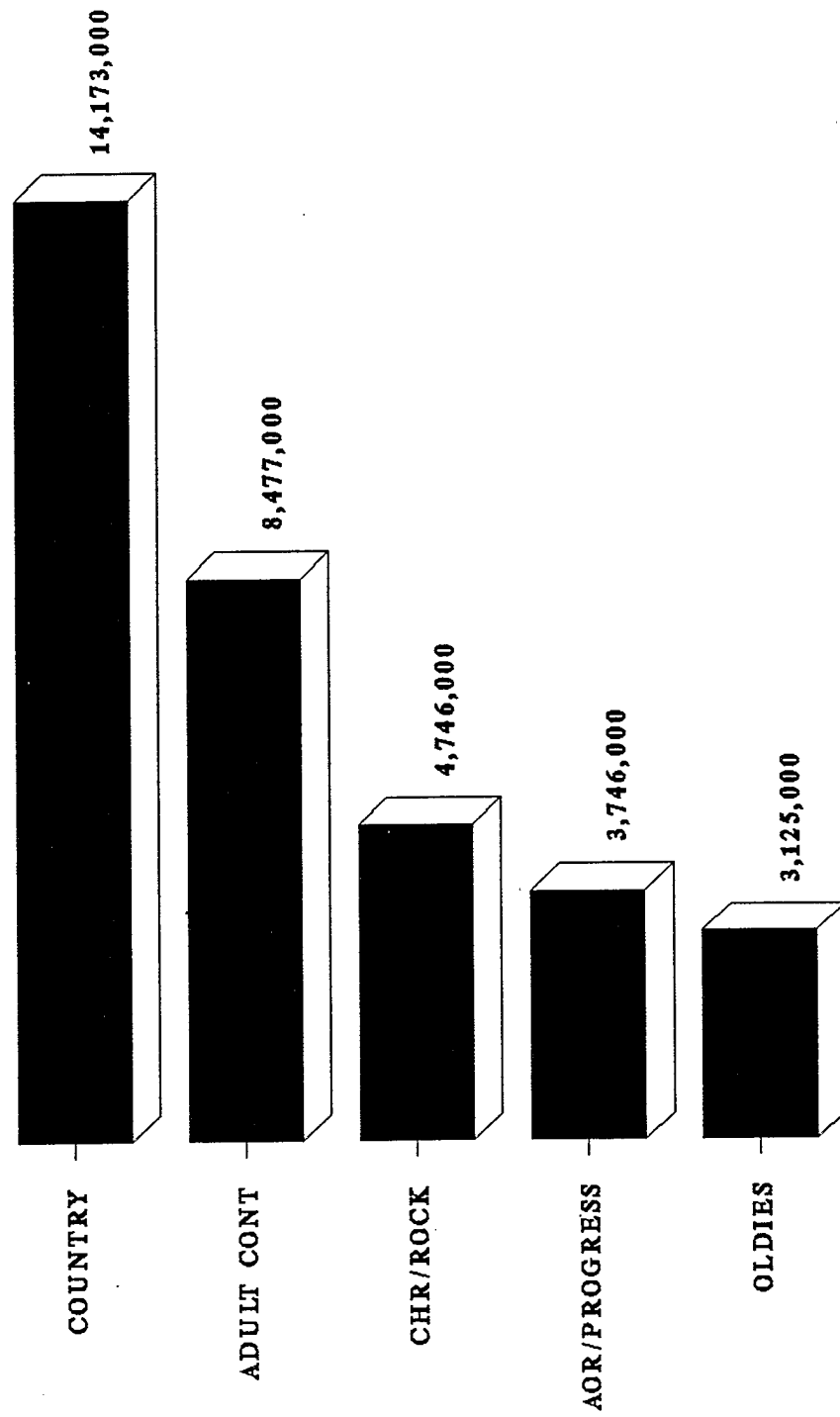
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# LEADING FORMATS IN COUNTY SIZE C AVERAGE FIVE-DAY CUMULATIVE AUDIENCE



SMRB 1991

# LEADING FORMATS IN COUNTY SIZE D AVERAGE FIVE-DAY CUMULATIVE AUDIENCE



SMRB 1991

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RECORD COMPANY ROSTERS  
(June 1993)

ARISTA

Brooks & Dunn  
Diamond Rio  
Radney Foster  
Alan Jackson  
Dude Mowrey  
Lee Roy Parnell  
Pam Tillis  
The Tractors  
Steve Wariner  
Michelle Wright

ASYLUM

Guy Clark  
Stephanie Davis  
Emmylou Harris  
Brothers Phelp  
Bob Woodruff

ATLANTIC

Roger Ballard  
Martin Delray  
Dean Dillon  
Ray Kennedy  
Tracy Lawrence  
Robin Lee  
Neal McCoy  
John Michael  
Montgomery  
Confederate Railroad  
Jeff Stevens

BNA

John Anderson  
Billy Bonny  
Lisa Daniel  
Jessie Hunter  
Lorrie Morgan  
The Remingtons  
Tim Ryan  
Lisa Stewart  
Doug Supernaw

CAPRICORN

Billy Burnette  
Hank Williams, Jr.

COLUMBIA

Chet Atkins  
Larry Boone  
Stacy Dean Campbell  
Mary-Chapin  
Carpenter  
Rodney Crowell  
Vern Gosdin  
Matthews, Wright  
& King  
Willie Nelson  
Dolly Parton  
Great Plains  
Charley Pride  
Riders In the Sky  
Earl Scruggs  
Ricky Van Shelton  
Joy White

CURB

Kippi Brannon  
Cee Cee Chapman  
Jackson Claypool  
Desert Rose Band  
El Paso  
Hal Gibson  
Rebecca Holden  
Boy Howdy  
Hal Ketchum  
Delbert McClinton  
Tim McGraw  
Marie Osmond  
Six Shooter  
Ray Stevens  
Karla Taylor  
Tony Toliver  
Rick Vincent  
Billy Yates

EPIC

Bobbie Cryner  
Joe Diffie  
Dixiana  
Darryl & Don Ellis  
Gibson/Miller Band  
Don Henry  
Patty Loveless  
Collin Raye  
Ricky Skaggs  
Doug Stone  
Tammy Wynette

GIANT

Deborah Allen  
Cathy Burch  
Carlene Carter  
Hank Flamingo  
Libby Hurley  
Tim Mensy  
Dennis Robbins  
Kenny Rogers  
Rhonda Vincent  
Clay Walker  
Zaca Creek

LIBERTY

Asleep at the  
Wheel  
Mandy Barnett  
Stephanie Bentley  
John Berry  
Suzy Bogguss  
Garth Brooks  
Cactus Brothers  
Glen Campbell  
Charlie Daniels  
Linda Davis  
Billy Dean  
Skip Ewing  
Charlie Floyd  
Cleve Francis  
Ricky Lynn Gregg  
Highway 101  
Chris LeDoux  
Ronnie Milsap  
Nitty Gritty  
Dirt Band  
Pirates of the  
Mississippi  
Rankin Family  
Pearl River  
Palomino Road  
Sawyer Brown  
Tanya Tucker  
Curtis Wright

MCA

Marty Brown  
Tracy Byrd  
Mark Chesnutt  
Jery Clower  
Mark Collie  
Joe Ely  
Vince Gill  
George Jones  
Wynonna Judd  
Lyle Lovett  
The Mavericks  
Mac McAnally  
McBride & The Ride  
Reba McEntire  
Bill Monroe  
Run C & W  
George Strait  
Marty Stuart  
Kelly Willis  
Trisha Yearwood

MERCURY

John Brannen  
Karen Brooks  
Jeff Chance  
Corbin/Hanner  
Ronny Cox  
Billy Ray Cyrus  
Tom T. Hall  
Toby Keith  
Kentucky Headhunters  
Sammy Kershaw  
Jeff Knight  
Kathy Mattea  
Normaltown Flyers  
Ronna Reeves  
Randy Sharp  
Statler Brothers  
Shania Twain  
Becky Williams

RCA

Alabama  
Eddy Arnold  
Clint Black  
Andy Childs  
Martina McBride  
Robert Ellis Orrall  
K.T. Oslin  
Paul Overstreet  
Restless Heart  
Shenandoah  
Larry Stewart  
Aaron Tippin  
Lari White  
Don Williams

WARNER BROTHERS

Branson Brothers  
Shawn Camp  
DeAnna Cox  
Holly Dunn  
Don Edwards  
Dan H.  
Faith Hill  
Greg Holland  
Brian Jones  
Shawn Lane  
kd lang  
Little Texas  
Live & Kickin'  
Molly & The Heymakers  
David Mullen  
Maura O'Connell  
Mark O'Connor  
Dan Seals  
Texas Tornados  
Randy Travis  
Kevin Welch  
Michael White  
Dwight Yoakam

WARNER WESTERN

Bill Miller  
Waddie Mitchell  
Michael Martin Murphy  
Sons of the San Joaquin  
Red Steagall