Convergence from the periphery: developments in Peruvian media industry and the effects on the production markets

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Abstract:

As a mid-sized economy with a sparse tradition of film and television production, Peru offers an interesting case to study media convergence, from an industrial as well as a digital perspective. Tracking the developments requires establishing a model for convergence that is appropriate for the specifics of a country like Peru, together with data collection considering a diverse and dispersed set of production houses working mostly for local distribution and consumption. This paper will analyze the patterns emerging and relate them to the discussion on convergence and developing media industries.

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1. Convergence redefined

Why convergence? A term which is prevalent in many discussions, at policy meetings and business proposals, but with relatively little academic currency; but one that has been useful to explain a process that beginning in the early to mid-nineties, has changed radically the nature of media, started by the emerging of the Internet as the favored mechanism for innovations in media. Convergence is simultaneously a by word for the innovation and disruption that has been occurring in the past twenty years, as well as a confortable descriptor of something still going on and not yet finished, that is affecting all of us, everywhere. It points towards the very optimism that lies underneath many welcoming positions on the potential of the Internet, and perhaps also to the pessimism that some authors and commentators feel about the same potential.

But then again, the obvious question arises: What is convergence? A term so used and at the same time, so ill-defined. There are many different approaches to propose the existence of convergence that it is surprising that no single specific conceptual framework has emerged to settle the discourse on the exact meaning of the term. At the same time, it is more or less accepted that we are living in times of convergence, brought by the Internet and its transformative power, and this convergent times affect significantly all forms and styles of communication. It is not unusual to find casual mentions to convergence, assumed as a fact, rather than a conceptual model or specific set of phenomena that should be a starting point for analysis.

However, there are attempts to define or postulate a generalizable understanding of convergence. For instance, Garnham (1996) discusses an early model of understanding Internet-based convergence, with a number of levels that describe how the process or condition was developing by the early times of the commercial, global Internet, which has replaced thoroughly the "new telecommunications" based on proprietary services that was still being pushed by the largest telecommunications operators by the early 1990s (Mansell, 1993). While it was not necessarily obvious by the mid-1990s that the whole of telecommunications will turn into an extension of the IP-based protocols that run the Internet, it was evident that the proprietary solutions were not going to have any future. His observation of the civil engineering limitations to convergence is however, one of many signs that the potential for new markets and services provided by IP based networks, and later, by mobile Internet through cellphone / PCS / 3G-4G networks, was not considered as a significant impulse for investment that has overcome the suspected limits of infrastructure existing back in the mid-nineties.

Even now, when convergence of audiovisual content / service / networks is only one of the battlefields among the traditional media companies, the telecommunications transnationals, and the emerging, content-oriented computing giants of GAFA[1], it is the Internet which appears clearly as the main driver of convergence and any holdout, like free-to-air television, as a coming casualty of the widespread migration to IP networks. Only radio is certain to hold out, as digital stations haven't become widespread and most of consumption is still traditional; and cinema, resisting mostly through big tentpole movies and arthouse ones, has already mostly digitized its products and the release of movies into streaming services after short wait periods is becoming the norm.

Becerra (2015) proposes to use "infocommunication" to indicate the emerging mixture of media and telecommunication, and convergence as the process that produces such mixture. Jenkins (2006) opts to develop a whole theoretical understanding of a new set of cultural manifestations around convergence, as is "convergence culture", but defines convergence itself at least twice, both times in very general terms:

> By convergence, I mean the flow of content across multiple media platforms, the cooperation between multiple media industries, and the migratory behavior of media audiences who will go almost anywhere in search of the kinds of entertainment experience they want. Convergence is a word that manages to describe technological, industrial, cultural and social changes depending on who's speaking and what they think they are talking about (Jenkins, 2006: 2-3).

Convergence is also used by many different professional speakers, consultants and academics to describe a state of affairs where new developments are transforming traditional arrangements in media industries, markets and consumption practices. This appears as a constant all around the world. Specifically, in Peru, a mid size "emerging economy" that has a sparse tradition of media production but a vibrant variety of local cultural expressions, convergence is postulated, vaguely, as a complex condition that is or will affect many Peruvians, but that has not been properly discussed.

This does not mean that "convergence" is anything else than a construct, an explanation that demands a conceptual definition before being used to explain anything; nor that there is not such a clear definition given or at least proposed as

1 A proposed acronym for the combination of Google, Apple, Facebook and Amazon, the dominant global players in computer and IP- based communication services.

part of the many mentions of the term in different contexts. As seen in the Jenkins example, the definition are somehow shapeshifting: convergence turns into a different thing according to different approaches. This makes having a conversation on convergence harder than just mentioning it, if ambiguity is to be avoided: while the existence of the Internet is a fact, and the actual deployment of many new services, products or simply consumption practices as a result of the Internet's presence is also a fact, to use convergence as an explanation demands some clarification of intent, at the least.

We can start by asserting, as Jenkins does, that the diverse use of the term by many different professionals indicates that if existing, convergence is a multifaceted condition that can be analyzed from different perspectives. Also, it can be said that if we are to use convergence, it is necessary to state clearly the dimension or facet from which we are to be discuss it. Finally, that the starting point should be also explicit: is it a matter of different actors confronting each other as economic agents? or it is a matter of institutional arrangements that vary from one specific domain to another?

Assuming such assertions as starting points for discussion, it can be also stated that convergence is a characteristic of all current communication scenarios, at least any that has been touched by the Internet; if the Internet is the main vector or driver of convergence, then its presence is a signal of convergence, and we should start from the Internet towards determining the extent of a converging process in any media arena. Of course, the penetration of the Internet is not just a matter of homes and persons connected, but also of density of access, of variety of services and intensity of experiences; while penetration of access means that a media sphere has been more or less transformed by the Internet, the actual uses and practices are the main area of interest.

We can thus postulate that convergence, whatever the definition, must be a multivariate, multi faceted phenomenon. Literature points towards such understanding: at least five forms of convergence are apparent from the multiple sources that use the term.

a. Technological convergence, from the conversion of most communication services into IP-based services to the delivery of such services through IP connectivity at home or through mobile subscriptions, it is possible to analyze and discuss an specific kind of convergence where the main actors are telecommunications and content providers, as well as regulators, both national and multilateral (Crandall & Waterman, 1995; Finn, 1999, are early examples). This includes "device convergence", as discussed for instance by Villanueva (2000) and Ishii (2006). In other approach, Humphreys, Von Pape and Karnowski (2013) discuss technological convergence as the driver for the mobile Internet; Farber and Baran (1977) are a very early example before the Internet was even a possibility.

b. Service convergence, similar to the first one but focusing on the consumption and the effects of such consumption in the formation and development of audiences both local, national and international. From services like Skype or Telegram, transforming voice and interpersonal communications, to Netflix for audiovisual / television content, the existence of transnational actors not being locally regulated is transforming and breaking old audiences through new experiences and opportunities (Melody, 2014). This may include what Garnham (1996: 106) called "convergence of modes of payment", something much more complex that has not become widespread yet outside of localized services. Also connected with technological / infrastructural convergence, as stated by ITU and UNCTAD in many documents.

c. Regulatory convergence, analyzed through a legal prism, which provides for a wide variety of regulatory aspects being debated thoroughly at many levels, including integration of markets like in Europe, privacy and data protection concerns, etcetera (for further discussion, see Valtysson, 2012; May, 2008; Tambini, Leonardi and Marsden, 2008; Neuchterlein and Weiser, 2005; Weinstein, 2004; and Mastrini & Bolaño, 1999).

d. Cultural/content convergence, based upon approaches like Jenkins' "convergence culture", that postulate a different set of cultural practices brought by convergent practices. Of course, it also refers to the existence of a significant set of cultural industries, not depending of specific carriers, or not attached to specific web-based services, that depend on the traditional media regime to find their audiences. This brings a connection with service convergence, but focusing on the cultural effects and the communities of practice emerging, both at the production and consumption sides of the equation. Jenkins, as mentioned, is the foremost exponent of this approach; Scolari (2015) draws parallels between hyper mediations and the mediation tradition as defined by Martin Barbero. McPherson (2008) points to the fact that interfaces are changing our relationship with content and through them our expectation of cultural exchange and consumption. Webster and Ksiazek (2012) explore the transformation of audiences through the simultaneous consumption of tv and streaming video, to indicate that content attracts similar dedication notwithstanding the nature of the medium used.

e. Expressive or professional convergence, where the many practices of different media are brought together by new actors that attempt to bridge the old frontiers between the conventional media formats into new, experimental forms of storytelling, including the transmedia storytelling conceptual framework (Scolari and Ibrus, 2014). The new arrangements that journalism experiments with to achieve maximum efficiency and coverage can be understood as part of this specific understanding of convergence. What sometimes is called "post-TV" or "television-Internet convergence" (Campbell, 2011) refers both to a service-kind of convergence and to expressive innovations that approach the opportunities brought by the Internet to explore new forms of storytelling, and of experiences that somehow are anathema to those dedicated to an specific medium like cinema, as discussed by Beugnet (2013). Also, Cooke (2005), Lim (2010), Robinson (2011) and Mitchelstein and Boczkowski (2013) offer a precise use of convergence, as reflection of the practices in journalism, that will qualify as a professional kind of convergence; the journalism's debate is quite documented.

Certainly, it is possible to draft other approaches, but in this particular arrangements the emphasis lies in the dominant actors driving each potential analytical approach to convergence. For instance, if convergence is seen as a technical matter, the transnational corporations that dominate telecommunications, computer services and hardware, as well as specific international organizations as ITU or ICANN, have a larger say than a national government in an emerging economy. On the other hand, service convergence, with a local dimension that defines when and how certain consumers can access certain services, has a national dimension that includes tensions between transnational, national and local actors in the market, vying for capture of specific segments.

Turning our attention to the specific case of Peru's media sphere, convergence has to be filtered through a series of filters: penetration of the Internet, in comparison to penetration of other media services; patterns of use of the Internet as compared to patterns for other media services; content provision, at national and local level; and complementary factors, like the openness of the economy to international investment; rates and costs of use and implementation of media services; and cultural traditions and their relationship with media content production, at all potential levels, from local radio to exportable content.

2. The particularities of Peruvian media

In recent years, Peru has had an increase in movie production, thanks to good economic conditions including larger incomes among the population and the ease of production using digital technologies. Most of these productions were based in Lima, with a variety of styles present, from personal movies by up and coming directors, to social dramas and some very popular comedies drawing on the popularity of some well known characters.

However, this was preceded by what was known as "regional cinema", movies produced in intermediate cities, especially in the Andes region of Peru, with simple means, drawing from local tales and legends (Bustamante and Luna Victoria, 2014). Covering mostly terror / horror tropes, but with local color, the movies were successful in their regions, but not through traditional distribution patterns, instead using mostly hand-to-hand copies and word of mouth to disseminate interest. Movies like "Qarqacha, el demonio del incesto" and "Incesto en los Andes: la maldición de los jarjachas", both from 2002, were made with little money but had significant sales outside of Lima, and were almost completely unknown by most of the cinema going audiences of the capitals. One director said in 2015 that his cheapest film was made for 100 soles, or approximately 33 USD (Gallegos, 2015).

This helps to show the actual divide in Peruvian media: while there is a national media sphere, centered in Lima and concentrated around the audiences defined by the consumption means and tastes of an urban center with a relatively large middle class, in the "provinces", while the content produced in Lima may be available, a healthy though not very resource rich artisanship of media content exists.

As with many countries, media in Peru is highly concentrated in its capital city, Lima. Since some 1/3 of the population and about 70% of the economy is based in the capital, this should not be a surprise. All the national newspapers, radio and television networks, Peruvian cable TV stations, and nationally-oriented websites, including blogging, have their operations based in Lima. While local newspapers, and some radio and television stations, have a long tradition of publishing in other cities of Peru, their circulation is strictly local and their resources are limited.

In all media, predominantly Peruvian capital dominates each sector, with significant levels of ownership concentration: El Comercio group of newspapers has about 70% of the audience for newspapers, through acquisition of other newspaper groups in 2013 (Huaman and Becerra, 2014); two large networks, with a variety of stations segmented according to specific audiences, and competing directly with each in all formats but news / current affairs, have presence in almost all of the country, thus being the leading actors in the radio sector; four private networks and a public one, with many digital channels using the Brazilian version of the Japanese standard for digital broadcasting, produce and broadcast most of the free-to-air television in Peru. One of the networks is controlled by Mexican capitals (Angel González, known as The Ghost / El fantasma, who controls media in many different countries of Latin America) using a loophole in the law, that demands that all broadcast channels to be licensed to Peruvian nationals; however, using a clause in the constitution regarding equal treatment of local and foreign investment, it has been allowed that foreign investors buy Peruvian broadcasting companies, allowing them to control these networks. No contest from the government has happened at all.

The exception regarding local capital is Pay TV; while dominated by three major operators, has a very large number of local actors, mostly providing local and "informal" (pirated) signals for a small number of subscribers in the different urban areas of Peru, competing with the larger, national services. Movistar, part of Telefonica Group (Spain) has the clear dominance of the pay-TV sector2, with

2 All figures for cable and pay television come from the Regulatory agency, OSIPTEL, https://www.osiptel.gob.pe/articulo/74-suscriptores-por-empresa-a-nivel-nacional-mensual.

1.114.119 subscribers as of December 2015; both America Movil (Mexico) and DirecTV (USA), the only satellite provider that covers significant areas of the country, have a similar number of subscribers, around 216.000; the fourth largest has a little over 25.000 subscribers, and all the rest, some 200 operators, 106.000 subscriptions (Cassano, Dettleff and Vasquez, 2015).

Telecommunications and ISP services are a duopoly, controlled by two large multinationals, Telefonica / Movistar and America Comunicaciones / Claro, with limited mobile competition from cellphone providers and specialized operators. This in turn allows for most of Internet consumption to be also dominated by the same operators, which offer specific products to their subscribers from their production houses and their exclusive contracts, when it is the case. Mobile services are also provided by Entel (Chile) and Bitel, a local service mark of Viettel, a Vietnamese operator.

Access to services in Lima is usually higher than in the rest of the country3: radio is the exception, with receivers present at homes at similar rates, with smaller numbers for recent years (79.9% in Lima, 78.3% outside of Lima) than the historical penetration (ten years ago it was over 84 % both Lima and outside of it); television sets are disimilar, with 97% of homes in Lima and 76.2% reporting outside of the capital city; but pay television shows the extent of the divide: Lima has 61.4% of homes subscribing, but only 24.5% outside of Lima have a subscription. Internet penetration at home, though a very diffuse indicator of anything, is similarly skewed: 41.5% of homes in Lima against 14.6% outside of it.

Considering the example mentioned at the beginning of this section, and the figures just quoted, the reality of media in Peru is quite complex as there are actually two different types of markets: a national one, dominated by national actors with different segmentation of supply of content, and different audience groups to satisfy; and many different and disperse regional markets, with a varied but under capitalized artisanship producing the kind of content that caters to small segments, interested in the very local. It is not surprising that most of the offering by pay television services, and of Internet / multiplatform services, is designed for the market at the capital city.

The multiplatform approach is, however, still developing. Most of Peru's national television content is quite tradition in its nature, with traditional telenovelas, some serials and reality game shows predominant in some of the networks, while other lack the financial capabilities to produce their own shows and depend on imports, including the now very popular Turkish soaps. While some of the network consider themselves multiplatform, in the sense that content is not just develop for free to air

[3] All figures come from the official national statistics for 2014, available at the Instituto Nacional de Estadística e Informática website (https://www.inei.gob.pe/estadisticas/indice-tematico/tecnologias-de-la-informacion-y-telecomunicaciones/).

television, in fact most of the streaming / on demand content is available on open platforms like YouTube or through social media sites like Facebook, with little potential for a proper video on demand platform; thus, digital content is just complementary and used as promotional rather an actual emerging commercial platform with viability on its own. Pay TV (cable) operators have some content of their own available on their Internet-based platforms, but they do not report actual viewership figures; anecdotal evidence point to very low audience numbers.

Exclusive content for Internet-based services, like web series, games or others is not that develop in Peru; attempts to create such content have been mixed, with some successes based on very specific subjects (Los Cinéfilos, a very popular web series on cinema fandoms, has six seasons with 64 episodes of short, four-minute clips in a simple sitcom format; its performers have gone to produce feature films based on slightly different characters), and many attempts based on popular performers from reality shows that have fizzle.

Again, most if not all of the content is produced in Lima, for the middle class audience that defines the media cultural approach that predominates, with elements of a very stereotypical "popular" culture inserted occasionally. The actual cultural manifestations from outside the middle classes are only available in the off hours of programming or in the networks and stations that cater directly to the audiences outside this very narrowly defined "mainstream". At the same time, a number of consumers, connected through the Internet to the riches of global consumer culture, are able to ignore local offerings in search of satisfaction of very specific cultural needs. From music to video and genres like anime, as well as gaming, the Internet is the road to obtain the abundance that will never appear even on pay TV. Of course, it is a minority, able to consume through the Internet, with the time and resources to access such content, and with the social and cultural capital required to have interests outside of the mainstream. Non-regular access (i.e., piracy, filesharing services, torrents and the like) is common, as in many other countries of the world.

The one market where the conditions are different is music. As with all the music markets, the rising of file sharing meant that formal recorded music companies went under serious stress; most multinational removed themselves from the Peruvian market, and the national shops went into the legacy market, providing CDs for tourists or older consumers. At the same time, the large music market that catered for low income sectors of Lima's population, or the majority of local consumers outside of the city, moved away from cassettes into CD, VCD and finally DVD self-production, offering products to be sold at concerts and through informal vendors in street-stalls, just like they have done since the advent of such market in the late sixties / early seventies, as an outcome of internal migration from the Andean and rural regions into Lima and other cities.

While musicians producing content for local upmarket consumers found themselves unable to find a formal, conventional outlet for their music, the less well-heeled musicians working in the lower income markets were benefitted by this change, as they had the opportunity to produce good quality recordings for very little money, to be used, as usual, as promotional material; the new reality meant that the expectation of urban musicians had to transform into something similar to what had always existed for the lower income-catering musicians: recordings as promotion, and concerts as the way to gain a living.

Of course, many consumers opt for streaming services, or for radio programming available on the Web, or still buy some kind of pirated content, mostly specialized nowadays that the widespread copying and selling of pirated CDs and DVDs has subsided significantly. Since local bands have little if any presence in international streaming services, most of the dissemination is through personal effort, independent websites and some selling of "pirate-like" music CDs.

The one word missing from this short description is, precisely, "convergence". Since most of the information presented touches the area of services / content provision , it should be noted that there is no hint of such convergent processes in Peru. Neither the networks, nor the content producers, are able to point towards anything approaching real multiplatform content, nor there is any attempt to capture the wide diversity of cultural manifestations in the national media, apart from some efforts by the public television network or radio stations to broadcast festivals and festivities from outside of Lima. Without a significant presence of multinational corporations in the Peruvian supply market, consumers are left with the means to reach for convergence but without a proper supply of such content. To analyze this apparent paradox a review of the institutional and economic conditions of media production and consumption is required.

Peru's National Broadband Plan (Peru-MTC, 2011), the most recent official document on the development of ICT / Telecommunications, considers convergence as a technological subject, both at the network and device levels; it has some consequences in content markets as part of a virtuous circle that is coming together, but does not define nor comment on the actual results of such developments, only hinting at their importance. Under this understanding, technological convergence is an opportunity for other industries, and an enabling environment will allow for private initiatives to take place, without further intervention by the State. This is consistent with the attitude towards investment and economic development that Peru's government has shown since 1990: market-driven innovation is the preferred alternative, as stated even in the country's constitution.

On the other hand, Peru's Ministry of Culture (www.cultura.gob.pe) has a department in charge of promoting new media, along with movies and audio recordings (Dirección del Audiovisual, la Fonografía y los Nuevos Medios), which deals mostly with cinema production and promotion. No single mention of alternative or non-conventional production of content, multiplatform or not, is available on the very sparse Ministry's website; no mention whatsoever of convergence exists on the website.

Concentration of ownership does not mean, as such, convergence: service convergence is thin, to say the least; cultural convergence, which demands at least some level of access to convergent content, is rather constrained by the relative small penetration of the Internet in Peruvian society. On the other hand, regulatory conditions are quite favorable, since the major telecommunications operator, Movistar, is allowed vertical control of all infrastructure, from carrier to local loop, fixed and mobile lines, ISP services and content production, distribution and end-customer provision. The lack of penetration by competitors on the fixed-line markets or in the pay TV one is a hindrance to the potential for alternative offerings that may promote some kind of convergence beyond device / technology, and shows the limits that an enabling environment has regarding actual developments on the market.

The contrast between concentration on the national supply with local services is telling. Intermediate cities, between 1.000.000 to 100.000 inhabitants, like Arequipa or Piura tend to have well-established local media, with newspapers, radio and TV stations clearly operating as separate businesses, and some of the newspapers like El Tiempo in Piura, La Industria in Trujillo or the weekly El Búho in Arequipa are storied, consolidated and well known local brands; but on the fringes, in the urban areas known as "emerging zones" but called "slums" decades ago, radio stations are very precarious businesses, usually running out of private homes. In smaller cities and towns, like Ayacucho or Cajamarca, there are very little consolidated media, and newspapers, radio and even television run as "integrated" concerns, from homes where the living room holds the printing press, the dining room is used as newsroom and one of the bedrooms acts as broadcasting booth; some other have "vertical integration", using three-story buildings for separate areas. A combination of Lima newspapers clips, web surfing and press releases, with some little local reporting, is shifted between the different parts of the business to produce all media on the less possible expensive way. In such cases, very little if any digital content is produced, as the audience expected tends to be not just local, but interested in local affairs under or non represented in national media, traditional or otherwise.

Finally, accessing all these services and technologies varies according to income, but also with penetration and quality of networks. Most broadband connections are located in the coastal areas, like the capital, with the Andean region enjoying slower connections, with a combination of geographical conditions and small local markets is the reason that operators usually propose. Even more so, the Amazon jungle is a major impediment to broadband deployment, as the costs of bringing fiber to the sparsely populated, wide-apart cities in tropical rain forest conditions are very high.

While there are broadband services in Iquitos, the main city in the Amazon area, it is relatively slow and expensive (1.5 Gbps maximum throughput, according to FITEL / OSIPTEL, Peruvian regulatory agencies).

Consumers without the conditions for home access have long been using commercial telecenters, or "cabinas públicas", which are small shops providing access through desktop computers, with rates by the hour or the quarter-hour (Averweg & Villanueva-Mansilla, 2009). While the "cabina" was quite popular all around Lima back in early 2000s, right now it is mostly used as a gaming space for youngsters, or for general access around tourist areas and low-income neighborhoods. Gaming "cabinas" in higher-income areas are used as common space for young people interested in the shared experience of gaming, while in lower-income areas the "cabinas" are the only access space for such games (console or PC-based).

This reinforces the notion of a two-story market, where some consumers have a larger supply at hand, while other have to satisfy themselves with a national / local mix, both for enjoying media, content or even technology. Lima inhabitants count on their local media to carry both national and city content, while accessing competing media from abroad for content of international nature; other consumers rely on locally-produced media as national media does not offer something for their needs, while ignoring or not using international media.

How to think about convergence in this context? A young inhabitant of a small city in Peru may enjoy device / technological convergence, in the sense of having access to broadband Internet, even through a mobile device; s/he may even have some access to convergent services; but the dislocation between locally relevant content and attractive international / national content brings the question of how much is convergence sociocultural dimension pertinent in a country like Peru.

3. A model for understanding convergence: socio cultural dimensions

Convergence has been used as a way to understand a series of conditions that have occurred by the action, or inaction, of a variety of public and private actors, in many different arenas related to media and telecommunications. Analytically, is a broad approach, that starts to make sense when it is seen as faceted or multilayered instead of a single state or process. But its explanatory power relies on a premise that is not necessarily relevant for all the countries and jurisdictions where the symptoms of convergence are detectable: that is, that there is such a thing as a convergent process going on.

Let's put it in other way: technological transformations driven by the success of the Internet as a general-purpose medium of carrying signals are occurring everywhere, and affecting all users, actual and potential, of telecommunications. Also, a number of services, both at the telecommunications as well as the media content sectors, are being transformed by this drive towards full IP-based carrying and delivering of signals, into a potential single, global market. Regulations in many national jurisdictions have adapted, either by their state initiative, or by international agreements, into a enabling environment that allows for development and deployment of convergent technologies and services; cultural effects are evident in the human groupings that use convergent technologies and services, with the fandoms and consumption-based exchanges and the abundance of Facebook users and so on. Finally, the most competitive markets have adopted some kind of professional convergence, demanded by the increased presence of competition from abroad, being streaming services, international newspapers, and the like.

At some level, the presumption includes a global dimension: convergence radiates from the media centers of the world but inevitably will cover the whole planet and offer a new industrial order, dominated by the converged operators, providers and consumers. This dynamic will repeat at each country, with some firms adopting convergent approaches that allow for the development of a national market with both global and national service providers. Thus, all will access the benefits of convergence.

But even accepting the global presence of convergence, this scenario has to be qualified as the consequences of convergence, as with globalization or concentration, are a different thing depending on which side of the debate is a given consumer. As Robert McChesney proposed back in the past century, the promise of convergence is quite opposite to its reality, as the main result of a push towards more and more concentration, one of the results of convergence, is a less varied communication sphere.

> … convergence, which refers to the manner in which digital technology eliminates the traditional distinctions between media and communication sectores; for example, telephone companies and cable companies can provide each other's services. In conventional thinking, this convergence provides the basis for highly competitive e markets, as firms can now invade formal irrelevant markets. I argue that the more telling consequence has been a wave of unprecedented mergers and alliance of the largest media, telecommunication, and computer firms (McChesney, 1999: 123).

Seen from this perspective, convergence favors homogenous consumption at all levels, while diminishing the potential for diversity as the industries tend to consolidate around specific business models. This consolidation, first at the telecommunications layer and then into the services layer, create multinational vectors of convergence, which tend to reproduce their technical and service practices, through local investment and by bringing new services directly to the final consumer, bypassing the local intermediaries that constituted, to a point, the building blocks of national communication industries. While it may be said that technological convergence, being the same for all potential users, benefits from the existence of global actors, national cultural industries may not be in position to sustain supply of content to their markets under the pressure of global actors encroaching their traditional domains.

Under this assumption, while technological convergence is able to penetrate many layers of income in a given society, service convergence has limitations regarding both provision of competitive services and ability to pay by consumers, thus limiting the variety and local specificity of content supply; and cultural convergence, as the manifestations of the effects in patterns of consumption brought by the previous processes, will be limited to those segments of society that are both able to pay for convergence and are culturally sensible to the contents as well as to the styles of consumption associated by them (figure 1).

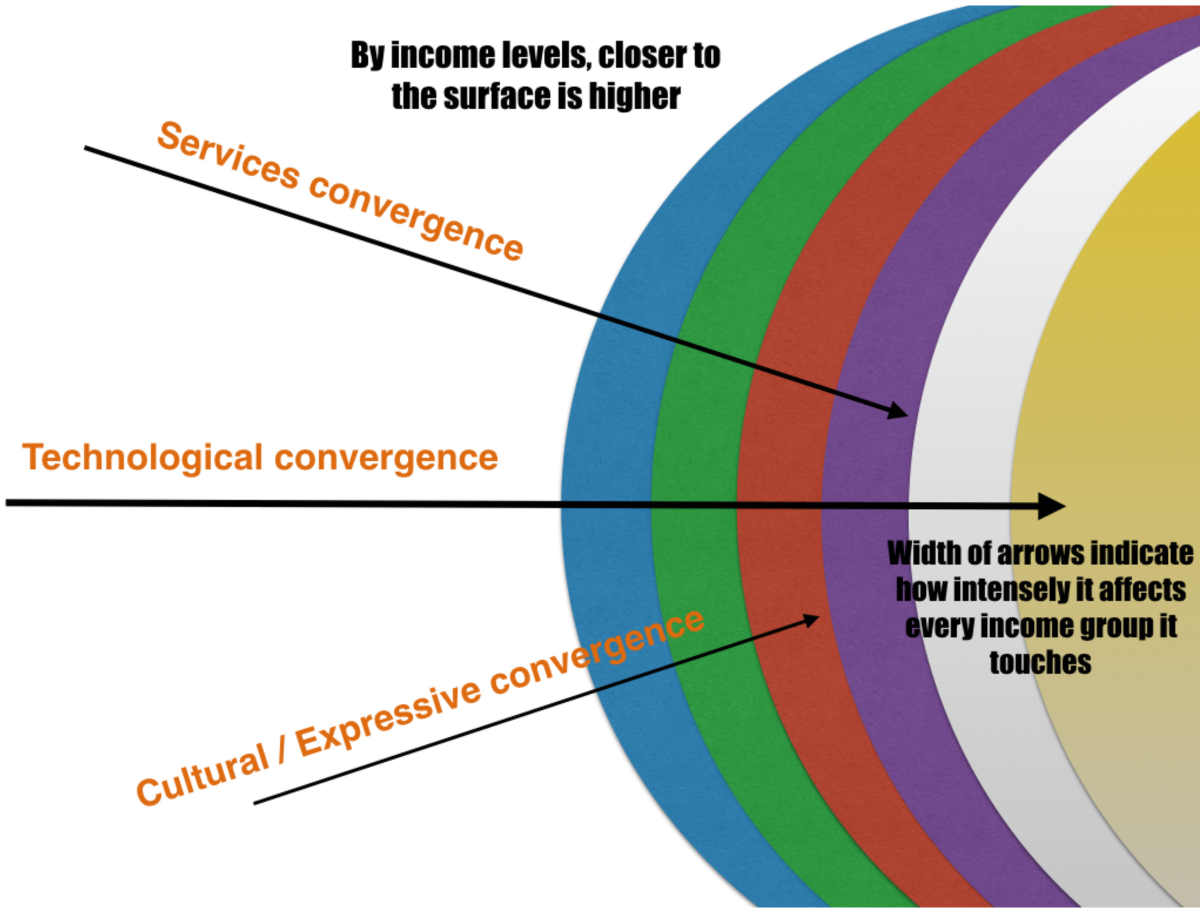

Figure 1: Penetration of convergence

In other words, many countries of the world have been affected by convergence even if such condition is not originated in their own territories, by their own telecommunications and media industries; at the technological level, it may a boon since it provides for better connections at lower prices. However, and the Peruvian example is a case in point, not all the citizens of a country receive the same benefits that convergence should bring, sometimes not at all, sometimes only partially. And such asymmetry brings an unbalanced state to communication, understood not as the technical or industrial dimensions, but as its human and sociocultural aspects. This is due to the fact that many consumers' demands are catered by local suppliers that are not able nor interested in participating in convergence, since they lack the means and the wherewithal to compete with very powerful, financially able firms; and also because these firms are not looking to provide services to those with the financial means to pay for convergent services,.

To fully understood such a process, it is necessary to start by considering exactly what convergence brings into human communication, mediated or otherwise. As MacKenzie proposes, not all convergence is neat and tidy, since "*whereas the notion of convergence emphasize reduction to a well-defined context or state of affairs, 'kludge' gestures toward relationality, to ongoing changes in nature stemming from juxta-positions*" (MacKenzie, 2010: 99). For him, what we're dealing with is a kludge, an old fashioned technical slang term meaning "*an ill-assorted collection of parts assembled to fulfill a particular purpose*", as Merriam-Webster defines it. In other words, convergence is not a solution but a result of purpose-oriented decisions by vendors or service providers that tried to achieve dominance in a particular field or business activity. It creates relations, potential and actual, around the partes collected into such a strange assemblage.

It is then the length and strength of such relations, resulting by both a convergence process and the kludge(s) created by it, that should be our main concern, rather than the actual processes that serve only as indicators of the direction and potential of developments proper of the different industries. While a country like Peru may have an enabling environment, telecommunication industries adopting technological convergent solutions, and availability of services through the enabled environment, the question to explore is how much the actual people using the devices and exploring the technical side of convergence are in position to increase or develop their relations, or how much the new set of relations disconnect them from their sociocultural environment. In other words, is convergence something strengthening or weakening social and cultural ties?

Seen from that perspective, convergence loses some of its luster. For instance, the fact that a household may adopt a series of convergent kludges creates a number of relations between consumers and content, through media practices, changing both patterns of use and expectations of uses and gratifications. Our hypothetical household subscribing to a package from a given telecommunications provider will get access to convergent services and content, and through this access will have less incentives to consume local services and contents. Even more so, their decision will limit their capability to expand their choices at any given time: if they decide to use Apple hardware with their broadband services, most probably they will end up being users of the content services provided by Apple, and in a country like Peru, that will mean that it will be easier to find an old Mexican movie at the iTunes Movie store or with a service like Netflix, than a Peruvian movie, that perhaps will be shown on terrestrial TV. This means a new set of relations, consumption-oriented but also cultural ones, as the cultural manifestations of convergence become easier to access than the local expressions.

This points to the fact that, considering that convergence brings concentration at the higher level than the one inhabited by traditional national media, options, diversity and flexibility of price and access may suffer. In markets like Peru, where a large proportion of the paying public is looking for content of local nature, exclusion from the converged supply may mean that a consumer may need to seek shelter lower and lower in the supply chain, into more local, precarious and even illegal providers.

Under this understanding, the situation is more like a serious of small battlefields than a grand overcoming wave of renewal. Local provision, attached as it is to local conditions and interests, will be a formidable competition to converged media, while consumers will look for content of interest through their own converged devices although it may be difficult to find them in an increasingly complex and technologically sophisticated (and thus, expensive to implement) supply market (figure 2).

The main concern should be the health of local supply, as it is the main (if not the only) venue for local cultural expressions, and for many initiatives of content development. Without local media, and without an technological eco-system to sustain it, convergence will put pressure on services to a point where costs and opportunities may mean that consumers do not have that many options to access content outside of the newly converged media.

To a point, it is happening now. Radio has been transformed by concentration, which depends on lowering costs by simplifying programming. Music radio has become a very predictable medium, not leaving much room for national artists, and talk / news radio has become dominated by Lima-based national networks, reducing local chances for debate and dissemination to a minimum. If the pressures on local media increase, the result may be a complete absence of local cultural and political content in many markets.

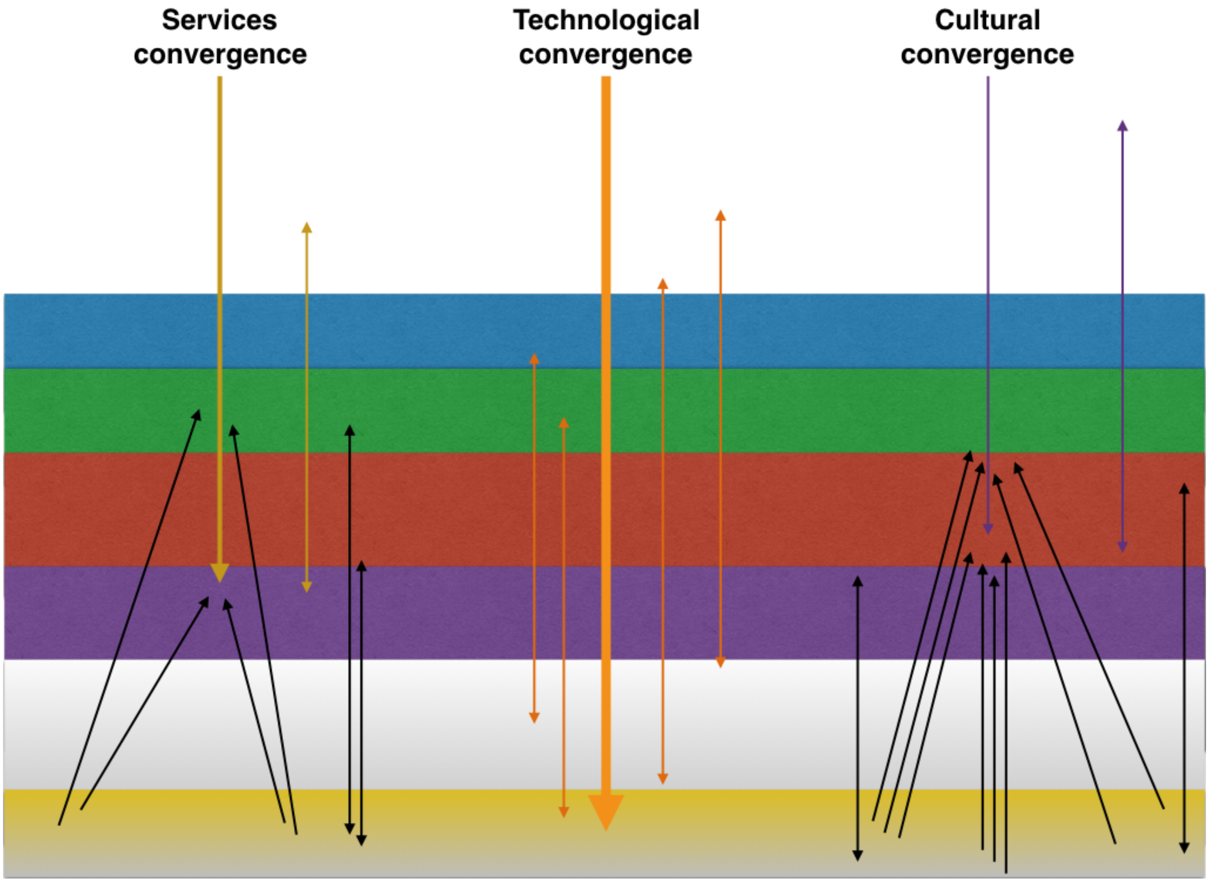

Figure 2: the battlefields. Local offer is in black; relationships (double arrows) as hypotheticals outcomes of convergent consumption.

Of course, radio is somehow a static medium, as there is little if any incentive to change the technological platform. But television is different, being in a state of change by the transition to digital terrestrial services. The "analog blackout" in Peru has been postponed due to lack of adoption of digital receivers in Lima, till at least 2024 (Cassano, Dettleff & Vásquez, 2014: 391), and many areas of the country does not have even a reference or target date for the blackout, leaving the future of digital adoption both diffuse and doubtful. Under these circumstances, it is easy to imagine that any potential competitor offering convergent platforms and services will have little difficulty overpassing local supply with more attractive and sophisticated content, addressing the interests and payment capabilities of an elite, all around the country, while leaving free-to-air television for whatever if left out.

It is possible then to propose that, in countries where a combination of weak local media industries and economic openness, convergence means that the local dominant actors are in danger of being overwhelmed by convergent services, while the local actors that are used to cater to the needs of lower-income segments of the audiences are relegated even further down the food chain, as a result of network effects by the actions of dominant, global actors. The Peruvian case shows that any notion of convergence not including the cultural dimensions of these network fails to notice that most of the consequences of convergence would be the diminution of local presence in media, and the weakening, perhaps the disappearance, of national actors in services and cultural /content production, as it has happened already with technological provision.

4. Perspectives for further research

With Internet penetration increasing, a growing number of free-to-air digital television channels, a concentrated ownership structure that has very little chance to be addressed by the political system; Peruvian media is rather weakly poised in front of the incoming convergent pressures from global conglomerates slowly entering a relatively small market. At the same, the weak capital structure of local media makes for a deficient bulwark for content providers, that have very little support from their media counterparts both in Lima and outside of it.

This means that a potential future for media industries in Peru lies in alliances with the global conglomerates that are storming the gates, but at the same time the way that these firms have acted shows that there is little interest in approaching alternatives for local content and media services. On the one hand, the global alternatives are in flux, building themselves into new markets without revealing much about their plans and strategies. On the other, the local media industries are pursuing their own course by increasingly constraining their own growth into new markets but consolidating the ones they own, like reality game shows or episodic fiction (telenovelas), and not exploring alternative platform much than just using those at the reach, like uploading content into YouTube, and counting on advertising revenue, as minimal as it may be.

While all this means that there is no clear playbook for convergence, it hints to developments where less and less autonomy will be available to local content producers but to become "convergent" in their own markets, owning as many different outlets as possible, and saving as much resources as possible when producing content. Local independent or emerging production appears quite under pressure, even in the case of Lima-based firms.

To study convergence in Peru, and probably in many countries in similar conditions of media ownership and local production of content, demands to consider at least three aspects:

a. how convergence is driven by the financial plans for technological developments that global conglomerates at all facets of the process decide to implement locally: telecommunications operators, global services providers, and content delivery platforms both with or without their own production houses. This facet defines the level of onslaught local actors will have to face.

b. how convergent services are being deployed locally, with what level of autonomy and with which partners both global, national and local, as to estimate the resilience that national actors may show under the pressures that the global operators and providers will exert.

c. how local media industries are degrading their own positions, by using weak production strategies; non-regular content (including pirated one); or simply by abandoning any pretense of competing with the globally-driven initiatives penetrating their markets. This is significant for mid-level areas, like big, non-capital cities, that were regional hubs in their countries but are now facing serious competition from outside, at the international and national level, for their audiences.

Above all, social studies and especially communication studies should stress that the benefits of convergence, even if realized as imagined by the telecommunications and computing industries, have to be balanced against the realities of income disparity; of local media activities that are designed around the constraints of such disparity and fill a number of needs; and of states that are willing to promote economic decisions without a considered contemplation of said decisions' cultural effects. Policy proposals, policy analysis and effects studies around convergence have to include these dimensions to allow for a balanced understanding of changes that, while perhaps inevitable, are not necessarily desirable.

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