

## Manchester independent local radio licence applications

# Questions and responses: Xfm

*These are the responses received from Xfm to the non-confidential questions asked by Ofcom regarding its application for the Manchester licence.*

### **1. The merger with GWR is expected to have completed before the licence award. What effect will this new ownership structure have on the application by Xfm?**

Our merger with GWR completed on 9<sup>th</sup> May but will not in any material way affect Xfm's licence application for Manchester. We continue to believe passionately that the format proposed in our application best caters for the tastes and interests of the Manchester population and broadens choice in the market.

The only change resulting from the merger will be the replacement of Peter Harris, Capital Radio plc's Finance Director, on the Board of Xfm Manchester. Post the completion of the merger, Peter Harris will no longer be with the company and his directorship will be transferred to Wendy Pallot, Group Finance Director of GCap Media plc.

Although this is the only change to the details of our application, Ofcom should be aware that GCap Media has reviewed the position of both its licence applications in Manchester – Xfm and The Storm – and believe that they are sufficiently different – one being a pure rock service, the other encompassing a wider definition of “alternative music” – to each be relevant in broadening the choice of radio in the market. GCap Media fully stands behind both applications and both formats will be retained within the GCap portfolio in the merged Group.

### **2. Please provide further detail to support the claim on p.53 of the application that the sample of respondents included in the online quantitative study “accurately represents the Manchester population.”**

The sample accurately represents the Manchester adult population as the respondents were quota sampled and then weighted to match the Manchester area population as follows (these numbers are in thousands of individuals in the area):

Demographic break	Quota	Population (000)
Males 15-19	46	104
Males 20-24	54	78
Males 25-29	49	65
Males 30-34	64	110

<i>Males 35-39</i>	52	111
Males 40-44	48	102
Males 45-49	43	92
Females 15-19	61	101
Females 20-24	75	82
Females 25-29	81	76
Females 30-34	74	109
Females 35-39	69	120
Females 40-44	52	105
Females 45-49	47	92

The online sample was also fully weighted demographically and ethnically to mirror the general population of Manchester.

**3. For the quantitative study, please provide details of the response rate and drop out rate.**

Overall response rate: 25%

Drop out rate: 35%

**4. Please indicate the reasons why it was decided to adopt a dual approach (from the existing panel and from the internet) to recruitment for the online quantitative study, and also indicate how many respondents were recruited via each method.**

The “supplier” was chosen for this research project as it is the leading European online fieldwork and panel specialist. It offers some of the most highly profiled, most broadly recruited, most frequently refreshed and most cared for online panels available to researchers. Therefore its panels are reliable, representative and responsive.

However the panel the “supplier” had was not in itself sufficiently large for this project thus further recruitment was necessary to ensure a sample size that could accurately represent the population of Manchester.

For this survey 494 of the respondents came from the current “supplier’s” panel and 318 from the “supplier’s” panel partners - mainly the younger and older age groups.

**5. Please provide further evidence which demonstrates the perceived homogeneity of music tastes within the two age bands within the core target audience (15-24 and 25-34)**

Having identified 15-34-year-olds as being underserved by radio in Manchester, we undertook a quantitative research study to understand their music preferences. The study demonstrated that, while there are divergences in the musical tastes of 15-24-year-olds and 25-34-year-olds, there is a major area of similarity in the genres we regard as Alternative.

When respondents were played music montages and asked to declare whether "I love it", Pop rock, an Alternative genre, was the most popular genre among 15-24s and the joint most popular among 25-34s. Britpop was also among the most popular genres for both age groups. Two further Alternative genres, Modern Alternative and Alternative Rock, were among the most popular for 15-24s and scored well among 25-34s.

When respondents were asked whether they "want to hear it more", all of the top six genres among 15-24s, and five of the top six among 25-34s were Alternative. Pop rock, Classic rock, Brit pop and Alternative rock were in the top six genres for both age groups.

No other group of genres enjoyed such popularity across the two age groups. Moreover, the other individual genres that scored well across 15-24s and 25-34s - Mainstream pop, 90s and R&B - are already well catered for by radio in Manchester.

For these reasons we argue in our application that an Alternative music mix is the most appropriate strategy for addressing the gap in listening among 15-34 year-olds in Manchester, and treat these people as a single age-group.

**6. Page 55 of the application refers to the playing of short station montages. Please provide details of the four song hooks that were included in each station montage.**

Guitar: Oasis -Maybe/ Stone Roses - Fools Gold/ Franz Ferdinand - Take Me Out

Classic Rock: Derek and the Dominos – Layla/ Guns n Roses - Sweet Child of Mine/ Free – All Right Now/ AC/DC - Highway to Hell

Club Dance: Mylo - Drop the Pressure/ Underworld - Born Slippy/ Eric Prydz - Call On Me/ Josh Wink - Higher State of Consciousness

Urban: Kanye West - Through the Wire/ Eminem - Lose Yourself/ Outkast - I Like The Way You Move/ Kelis - Trick Me