

Manchester local commercial radio licence applications

Questions and responses: Piccadilly Talk

These are the responses received from Piccadilly Talk to the non-confidential questions asked by Ofcom regarding its application for the Manchester local radio licence.

1. How many journalists are currently employed at Key 103/Magic 1152, and to what extent would they contribute to the output of Piccadilly Talk in the event of a licence award?

We currently employ eight full time journalists in our newsroom plus occasional freelancers. It is intended that they will all become part of an extended news operation which will provide bulletins and other items for Piccadilly Talk, Key 103 and Magic 1152. It is anticipated that Piccadilly Talk will often use longer versions of items broadcast on Key 103 and Magic with the trail "You can hear more of that item on Piccadilly Talk".

2. What are the existing arrangements with major advertising agencies mentioned on page 12? How do these arrangements work, and how will Piccadilly Talk be "worked into" them?

Share deals which are common in the broadcast media are agreements under which a broadcaster and an agency will agree that a given percentage of the agency's media spend will go to the broadcaster against an agreed price-structure. Usually there are conditions including how the money is to be spent across certain day parts, advance booking deadlines etc. The percentages are guaranteed but the volume and expenditure levels are not. Piccadilly Talk would be included in these deals and would receive a share of the revenues involved.

3. Please explain in more detail how the table at the bottom of page 13 "demonstrates the opportunity to expand into new revenue categories within the Manchester marketplace".

We have taken a look at two major talk radio stations in the UK, enabling us to see the major advertiser categories investing in the talk format over the latest 12 month period (Aug 05 – Jul 06).

This gives us a view of advertiser categories investing in talk elsewhere in the UK that within the Manchester market have previously not taken full advantage of radio advertising. This is possibly due to the product or service not being best suited to short content advertising within a music format, these include:

- Business & Industrial
- Computers
- Travel & Transport
- Government, Social, Political Organisations

The Piccadilly Talk format will open up the opportunity to include themed discussions and 'talk-ups' around certain categories which will fit seamlessly with their category of business. For example, an expert discussion on setting up a small business, could

be sponsored, featured and then advertised around by related advertisers, creating a meaningful and effective campaign.

These categories have previously not invested as heavily in radio advertising in the Manchester market as they currently do within areas where a talk format exists this would create the opportunity for Radio and Piccadilly Talk to gain from this previously un-tapped revenue source.

4. As part of your international research into commercial radio talk formats, was any research carried out into the performance of commercial talk stations in continental Europe, where – as with the UK market – there are generally very strong public broadcasters present in the market?

The research which included a field trip to talk stations was carried out in the United States due to the sheer size of the market, the number of talk stations operating there and the availability of statistics. The research in Australia and Canada where there is significant Public Service broadcasting was mainly desk research. We did not feel that much assistance could be gained from the extremely limited number of speech-based Commercial Stations operating in Continental Europe.

5. Is it your intention that the weekday phone-in planned for 22.00-02.00 would transfer across from Key 103, all do you envisage both stations running phone-ins during this timeslot?

Our overall aim is to increase listening to our stations. We have yet to make a final decision on one of two options for the week-day 22-0200 slot. On Piccadilly Talk the probability would be that the existing Night Nicksy would move over from Key 103 and be replaced with a music based programme. The alternative would be to make the existing Key 103 programme much lighter and have a similar programme on Piccadilly talk with more serious discussion on specified topic.

6. How were the sample points chosen for the quantitative questionnaire?

A list of postcodes defining the total sample area was provided to the research company. Postcodes were then randomly selected for interviewing to create a representative spread of the area. Quota sampling was then applied to ensure that the interviews accurately reflected the population profile.

7. Please provide the base definitions and sizes for charts on pages 47 and 48 of the application.

Page 47 does not contain a chart. The results on this page relate to the qualitative research which composed of four focus groups each of eight to ten people. The groups were made of men and women in the 30-40 and 40-50 age groups. The chart on page 48 has two sub-demographics illustrated those under 45 which included participants aged 15-44 and those over 45. The Under 45 base is 513, the Over 45 base is 486. On page 49 a chart illustrates the demographic profile of those who said they would be very or quite likely to tune into Piccadilly Talk in Question 5 of the main survey. The base for this chart is 578.