

3 Radio and audio content

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3.1 Recent developments in Wales

BBC Cymru Wales

Radio Wales and Radio Cymru's reach¹ remained broadly stable across the year at 361,900 and 108,000 (RAJAR 12 months to Q1 2017).

Radio Cymru piloted an alternative stream, Radio Cymru Mwy, using DAB and other digital technologies, for a three-month period between September 2016 and January 2017.

The purpose of the pilot was to see how the audience appeal of Radio Cymru could be broadened, while making best use of new technologies, by offering an additional service with a greater focus on music than the main station.

Commercial radio

Nation Broadcasting Limited ("Nation") currently owns six commercial radio services in Wales. These are: Nation Radio, Swansea Bay Radio, Radio Ceredigion, Radio Carmarthenshire, Radio Pembrokeshire and Bridge FM (Bridgend).

In November 2016, Ofcom approved a request from Nation to share all programming between all five local stations, which it planned to broadcast from a single site at St Hilary². Ofcom also approved a Format change request from Nation to change the Format of

south Wales regional service Nation Radio from a rock music-led service to one with a focus on Wales.

Local DAB multiplex change request: Mid & West Wales

Ofcom consulted on Muxco Wales Limited's (a subsidiary of Nation Broadcasting Ltd) request to extend the Mid & West Wales licensed area which closed on 28 February. The proposed area change would not affect the services that currently can be received in the Mid & West Wales area nor the coverage of those services.

The request is currently being assessed by Ofcom colleagues.

DCMS consultation - commercial radio deregulation

In 2015, the previous Minister for Culture, Communications and Creative Industries Ed Vaizey MP asked Ofcom to examine the scope to deregulate aspects of commercial radio. In February 2017, DCMS published its consultation, on the deregulation of commercial radio setting out proposals how to help support and strengthen the commercial radio sector.

Community radio

Radio Cardiff

Ofcom received a request to transfer the community radio licence held by Radio Cardiff Limited to Voluntary

Community Service (Cymru) Limited ("VCS") in December 2016. VCS is a company limited by guarantee, and a registered

charity. The transfer request was approved and was completed at the start of February 2017.

¹ Reach is defined here as the number of people aged 15+ who tune to a radio station within at least 1 quarter-hour period over the course of a week.

² https://www.ofcom.org.uk/_data/assets/pdf_file/0035/98981/nation-radio-format-change-statement.pdf

There are now 73 stations available on DAB in Wales.

3.2 Radio station availability

There are now 73 stations broadcasting on DAB in Wales, although not all are currently accessible in all parts of Wales

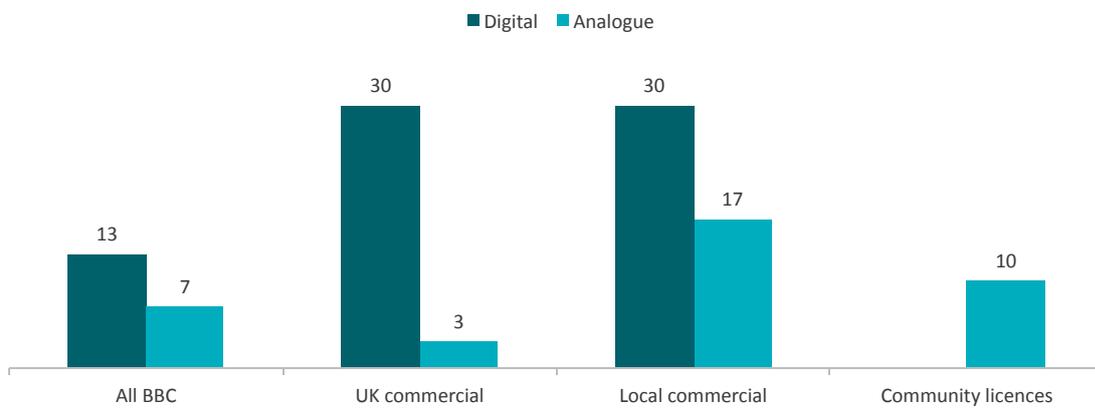
This consists of 13 from the BBC, 30 stations on the Sound Digital and Digital One multiplexes and 30 commercial stations on local DAB multiplexes.

However, not all these digital stations will be available on DAB to listeners across all of Wales. As Figure 1.2 shows, the proportion of households within the coverage area for each type of station varies, and there are different services on each of the local DAB multiplexes serving different parts of Wales.

There are currently ten community radio stations on air in Wales – Calon FM, Tudno FM, BRfm, Radio Tircoed, Radio Glan Clwyd, Môn FM, Radio Cardiff, Radio Tircoed, Bro Radio and GTFM.

There are a further 37 analogue stations available in Wales overall.

Figure 3.1: Radio station availability in Wales



Source: Ofcom, May 2017

Note: This chart shows the maximum number of stations available; local variations and reception issues mean that listeners may not be able to access all of them.

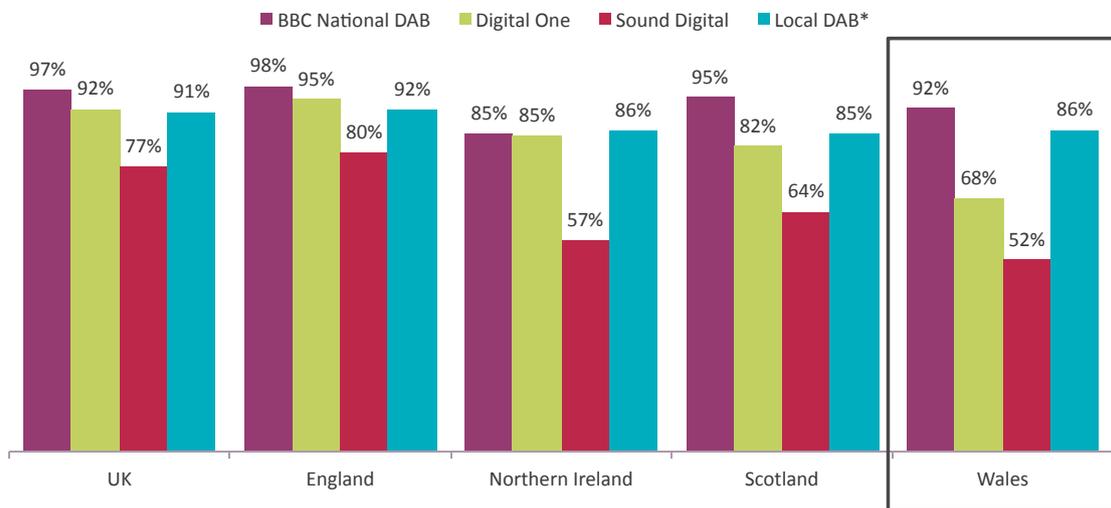
DAB services from the BBC are now available to 92% of households in Wales, the same as last year.

3.3 DAB coverage

DAB services from the BBC are available to 92% of households

Coverage from Digital One, one of the UK-wide commercial multiplexes, can be received by 67% of households in Wales. Coverage of local DAB in Wales is 86% of households.

Figure 3.2: Household DAB coverage



Source: BBC, Arqiva, Ofcom, May 2017. *Figures for local DAB are projections of expected coverage for mid-2017 based upon a planned list of transmitter sites. The plan is continuing to be refined and actual coverage may differ slightly from those figures when the current programme of expansion completes during 2017

3.4 Listening to audio content

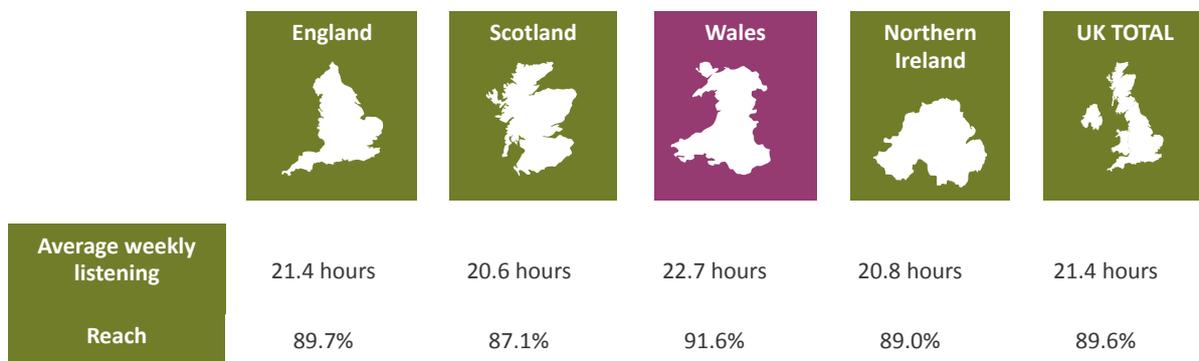
A higher proportion of people in Wales listen to radio than in the UK overall, and they listen for longer

For the 12 months to Q1 2017, radio services reached 91.6% of the adult population in Wales, the

highest reach of any UK nation. Listeners in Wales also listened to radio for the longest compared to

the UK as a whole, which was at 22.7 hours per week on average, the highest figure since 2012.

Figure 3.3: Average weekly reach and listening hours



Source: RAJAR, All adults (15+), 12 months to Q1 2017. Reach is defined as the number of people aged 15+ who tune to a radio station within at least 1 quarter-hour period over the course of a week. Respondents are instructed to fill in a quarter-hour only if they have listened to the station for at least 5 minutes within that quarter-hour.

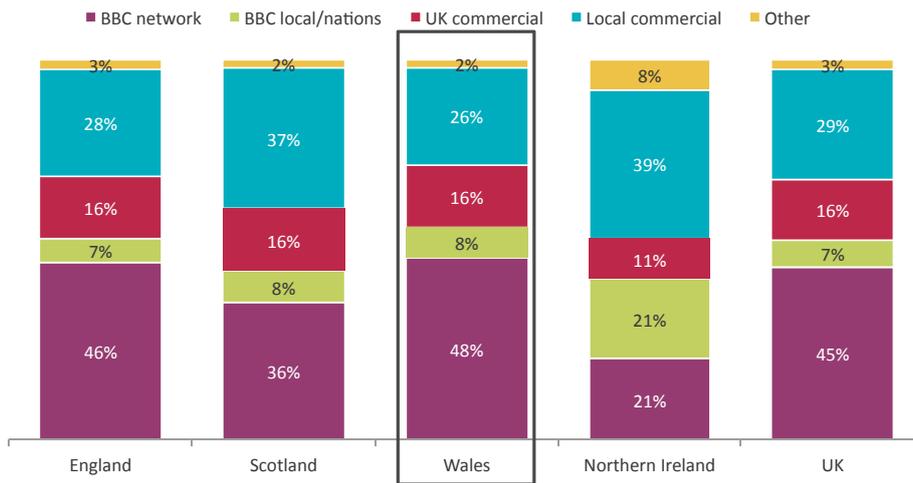
Listening to UK-wide services accounts for almost two-thirds of radio listening time in Wales

The amount of time spent listening to any radio in Wales has increased by over a million hours in the past year (54.1 million hours v 52.9 million). Listening to UK-wide services accounts for 64% of all listening within Wales, the highest of any UK nation. This is driven by listening to BBC network services; 48% of all listening is accounted for by these radio stations.

However, listening to UK-wide commercial services within Wales has seen the largest increase year on year, adding 2.3m hours since 2016. Listening to BBC services overall within Wales, including the BBC’s nations services (BBC Radio Wales and BBC Radio Cymru) accounts for 56% of all listening; again, the highest of any UK nation.

Local commercial stations in Wales have the lowest share of total listening hours of any UK nation for these types of service, at 26%, 3pp lower than the UK average. Similarly, the share of listening to commercial stations overall (i.e. both local and UK-wide) in Wales is the lowest of any UK nation, at 42%.

Figure 3.4: Share of listening hours, by nation



Source: RAJAR, All adults (15+), 12 months to Q1 2017

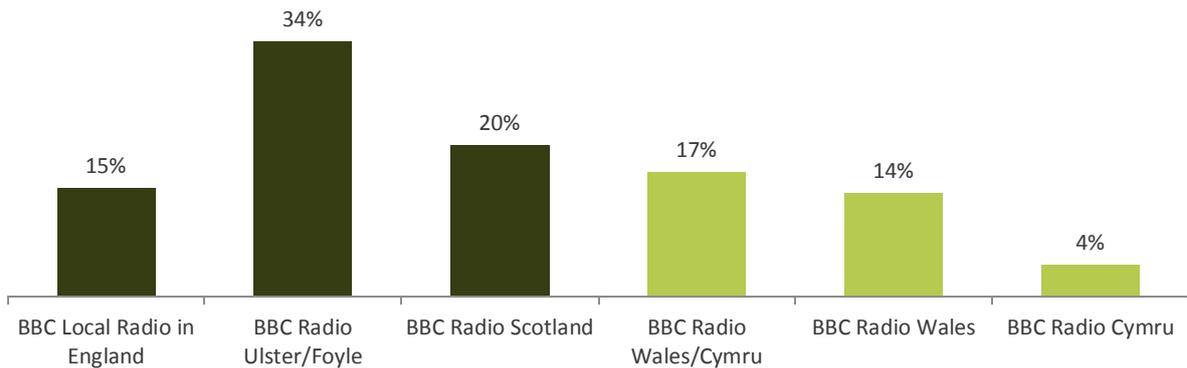
One in six adults in Wales listen to either BBC Radio Wales or BBC Radio Cymru

The aggregated reach of BBC Radio Wales and BBC Radio Cymru is 17%, half the reach of the equivalent services in Northern Ireland,

but similar to the weekly reach of the service in Scotland and BBC's local services in England.

The average weekly reach for BBC Radio Wales and BBC Radio Cymru has fallen by 5.7pp in five years.

Figure 3.5: Weekly reach for nations'/local BBC services

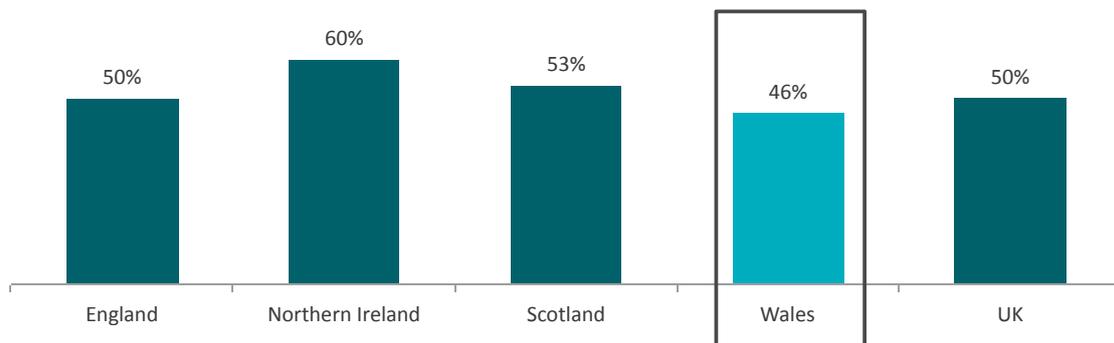


Source: RAJAR, All adults (15+), 12 months to Q1 2017. Note: Aggregated reach is shown for BBC Radio Wales and BBC Radio Cymru

In comparison, the average weekly reach to local commercial radio in Wales, in the 12 months to Q1 2017, was 46%.

Figure 3.6: Weekly reach to local commercial radio

Average weekly reach (%)



Source: RAJAR, All adults (15+), 12 months to Q1 2017

3.5 DAB digital radio set ownership and listening

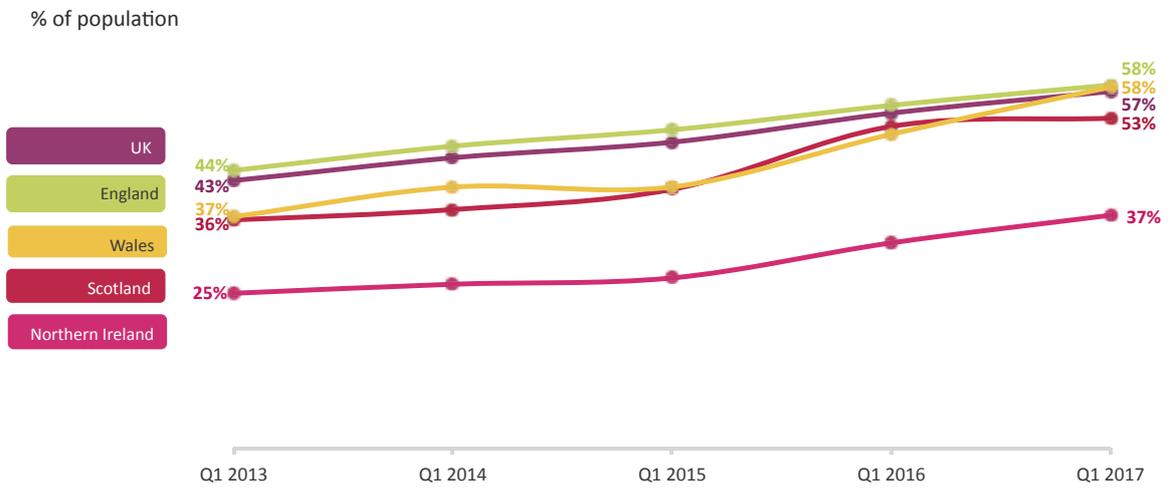
Fifty-eight per cent of adults in Wales own a DAB radio set,

Almost six in ten adults in Wales now have a DAB radio

more than in either Scotland or Northern Ireland. Growth in DAB radio ownership was greater in Wales than in the other UK nations, increasing by 8pp between 2015

and 2016. The higher levels of DAB ownership in Wales is likely to be influenced by the popularity of UK-wide services, as DAB offers a greater range of these stations.

Figure 3.7: Ownership of DAB digital radios



Source: RAJAR, All adults (15+), 12 months to Q1 Note: In previous CMR reports we have used figures from Ofcom’s Tech Tracker

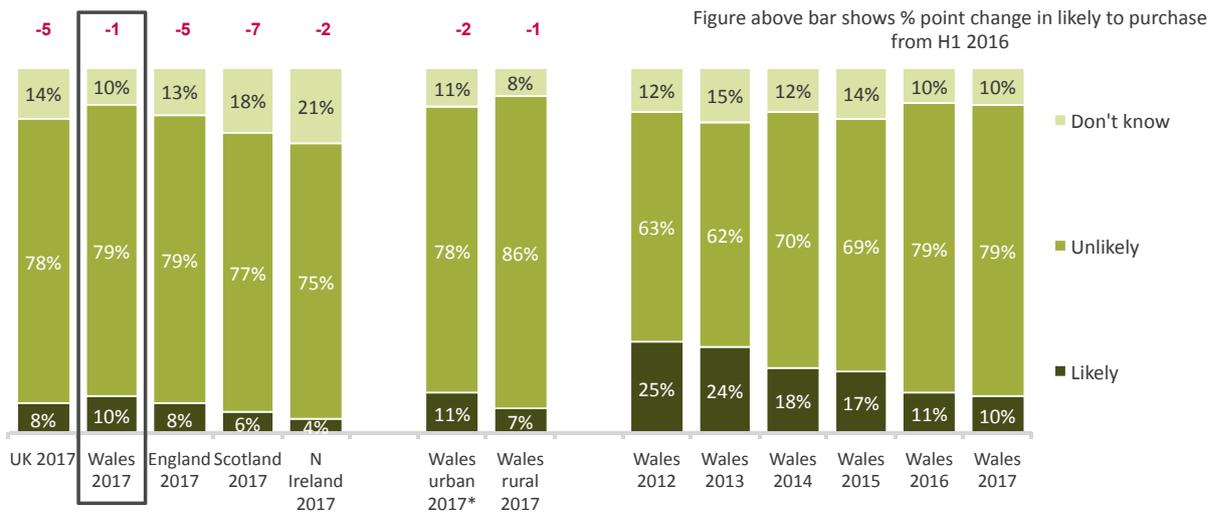
One in ten radio listeners in Wales without a DAB set say they are likely to buy one within the next year

One in ten (10%) radio listeners in Wales who do not have a DAB set say they are likely to get one in the next 12 months.

This figure does not differ from the overall UK figure (8%) and does not vary significantly by location within Wales.

There has been no change in the likelihood of buying a DAB set since 2016.

Figure 3.8: Likelihood of purchasing a DAB radio within the next year



Source: Ofcom Technology Tracker, Half 1 2017

Base: Adults aged 16+ who listen to radio and do not have a DAB set (n = 1533 UK, 214 Wales, 800 England, 250 Scotland, 269 Northern Ireland, 107 Wales urban, 107 Wales rural, 273 Wales 2012, 269 Wales 2013, 246 Wales 2014, 228 Wales 2015, 212 Wales 2016, 214 Wales 2017).

Significance testing: Arrows indicate any significant differences at the 95% confidence level between Wales and UK in 2017, between Wales urban and rural in 2017 and at the 99% confidence level between Wales 2016 and 2017. Circles around the +/- figures above the chart indicate any significant difference at the 99% confidence level between 2016 and 2017 for Wales, urban and rural.

QP12: How likely is it that your household will get a DAB radio in the next 12 months?

Most radio listeners in Wales without a DAB set say they are not likely to buy one within the next year because they have no need, or are happy using their existing radio service

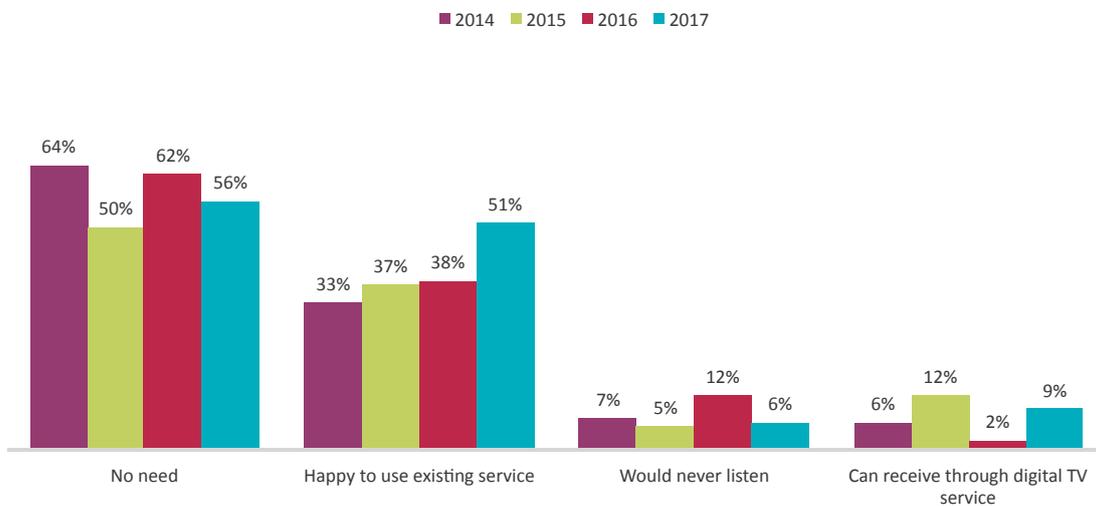
Radio listeners stating they were unlikely to get DAB radio in the next 12 months were asked to say – without prompting – why they were unlikely to do so. Just over half (56%) said it was because

they did not need it, while a similar proportion (51%) said it was because they were happy using an existing service. Less than one in ten said that they would never listen to it (6%), or that they could

receive a digital radio service through their TV service (9%).

There has been no change since 2016 in the reasons given for being unlikely to buy a DAB set.

Figure 3.9: Reasons why unlikely to purchase DAB in the next year



Source: Ofcom Technology Tracker, Half 1 2017

Base: All adults aged 16+ who listen to radio and are unlikely to get DAB radio in the next 12 months (Wales 2014 = 182; Wales 2015 = 166; Wales 2016 = 167, Wales 2017 =174)

Responses shown for spontaneous mentions by 5% or more at a UK level

Significance testing: Arrows indicate any significant differences at the 99% confidence level between Wales 2016 and 2017.

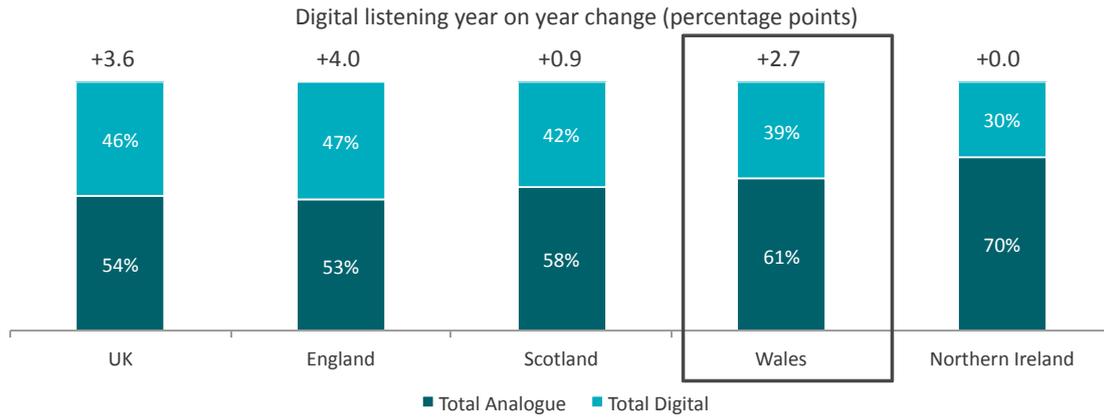
QP14: Why are you unlikely to get digital radio in the next 12 months?

Almost two-fifths of radio listening in Wales is through digital platforms¹

Digital’s share of listening in Wales is 39%, 7pp lower than the UK average. Analogue listening still accounts for six in ten of

total listening hours; apart from Northern Ireland, this is the highest among the UK nations.

Figure 3.10: Share of listening hours via digital and analogue platforms



Source: RAJAR, All adults (15+), 12 months to Q1 2017

¹ DAB, digital television and the internet.

Digital's share of listening in Wales has grown steadily each year

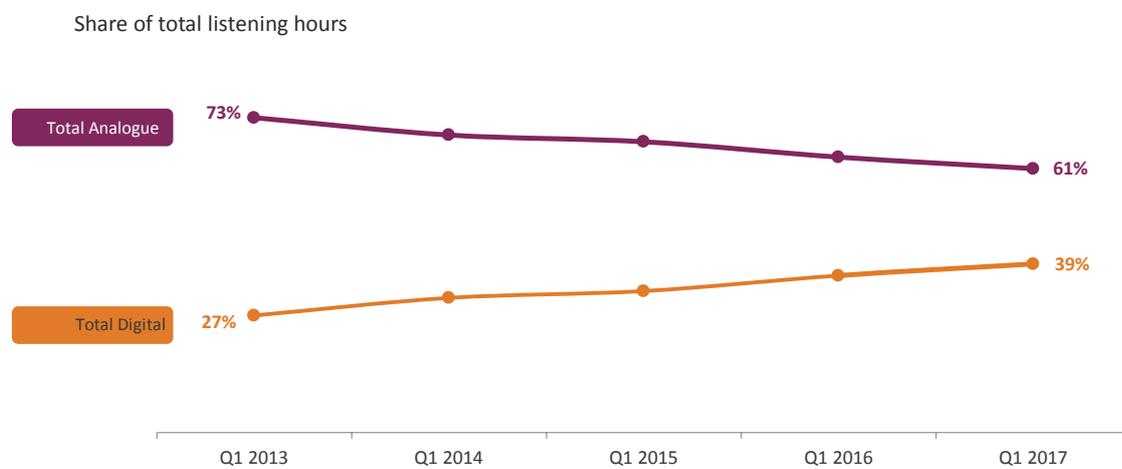
The proportion of time spent listening to the radio using digital platforms has increased by 12pp in Wales since 2013. The rate of growth has been steady over this period, with the same rate of growth seen between 2015 and 2016 compared to 2016 and 2017 (3pp).

Listening via a DAB set has increased by 2pp, whereas listening via the internet or through a digital television has remained stable year on year.

In the 12 months to Q1 2017, the average weekly reach of DAB in Wales was 39%, an increase of

23pp since 2010. In comparison, the average weekly reach of DTV was 18%, not dissimilar to 15% in 2010. While the average weekly reach to internet has remained largely stable since 2015, there has been an 11pp increase since 2010.

Figure 3.11: Share of listening hours via digital and analogue platforms in Wales: Q1 2013 – Q1 2017



Source: RAJAR, all adults, 12 months to Q1 for each year

3.6 The radio industry

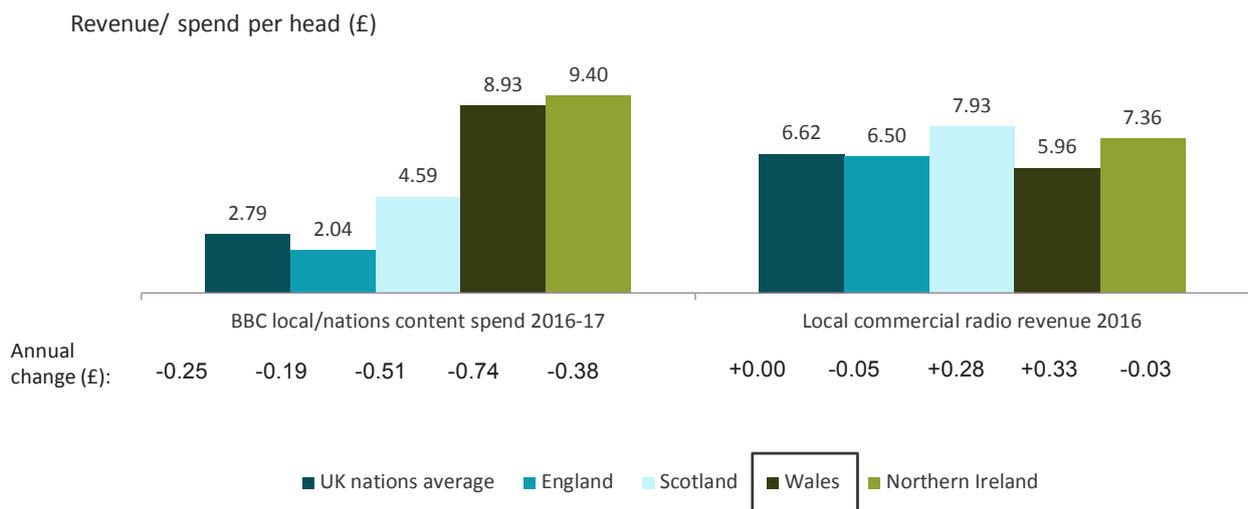
Local commercial radio revenue in Wales grew by 6% in 2015

Wales had the highest growth in local commercial radio revenue of any UK nation in 2016.

On a per-capita basis, revenues increased by £0.33 in real terms. Despite this high growth, Wales still has the smallest local commercial revenue per head of population of any UK nation, and is the only nation apart from England with revenues per head lower than the UK average.

Content spend on BBC Radio Wales fell by 8% in real terms, while content spend for BBC Radio Cymru fell by 6%. On a per-capita basis, Wales has the second highest level of BBC spend, and it increased by 74p in real terms, per head of population in 2016-17.

Figure 3.12: Local/nations' radio spend and revenue per head of population: 2016



Source: Broadcasters

Note: The UK total shows the average for local commercial radio across the four nations and therefore excludes services broadcast UK-wide. BBC Content spend at March 2017 prices, local commercial radio spend at 2016 prices.