The Communications Market: Digital Radio Report

This is Ofcom's first annual Digital Progress Report covering developments in the digital radio market. The data are the latest available at the time of writing.

Addendum: Figure 1 (on page 7) showing the distribution of listening hours across analogue & digital radio platforms has been updated following stakeholder feedback and to maintain consistency with the Ofcom Annual Communications market report published in August 2010.

Publication date: updated edition August 2010

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Section 1

Executive summary

Basis of report publication

The Government announced its Digital Radio Action Plan in July 2010. Ofcom was asked in the plan to publish an annual report on the availability and take-up of digital radio services. This is the therefore the first of those reports.

The plan emphasises that digital radio switchover should only begin when the market is ready for such a process and that it should therefore be predominantly consumer-led. An aspirational target date of 2015 was supported by the report. But it also concluded that a decision on switchover could only made once two criteria had been fulfilled:

- when 50% of all radio listening is via digital platforms; and
- when national DAB coverage is comparable to FM, and local DAB reaches 90% of the population and all major roads.

This report includes data on digital radio devices' share of radio listening. Future editions will also report on the coverage project, designed to measure current levels of FM and DAB coverage.

In this report 'digital radio' is used in its broadest sense to include all platforms and technologies that allow listeners to access digital radio services.

1.1 **Digital radio services are available via a number of different platforms including;** DAB digital radio, digital television (Sky, Freeview, Virgin Media, Freesat), and via the internet (which includes services received on PCs, WiFi internet radios and internet-enabled mobile phones).

1.2 In the three months to the end of June 2010, **just under a quarter (24.6%) of all radio listening hours were to services delivered over a digital distribution platform**. This was a 3.5 percentage point (pp) increase in digital listening over the year and an 11.8pp increase in three years.

1.3 The proportion of **digital listening varied significantly by demographic group.** Listeners under 65 and those from more affluent demographic groups were the most likely to listen to radio over a digital distribution platform. Digital listening was less prevalent among those over 65, and far less so among listeners over 75.

1.4 **DAB digital radio was the most widely-used means of listening to digital radio services**, accounting for almost two-thirds (63%) of all digital listener hours in Q1 2010; DTV was the second most popular choice (17%) with streaming over the internet ranking third (13%).

1.5 **The most listened-to digital-only radio stations also attract significant audiences.** Five digital-only stations drew in over a million listeners per week in Q1 2010. 'The Hits' was the most popular digital-only station, with a weekly audience of 1.5 million listeners over the quarter – although down by 14% year-on-year. BBC 6 Music's reach grew fastest over the past twelve months, reaching over 1 million listeners in Q1 2010 (up by 53% year-on-year).

1.6 **We estimate that there are between 70-80 million radio sets in homes** (in the form of portables, hi-fis or clock radios) **and a further 34 million sets installed in cars and commercial vehicles**. The total universe of these sets is therefore estimated to be at least 104 – 114 million.

1.7 There are, in addition to sets in the home and in vehicles, analogue radio tuners embedded in other devices such as mobile phones and MP3 players. Digital radio services are also available through digital television decoders, and can also be streamed over the internet to WiFi radios, PCs, and some mobile handsets.

1.8 **Ofcom consumer research shows radios in vehicles are the most likely sets to be used on a weekly basis (92% of the total).** A majority of portable sets are also used weekly (81%); the comparable figures for clock radios and hi-fis are 73% and 66% respectively.

1.9 **Over 11 million DAB digital radio devices have now been sold in the UK.** We estimate that 14 – 16% of radio sets in the home are digital (close to the 11m DAB digital radio sets that have been sold). In vehicles, we estimate that the number of DAB sets represents around 1% of the total on the road.

1.10 **More than one third (34.5%) of households in Q1 2010 claimed to have access to DAB digital radio**, up by 2.4 percentage points year-on-year. Take-up varies significantly across the UK. This was highest in east Surrey with over 50% of homes owning DAB, while many regions of Southern England and parts of Yorkshire also had above average ownership. DAB take-up was lowest in Northern Ireland, south-east Scotland and north-west Wales (possibly reflecting lower levels of DAB digital radio coverage in some parts of these areas).

1.11 **Among those who do not yet have access to a DAB digital radio set, 17% claim that they are 'likely' to buy a set in the next twelve months**. Fifty five percent (55%) of respondents without a DAB set at home said they were unlikely to buy one within the next year.

Section 2

Introduction

Basis of report publication

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The plan emphasises that digital radio switchover should only begin when the market is ready for such a process and that it should therefore be predominantly consumer-led. An aspirational target date of 2015 was supported by the report. But it also concluded that a decision on switchover could only made once two criteria had been fulfilled:

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Ofcom has general duties with regard to radio, as set out in the Communications Act 2003.

Our principal general duty, when carrying out our radio functions, is expressed in Section 3 of the Act. It is to further the interests of citizens in relation to communications matters; and to further the interests of consumers in relevant markets, where appropriate by promoting competition.

To meet this duty, Ofcom is required to secure (amongst other things):
- the availability throughout the UK of a wide range of television and radio services which (taken as a whole) are both of high quality and calculated to appeal to a variety of tastes and interests; and
- the maintenance of a sufficient plurality of providers of different television and radio services.

Other statutory duties also include:
- ensuring efficient use of the spectrum;
- encouraging effective competition; and
- ensuring an appropriate amount of local material is broadcast on each analogue local commercial service, a suitable proportion of which must be locally made. The last duty does not apply to digital radio.

And, in performing that duty, Ofcom must have regard to:
- the principles under which regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed; and
- any other principles appearing to Ofcom to represent the best regulatory practice.

Background on survey methodology

This report uses a range of data drawn from research sources, including:

- Ofcom licensing data;
- Retail equipment sales and pricing statistics (from an external agency, GfK);
- Ofcom technology tracker research data;
- Ofcom digital radio omnibus research;
- Department for Transport statistics; and
- RAJAR / Ipsos MORI / RSMB radio consumption analysis.

As with any survey data, Ofcom's technology tracking study is subject to an error margin – which will be up to +/- two percentage points. The omnibus survey work has an error margin of +/- three to four percentage points.

Section 3

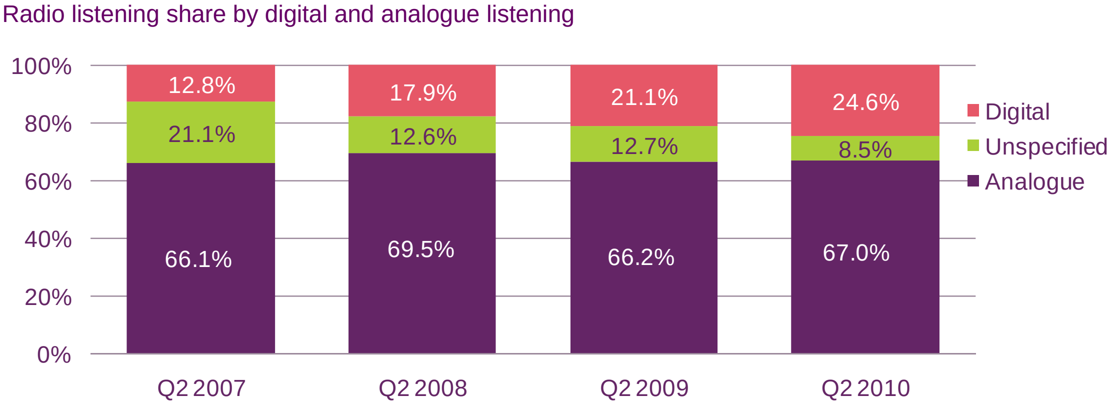
Listening to radio via digital platforms

Consumption of radio services via digital platforms

Digital listening share almost doubled over the past three years to 24.6% of the total

Listening to services on digital radio platforms (DAB, radio via digital TV, and over the internet) accounted for almost a quarter of all radio hours in Q2 2010 (24.6%), up 3.5 percentage points in a year (Figure 1). In the last three years, the share of listening allocated to digital platforms has increased by 11.8 percentage points (pp) from 12.8% in Q2 2007.

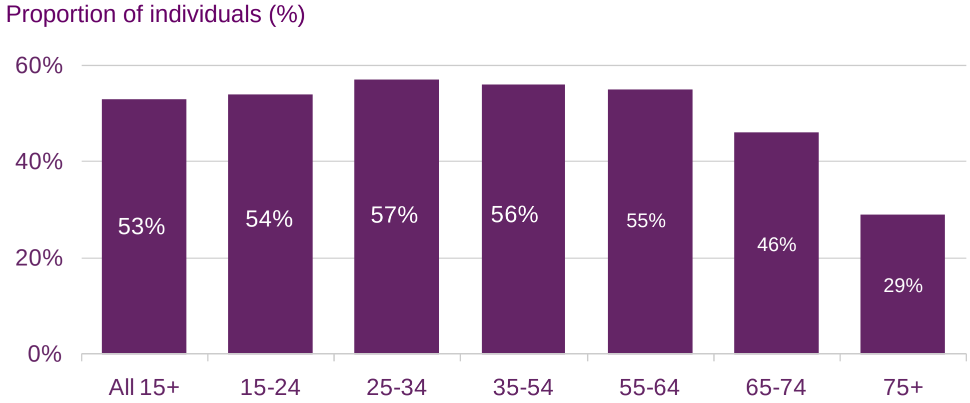
Figure 1: Distribution of listening hours across analogue & digital platforms



Source: RAJAR / Ipsos MORI/ RSMB, Q2 2010
Note: This chart has been updated from the original report published in July 2010 following stakeholder feedback and for consistency with the Ofcom Communications Market Report 2010 published in August. The full CMR report includes a section on radio and audio listening and is available at:
www.ofcom.org.uk/cmr10

By demographic, a broadly similar proportion of people aged 15-64 claimed to ‘ever’ listen to radio via a digital platform – in Q1 2010 this was between 54% and 57% of respondents, with 25-34s the most likely to listen to digital radio. A smaller proportion of people in older age groups were digital radio listeners, with just under half (46%) of over-65s claiming to have ‘ever’ listened through a digital platform. This figure was lower still for the over-75s, where less than a third (29%) used a digital platform for radio listening (Figure 2).

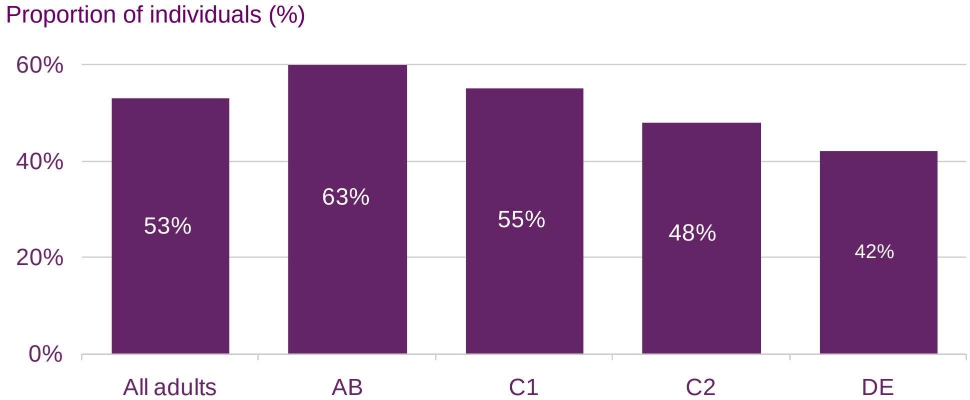
Figure 2: Proportion of people, by age, who have ever listened to radio through a digital platform, Q1 2010



Source: Ofcom research, Q1 2010
Base: All who listen to the radio (n=7017)
Q: Whether ever use digital radio

By socio-economic group, 63% of those in the AB category claimed to have listened to radio via a digital platform in Q1 2010; those in the DE group were least likely to listen to radio on a digital device (42%) (see Figure 3).

Figure 3: Distribution of listening to digital radio, by socio-economic group



Source: Ofcom research, Q1 2010
Base: All who listen to the radio (n=7017)
Q: Whether ever use digital radio

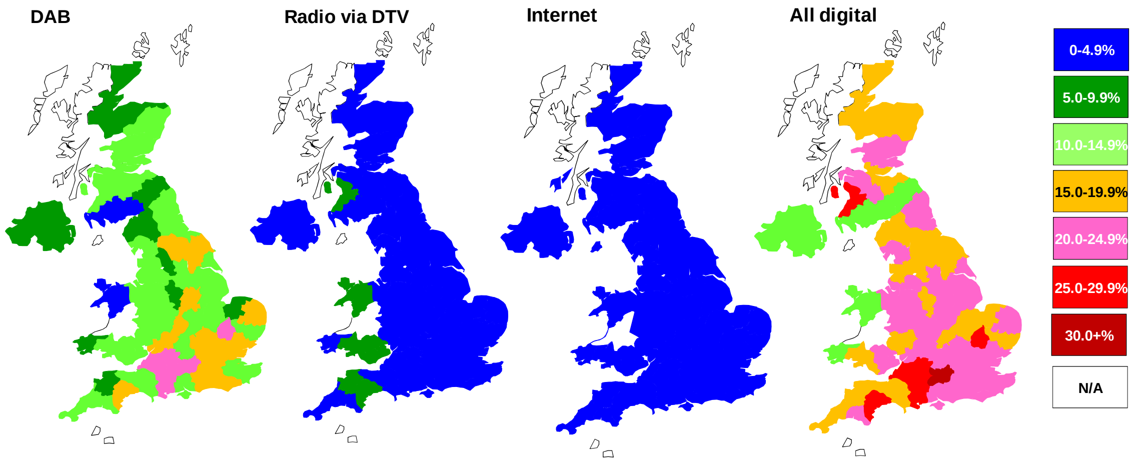
DAB accounts for the largest proportion of all digital listening

Figure 4 sets out the proportion of listener hours attributable to each digital platform during Q1 2010 for each area of the UK. Listening via any digital platform was highest in Berkshire and North Hampshire (over 31%), followed by Cambridge, Bristol, Wiltshire, Ayrshire and Exeter, where digital's share of all radio listening exceeded 25% of all hours.

DAB digital radio's share of all radio listening was highest (at 20.0% - 24.9%) in the areas along the M4 corridor and in Cambridge. Listening through DAB was lowest in South West Scotland and North Wales at less than 5% of listening.

In the majority of areas in the UK, radio listening via the internet and DTV stood at 0%-4% of all listener hours in Q1 2010. The exceptions were in parts of Wales and parts of Devon and Ayrshire, where listening through DTV commanded a 5.0% - 5.9% share of all listening, in some cases aided by digital TV switchover

Figure 4 Share of digital listening, by platform and area

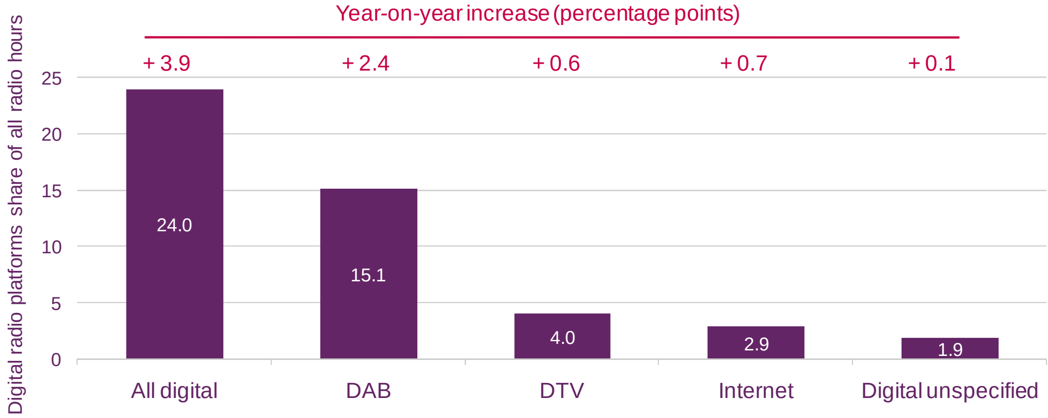


Source: RAJAR / Octagon, Q1 2010

Of the 24% of all listener hours that were delivered via a digital platform, listening to DAB digital radios contributed 15.1pp of the total (Figure 5). Of the 3.9pp annual increase in digital listening share, DAB digital radio accounted for 2.4 percentage points of the rise.

Digital television was the second most commonly-used digital platform, making up a further 4.0% of all listener hours (up from 3.4% in a year). Listening online took a further 2.9% share of all radio hours (2.2% in Q1 2009), with an element of "non-defined" digital listening making up the remainder (1.9%).

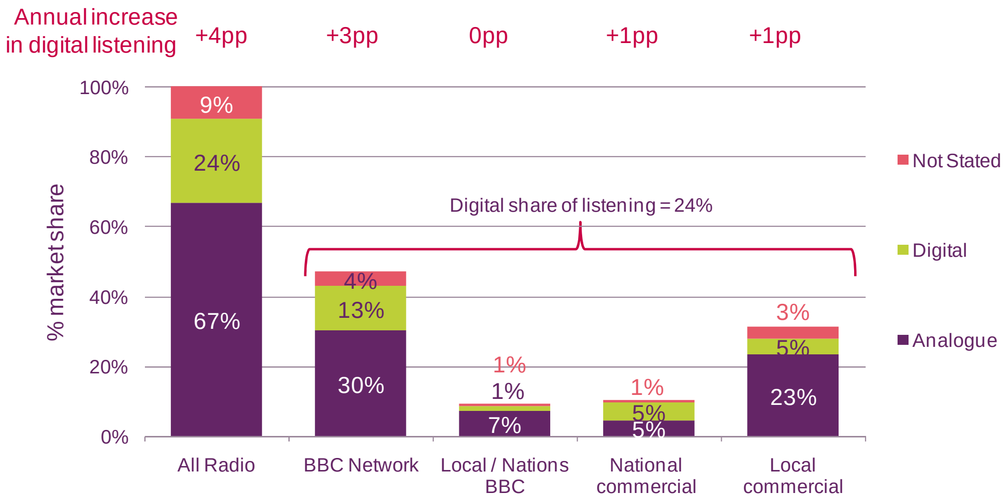
Figure 5: Digital radio's share of total radio audience, Q1 2010



Source: RAJAR (adult listeners 15+), Q1 2010
Note: 'Digital unspecified' relates to listening to digital-only stations where the survey respondent has not specified the listening platform used.

Of the 24% digital share of listener hours, over half (13%) were accounted for by BBC network services; a further 5% were to national commercial services and 5% to local commercial, with local BBC stations making up the remaining 1% (Figure 6).

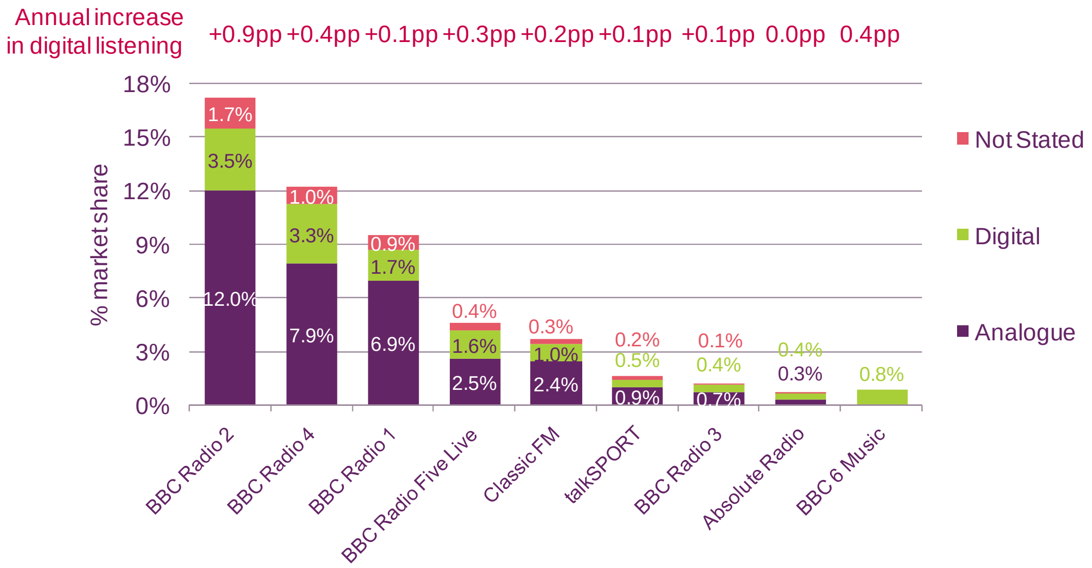
Figure 6: Distribution of listener hours, by service provider, between analogue and digital platforms, Q1 2010



Source: RAJAR/ Octagon, Q1 2010

A majority of radio listening via digital platforms is to services that are simulcasts of analogue services. Figure 7 illustrates patterns of listening among the most listened-to radio services; the top five, which account for around 50% of all digital listener hours, are all analogue simulcasts. Four of those five services are from the BBC, with Classic FM also the most listened to commercial station on digital radio.

Figure 7: Distribution of listener hours, by service, between analogue and digital platforms, Q1 2010



Source: RAJAR (adult listeners 15+), Q1 2010

Five digital-only services generated a weekly reach of 1 million+ listeners in Q1 2010

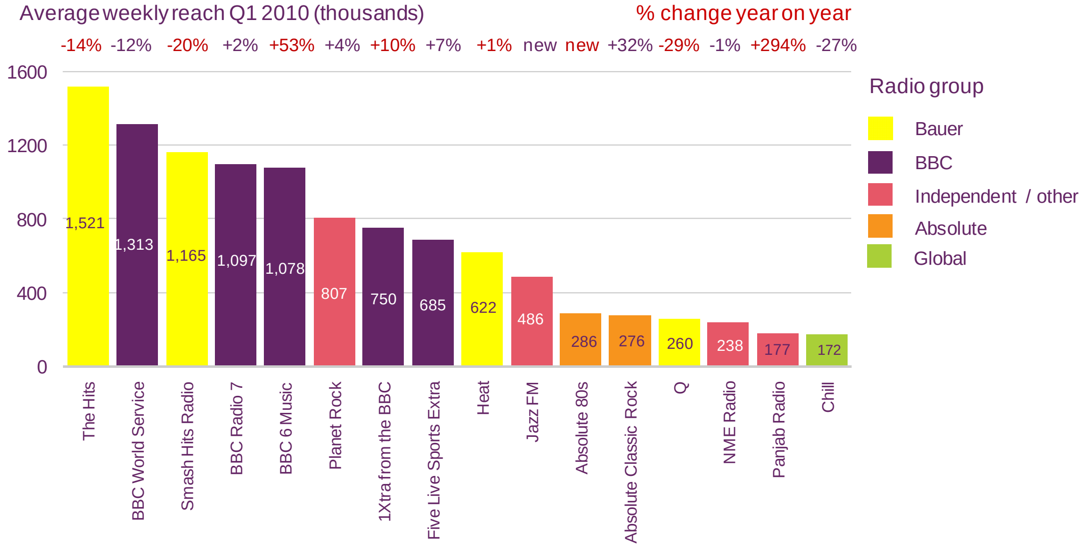
A number of digital-only stations' audiences have continued to grow over the past year, and five of the most popular digital-only stations were drawing weekly audiences of over a million in Q1 2010.

Of the top ten digital-only stations, five belonged to the BBC, with three owned by commercial group Bauer. The remaining two being independently owned (Planet Rock and Jazz FM). Altogether four of the top fifteen digital stations were independently owned (Figure 8).

During the year, three new stations – NME Radio, Panjab Radio and Absolute 80s – joined the national commercial DAB multiplex operated by Digital One. However, Panjab Radio ceased broadcasting nationally in June 2010 and NME in mid-July 2010. At the end of June GMG Radio announced that it was planning to relaunch its network of Smooth Radio services as a national DAB service.

Of the national stations, BBC 6 Music's digital reach grew fastest during 2009/2010, gaining almost 400,000 weekly listeners in a year, an increase of 53% to almost 1.1 million in Q1 2010. Of the newer stations, Jazz FM gained a weekly audience of almost half a million (486,000). Another new station, Absolute 80s, built an audience of over a quarter of a million (286,000) despite only broadcasting on DAB in the London area (though it launched nationally on DAB in May 2010). Independent station Planet Rock's audience rose by 4% to over 800,000 year on year.

Figure 8: Most listened-to digital-only stations, Q1 2010



Source: RAJAR, Q1 2010, (all listeners 4+), figures are rounded.

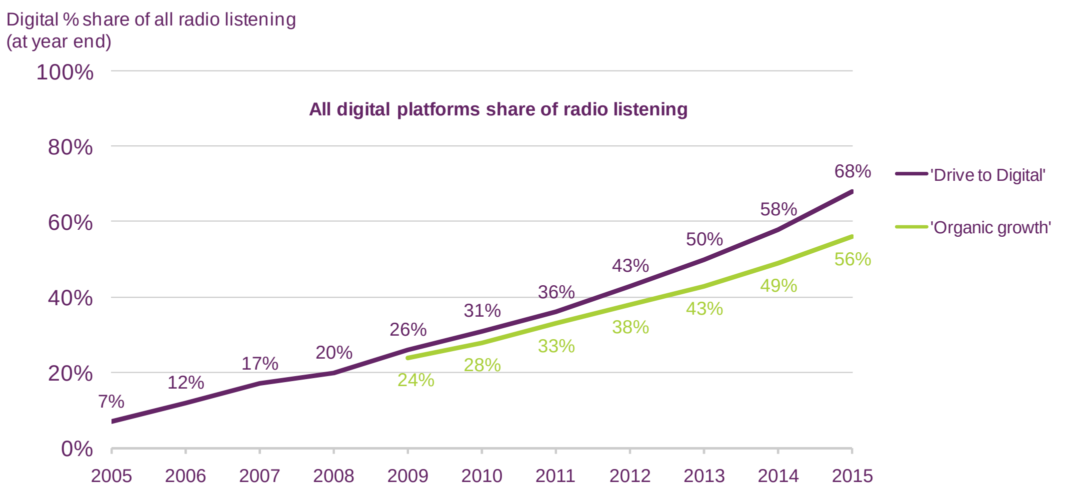
Digital listening projections

The previous Government's Digital Britain report set out projections for the share of radio listening over digital platforms.

Figure 9 illustrates the projected rise in digital radio listening under two scenarios: 'organic growth' and a 'concerted drive to digital'. Both suggest that a majority of listening hours will come through a digital radio platform by 2015.

By Q1 2010 digital platforms had gained a 24% share of all radio listening hours according to the RAJAR listening survey, which is broadly in line with the 'organic growth' outlined on the forecast chart.

Figure 9: The projected proportion of digital radio listener hours, according to the previous government's Digital Britain report



Source: RAJAR, Digital Britain, Value Partners analysis

Section 4

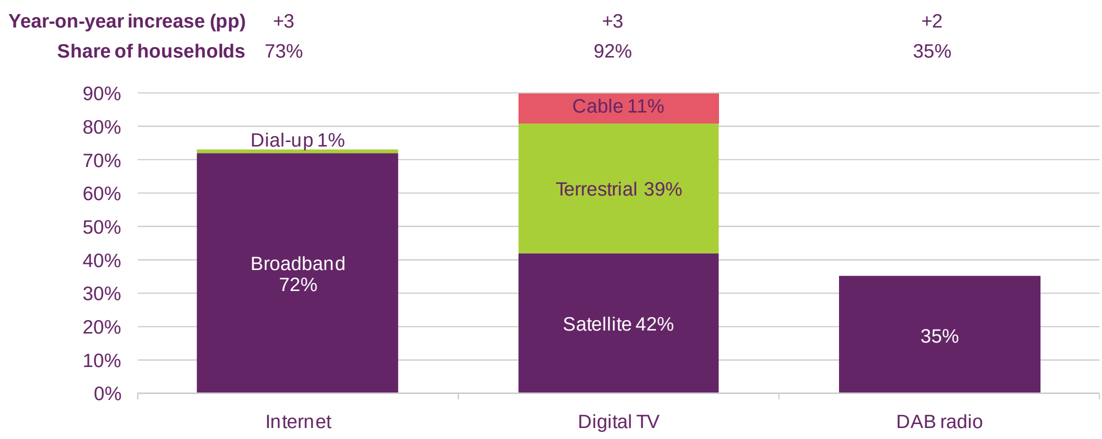
Take-up of devices and platforms

Ownership of digital-radio enabled platforms

A high proportion of people in the UK have access to digital radio services in the home on at least one platform

Take-up of devices offering access to digital radio has risen in recent years. By Q1 2010, over nine in ten homes (92%) had access to digital television on their main set (up from 89% year on year), and therefore could access digital radio channels. Seventy-three per cent had a broadband or dial-up internet connection (up from 70% in Q1 2009), thereby providing access to streamed digital radio services and to listen-again and downloadable radio content. DAB digital radio ownership rose to over a third of adults (34.5%) by Q1 2010, up two percentage points in the year (Figure 10).

Figure 10: Take-up of equipment capable of receiving digital radio, 2010



Source: Research from: Ofcom, GfK and RAJAR in Q1 2010

The radio set universe

We estimate that there are at least 104 million active radio sets in the home and in cars/commercial vehicles

There are at least two ways to estimate the size of the radio set universe – using consumer research data or device sales figures.

Neither approach provides an exact estimate. Consumer research can underestimate the figure, as people may understate the number of radio enabled devices in the home. Radio set sales can provide an indication of the size of the market but new purchases may add to the universe of sets *or* replace existing equipment; as a result, a net ownership figure can be harder to arrive at.

There are three main categories of devices in the home where radio is a primary or key function:

- portable sets;
- hi-fi equipment; and
- clock radios.

There additional media devices which also provide access to radio services. These include mobile phones, MP3 players, DTV decoders, PCs and WiFi radios. As people may not always be aware of the type of radio tuner included in these devices or may not regularly use them for radio listening, consumer research may offer a less reliable indicator of the total set universe for each. These devices have, therefore, not been included in the calculations set out in the table below.

Background on the consumer research
The survey data in this report is based on consumer claims, and is likely to include some under-reporting of the number of radio sets in households. These figures should therefore be treated as lower-bound estimates. To minimise the risk of under-reporting, and due to concerns over misattribution, we have focused on devices in the home which have the radio as their primary function: portable sets, hi-fi equipment, and clock radios. Other media devices in the home that also support radio services, such as mobile phones, MP3 players, DTVs and PCs have not been included in the calculations.

Across three main types of radio sets in the home (portables, hi-fis and clock radios only), our consumer research suggests that there were at least 70 million working devices in UK homes. Retail sales figures broadly agree with this estimate – over the last ten years, 80 million in-home radio sets have been purchased. However, universe of radio sets may be higher than this figure since (i) some purchased sets will have added to the universe (rather than replaced a set) and (ii) there will be some sets over ten years old that are still actively used.

In addition, based on transport statistics, there are a further 34 million radio sets installed in cars and commercial vehicles (on the assumption that most vehicles have a radio set).

Taken together, we estimate the total radio set universe, including in-home sets and car radios, stands at over 100 million devices.

Consumer research suggests that 83% of these sets are used at least weekly. Among these set types, car radios were most likely to be used on at least a weekly basis (92%). Eighty-one per cent of portable sets were also used at the same level of frequency, and 73% of clock radios. Two-thirds (66%) of hi-fis were used at least weekly for radio listening.

Based on sales data, there are 11 million DAB Digital Radio devices in the market. This suggests that of our set universe figures (i.e. in home sets and car radios) there are approximately 90 – 100m analogue radios in homes and cars.

The proportion of sales that are digital varies by category of device. Between 14% and 16% of sets in the home are digital. We estimate (drawing on sales data and market estimates from Value Partners) that up to 1% of radios in all types of vehicles also include a DAB digital radio tuner (Figure 11).

Figure 11: The radio set universe, frequency of listening and proportion that are digital

	Sets in the market (millions) – lower bound estimate[3]	Estimated proportion used at least weekly (%)[4]	Estimated proportion that are digital (%)[5]
In home radios[1]	70m – 80m	73%	14%-16%
Vehicle radios[2]	34m	92%	1%
Total	104 – 114m	83%	10%-11%

Source: Ofcom research on home radio ownership and vehicle figures from the Department of Transport
Note 1: In home radios includes hi-fis, portable radios and alarm clock radios.
Note 2: data on the number of vehicles on UK roads, as reported by the Department of Transport in December 2009
Note 3: Due to the complexity of estimating the radio set universe, we have included a range of figures based on consumer research conducted in November 2008 and GfK retail sales data for 2000-2010.
Note 4: Frequency of listening figures from Ofcom consumer research May 2010
Base: 1075 UK adults
(Q1) How many working (insert type of device) do you have in your household?
(*Q4ii to Q6i): How often do you or someone in your household listen to (type of device)?*
Note 5: Proportion of radios including a DAB digital radio tuner draws on GfK sales data, June 2010 (11million devices sold in ten years).

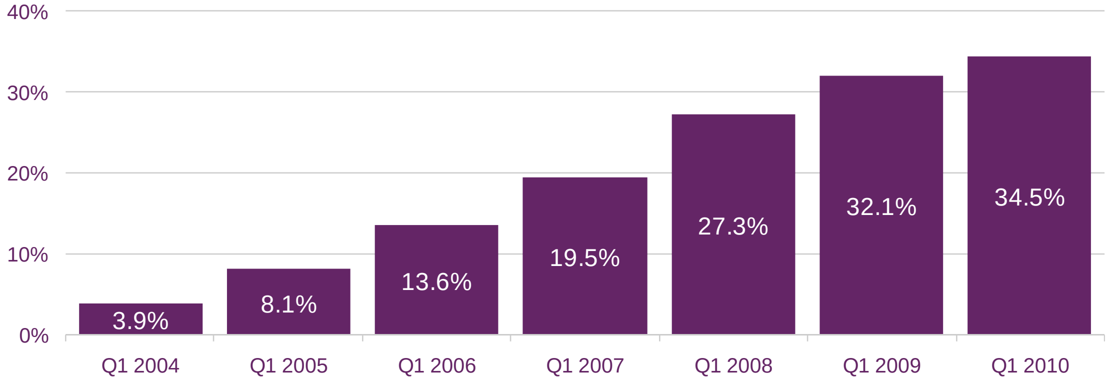
Based on our consumer research, additional radio devices in the market could add a further 34m devices to the figures set out in the table above. This includes portable devices such as mobile phones, MP3 and personal music players, (noting, as above, the possibility that consumer research may be less effective at identifying these device types).

DAB digital radio

One-third of adults now have access to DAB radio at home

RAJAR estimates that over a third of UK households (34.5%) owned a DAB radio set by March 2010 (Figure 12). Take-up grew from 3.9% of homes six years ago and is up by 2.4 percentage points over the last twelve months.

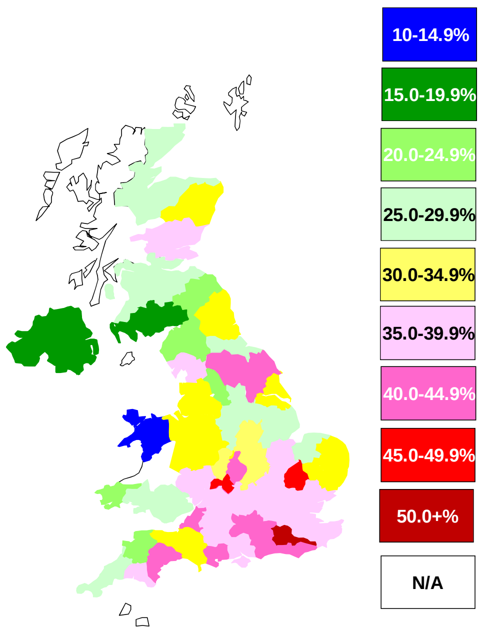
Figure 12: Proportion of individuals claiming access to DAB in the home



Source: RAJAR / Ipsos MORI / RSMB Q1 2004-2010.

DAB set take-up varies across the UK, possibly influenced by the availability of services. It was highest in east Surrey (50%), Cambridge (47%) and Stratford (46%). Set ownership was lowest in north-west Wales (at 14% of homes), Northern Ireland (17%) and south-west Scotland (20%) (Figure 13).

Figure 13: Take-up of DAB digital radio, by multiplex area

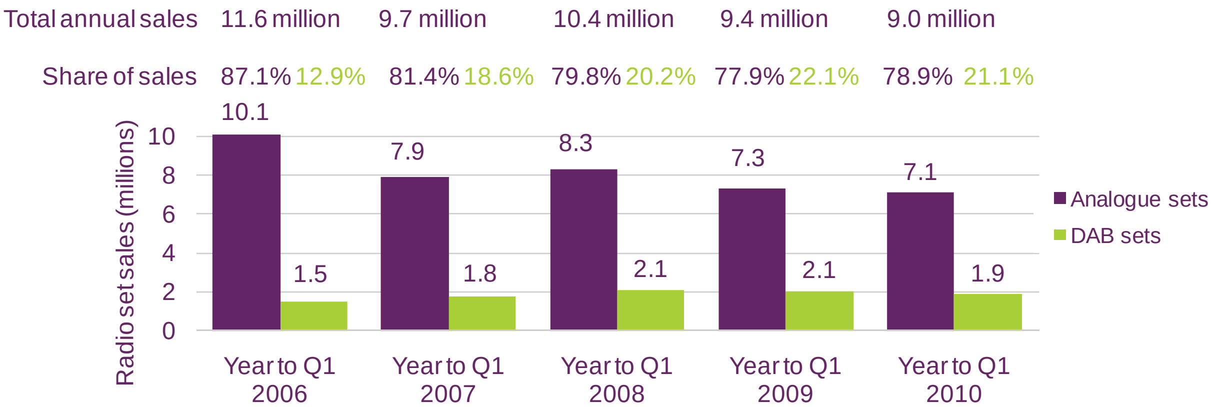


Source: RAJAR, Q1 2010

DAB sets now account for over a fifth of all radios sold

In the year to Q1 2010, DAB sets made up over a fifth (21%) of all radio sales by volume, with around 1.9 million units sold in the year to Q1 2010 (see Figure 14). This was up from a 13% share four years earlier. In the portable market, DAB sets accounted for 65% of sales. Total radio set sales (analogue and digital) were down by 400,000 to 9.0 million in the year.

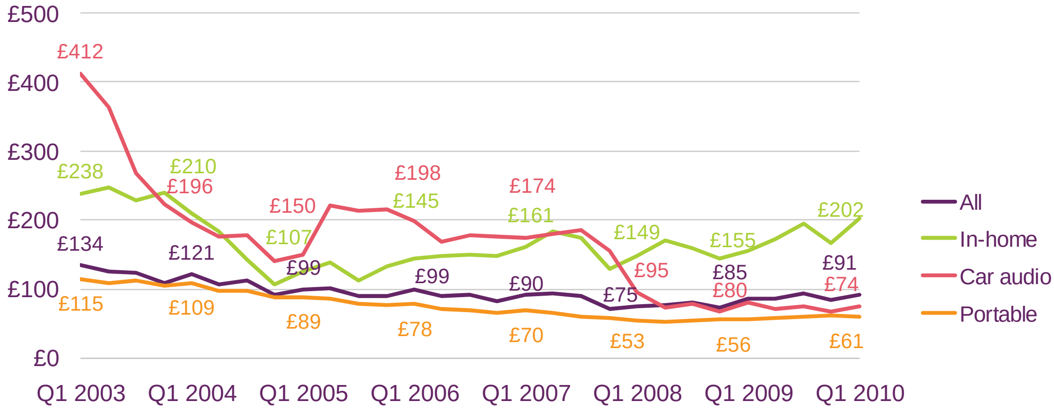
Figure 14: Number of analogue and digital radio sets sold



Source: GfK sales data, 2005- 2010

The average price paid for DAB sets followed a downward trend between 2003 and 2008. In the past two years however, the average price paid has risen, from £75 in 2008 to £91 by Q1 2010 (Figure 15).The portable category followed a similar pattern, with average prices up from £53 to £61 over the same period. Likewise, the in-home category (including DAB sets incorporated as part of hi-fi units), saw average prices increase from £149 to £202. The average price paid for a car DAB digital radio set fell from almost £200 in 2006 to £74 by Q1 2010, partly as a result of the increased availability of in-car DAB radio converters.

Figure 15: Average price of DAB digital radio receivers sold

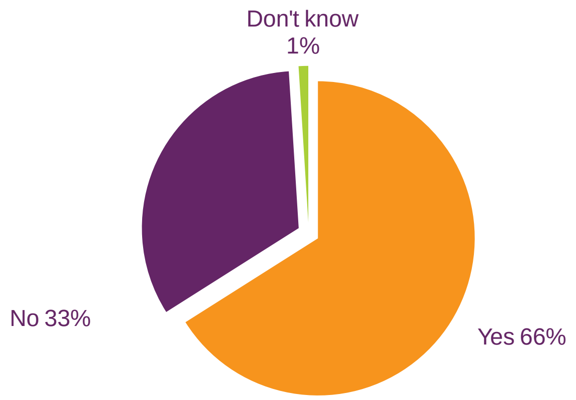


Source: GfK sales data 2003-2010

Attitudes towards, and awareness of, DAB digital radio services

The term ‘DAB digital radio’ is now recognised by a majority of people in the UK, with around two-thirds of consumers recognising the term or the DAB logo (Figure 16).

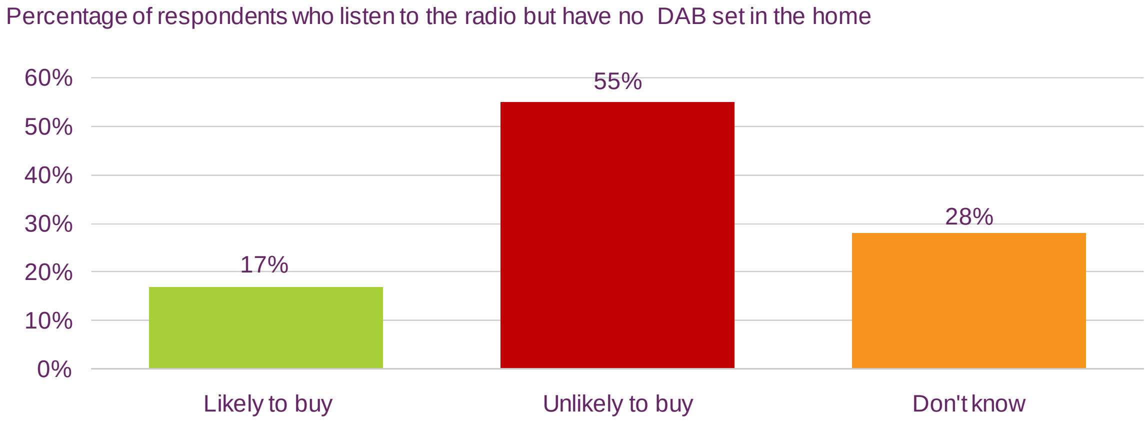
Figure 16: Have you heard of the term ‘DAB digital radio’?



Source: Ofcom research May 2010
Base: 1075 UK adults
Q: Have you ever heard of the term ‘DAB digital radio’ or seen this logo before today?

By Q1 2010 around 17% of those respondents without a DAB set said that they intended to buy one within the next 12 months (up by one percentage point on 2009). Of this total, 2pp of respondents claimed that they were certain to buy, while a further 5pp said they were very likely to buy. However, 55% of respondents said they were unlikely to buy within the year (Figure 17).

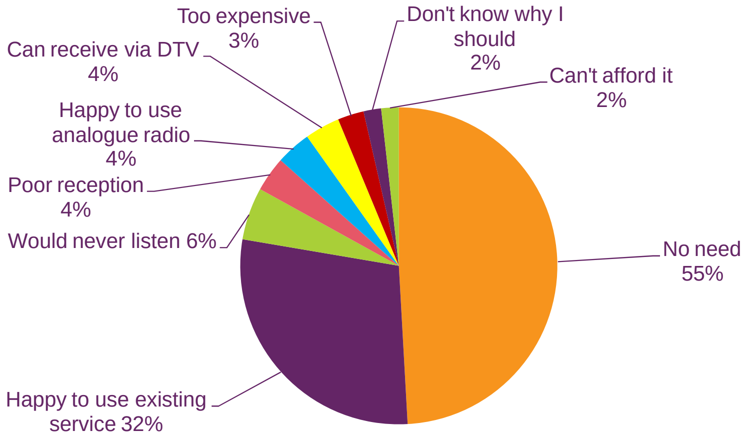
Figure 17: Likelihood to purchase a DAB set, Q1 2010



Source: Ofcom research, Q1 2010
Base: Those who listen to the radio but have no DAB sets in the home (4445 UK adults)
Q: How likely is it that your household will get a DAB radio in the next 12 months?

Of the 55% of respondents who said they were unlikely to buy a DAB set, the most frequent reason given was that the listener felt that they had no need for the service (55%). This was followed by being satisfied with existing services (32%). Another 4% pointed to poor reception in their area, while a combined 5% thought it was either too expensive or felt they personally couldn't afford a set (Figure 18).

Figure 18: Reasons for not acquiring a DAB digital radio set, Q1 2010



Source: Ofcom research, Q1 2010
Base: Those unlikely to get a DAB radio in the next 12 months (n=2531)
Q: Why are you unlikely to get a DAB radio in the next 12 months?

Section 5

Availability of digital radio services

Digital platforms on which radio services can be received

Consumers can access radio services on a range of digital platforms and devices. These include DAB digital radios, digital television, and devices that connect to the internet such as dedicated WiFi radios, home PCs, and 3G mobile platforms.

Each has different features, offering consumers a range of options. DAB offers the combination of being free-to-receive and portable, like analogue radio, but it requires a specific receiver. Digital television has the advantage of not requiring additional investment in equipment, particularly as television switchover results in widespread uptake of DTV equipment, but does not generally offer portability. Through an internet device, such as a computer, WiFi radio or smart phone, listeners have access to wide range of audio services including radio content originating from outside the UK as well as archive content. However such services generally require a paid-for broadband or 3G connection.

Coverage of digital platforms

The coverage (availability) of digital radio platforms varies.

- **Internet access:** dial-up internet connections can support low-quality streamed radio and are universally available across the UK. However, most consumers may prefer broadband internet to access online radio services, as listening is typically for extended periods of time and fixed broadband contracts tend to be priced independently of data quantities consumed (increased bandwidth also allows higher quality audio streams). Broadband internet access is available to 99% of the country, while 3G services are available to 87%.

- **Digital satellite television** is available to 98% of the country; **digital cable** to almost half (49%) of homes and **digital terrestrial television** to over 80% of households, according to latest estimates[1].

- **DAB coverage:** In July 2010 the BBC estimated that its national DAB network currently provided indoor coverage to around 85% of UK homes. With the addition of 61 new national transmitters it is planned that this will reach 92% of the population by mid-2011. Digital One has previously estimated that the national commercial DAB network provides coverage to over 90% of the population.

As part of the government's Digital Radio Action Plan, Ofcom is currently leading a process to consider the future spectrum planning requirements of digital radio, to prepare for the digital radio upgrade and to make recommendations to Ministers. This process will establish and agree the current levels of acceptable coverage of FM, which will provide the benchmark for all future planning, and determine the most technically efficient way of matching DAB coverage to FM. This is likely to consider appropriate DAB field strengths, which will be needed to calculate accurately the existing coverage of all national and local multiplexes, and to work out what steps are required to improve coverage. This process is likely to be completed by the end of Q2 2011.

[1] Ofcom's Communications Market Report provides more information on internet and digital television availability

Services available, by platform

Broadcast radio[2]

The latest licensing data shows there are a total of 288 analogue radio services available in different parts of the UK (excluding Community Radio) (Figure 19). These include 70 services broadcasting on AM and a further 254 on FM, some of which simulcast on both wave bands. A large proportion of the services on FM target regional or local communities.

Figure 19: Number of UK radio stations broadcasting on analogue (excluding community radio), July 2010

Type of station	AM	FM	Total analogue 1
Local commercial	31	203	234
UK-wide commercial	2	1	3
BBC UK-wide networks	1	4	5
BBC local and nations	36	46	46
TOTAL	**70**	**254**	**288**

Source: Ofcom, July 2010

The number of stations available to listeners on DAB digital radio varies by nation and region. There are ten UK-wide commercial services and 11 BBC services, including services that are only available on DAB digital radio (Figure 20).

Figure 20: Number of UK radio stations broadcasting on DAB, July 2010

Type of station	Relation to analogue area	Number of stations
Local commercial	DAB in analogue area	84
	DAB extends analogue area	22
	DAB only	33
UK-wide commercial		10
BBC UK-wide networks		11
BBC local and nations		32
TOTAL		**189**

Source: Ofcom July 2010

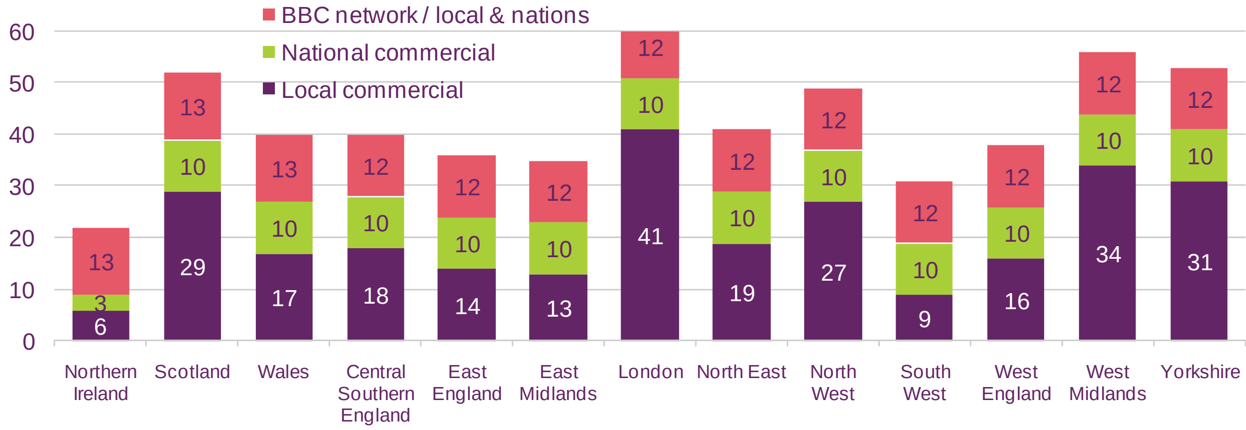
[2] To compile data on the number of digital radio services, we must decide how to define a service. A single radio brand may broadcast to many different parts of the country, using different technologies. For each area/technology combination, Ofcom issues a distinct broadcast licence (where it is licensable). The conditions of each licence will determine the amount of programming that may be shared between these licensed services. Here we have taken the view that a service providing at least four hours a day of separate programming (even if the same brand has other services) equals one service.

The availability of radio services on the DAB digital radio platform varies across the UK (see Figures 21 and 22). It is highest in the Greater London region, where listeners can receive up to 63 radio services, and lowest in Northern Ireland where the comparable figure is 22 stations. Outside the London area, the majority of homes in the UK where DAB coverage is available receive between 30 and 50 services.

Figure 21: Number of services available on DAB, by area

Source: Ofcom, July 2010

Figure 22: Availability of DAB stations, by area



Source: Ofcom July 2010

Radio services available on digital television and the internet
In addition to services on AM, FM and DAB digital radio, 76 stations were broadcasting on digital satellite, 24 were available on Freeview and 35 on cable. Many of these are simulcasts of AM/FM/DAB services.

There is no definitive number for the range of radio services available over the internet. But as an example, the online aggregation service, Reciva Internet Radio, has a database of over 10,000 radio stations, of which over 1,000 are listed as UK services.

Range of services

On DAB, there are currently 22 services available on the two national multiplexes, 11 from the BBC and 10 on Digital One.

The BBC's five analogue UK networks (BBC Radios 1 to 5 Live) are complemented by an additional 6 on the national DAB network:

- BBC Radio 1Xtra
- BBC Five Live Sports Extra
- BBC 6 Music
- BBC Radio 7
- BBC Asian Network
- BBC World Service

In early 2010 the BBC announced that it was considering reorganising its digital radio portfolio, with the possible closure of BBC 6 Music and the BBC Asian Network, and re-focusing BBC Radio 7 as BBC Radio 4 Extra. The BBC Trust has since concluded that the case had not been made for the closure of 6 Music. In June 2010, the Trust indicated that it would consider a formal proposal to close the Asian Network, provided that an alternative proposition could be found, such as through the provision of regionalised services.

The nine national commercial services on DAB comprise simulcasts of the three national analogue services:
- Classic FM – Classical music
- TalkSport – Sports-related speech programming
- Absolute Radio – Rock-orientated music

There are also six digital-only stations, with a further station (Smooth Radio) soon to launch:

- Planet Rock – classic rock music
- Absolute 80s – music from the 1980s
- BFBS – Armed Forces radio
- Premier Radio UK – Christian speech and music
- UCB UK - Christian soft adult-contemporary music
- Amazing Radio – Social network music radio
- Smooth Radio – easy listening for the over-50s (to launch shortly)

In addition to the national commercial and BBC services, most of the densely-populated parts of the UK are also served by two local / regional DAB multiplexes (three in London), each carrying around 10 services. This means that in large cities such as Manchester, Birmingham, Liverpool and Glasgow, listeners have a choice of over 40 radio services on DAB. These include most of the large local and regional analogue stations, which also broadcast on DAB.

A number of analogue stations have significantly extended their coverage to new areas on DAB. These stations include Gold, Heart, Galaxy, Kerrang!, LBC 97.3, Magic, Smooth and Xfm.

Other stations are digital only, covering significant areas of the country including: Jazz FM, Heat, UCB Inspirational, UCB Gospel and Traffic Radio.

Still others are digital-only services broadcasting in just one area, such as Yorkshire Radio, Fun Kids Radio and Asian FX.

Generally, community services tend not to be on DAB, but there are a couple of exceptions, such as Angel Radio in the south Hampshire area.

Seventy-six stations are available to subscribers of Sky's satellite television service. These include:

- the BBC's 11 national networks (also on UK-wide DAB)
- five of the BBC's nations' services for Scotland, Wales and Northern Ireland, and BBC Radio London (these are available on DAB in their own areas)
- the nine national commercial services which are currently available on DAB
- Fourteen London analogue stations (also available on DAB in London)
- Five other Asian services
- Eight other Christian services
- Seven services from the Republic of Ireland
- Fifteen other digital-only services, some of which are also available in some areas on DAB

The stations available via Freeview are all also available on DAB. They include

- the BBC's 11 national networks (also on UK-wide DAB)
- the BBC's 5 nations' services for Scotland, Wales and Northern Ireland (only in their home nation)
- Two of the national analogue stations, TalkSport and Absolute Radio (but not Classic FM)
- Five London analogue stations (Heart, Kiss, Magic, Smooth, Premier)
- Digital stations Kerrang! (also on FM in the West Midlands), The Hits, Heat and Smash Hits