

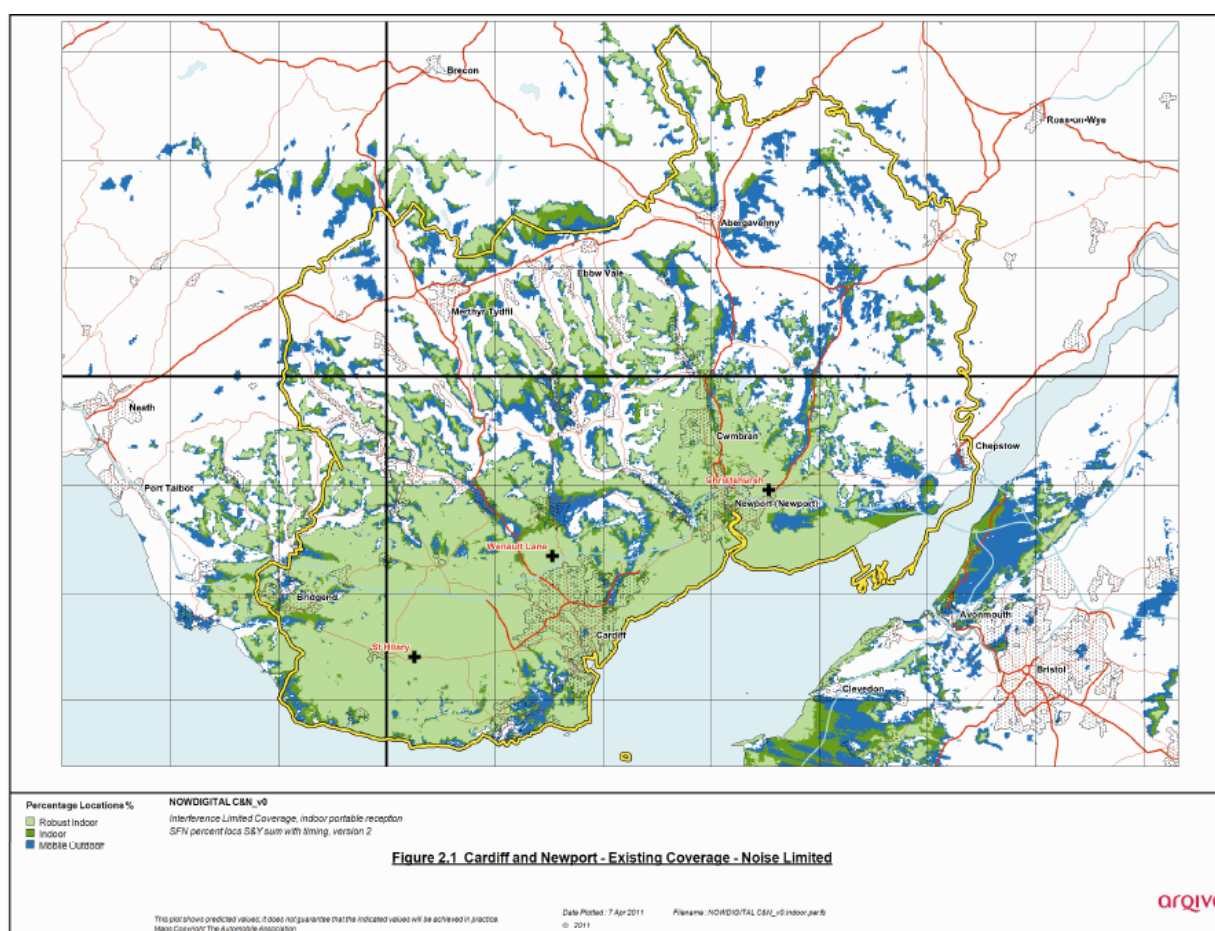
3 Radio and audio content

3.1 Radio service availability

Digital radio listeners living in the larger conurbations of Cardiff, Swansea, and Newport receive up to 32 DAB stations. These include the 23 UK-wide BBC and commercial stations, along with BBC Radio Wales / BBC Radio Cymru and additional local services serving South Wales carried on two local commercial multiplexes. There are currently no local DAB services on air in North or Mid Wales, but discussions are under way with the operators of licensed but as yet un-launched local multiplexes about launch dates. For further information on how DAB coverage may improve in the future, please see Ofcom's DAB planning consultation, published in June 2011¹.

The Cardiff/ Newport multiplex, operated by Now Digital, provides services to around 49.39% of households in its editorial area² (Figure 3.1). This broadcasts a range of stations including seven local commercial DAB services, such as Capital FM and Gold.

Figure 3.1 Commercial DAB multiplex coverage map for Cardiff and Newport

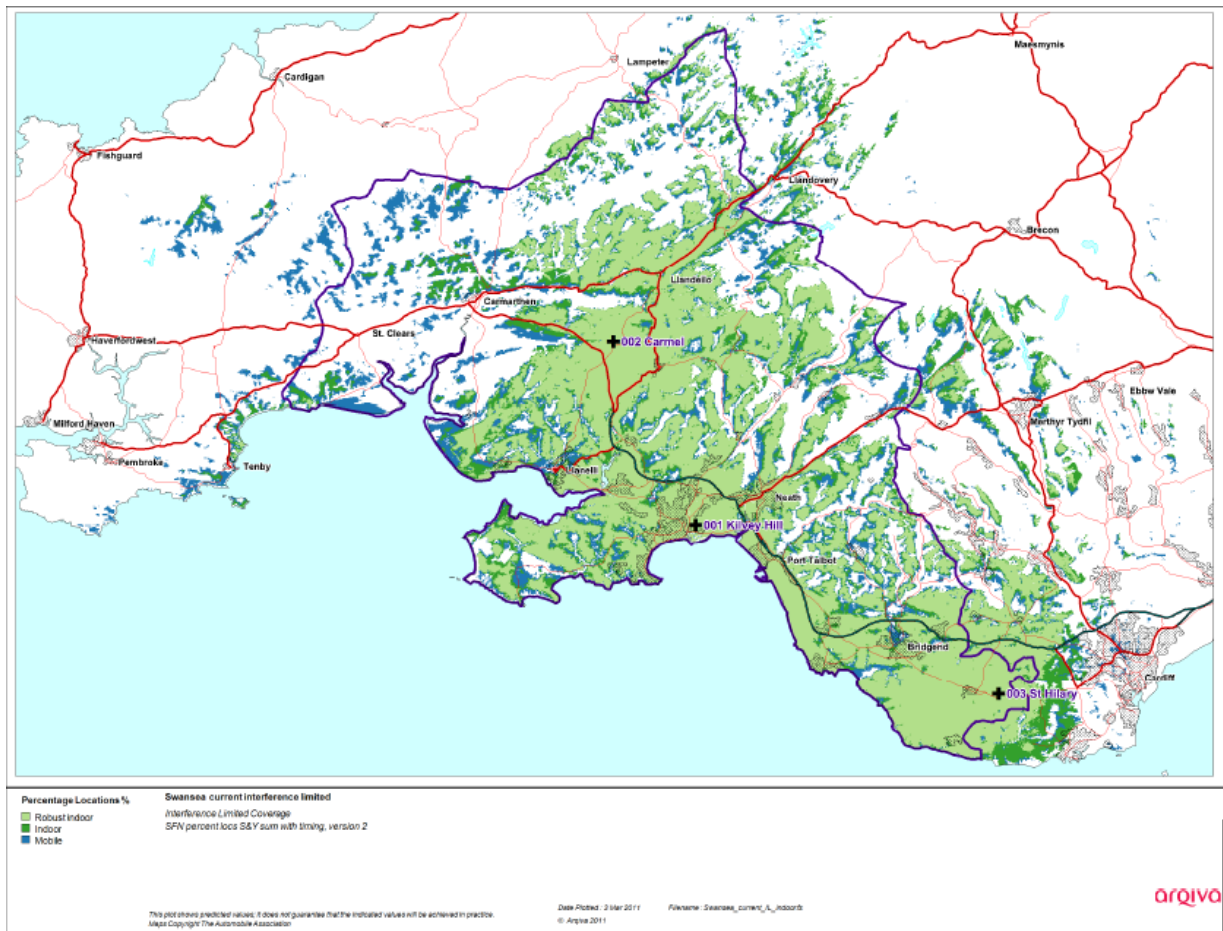


¹ <http://stakeholders.ofcom.org.uk/consultations/dab-coverage-planning/>

² http://stakeholders.ofcom.org.uk/binaries/consultations/dab-coverage-planning/858230/DSO_11C_Cardiff_The_Valleys1.pdf

The Swansea multiplex is operated by UTV-Bauer Digital and carries local stations including The Wave and Swansea Sound. It provides services to around 73.79% of households in the editorial area.

Figure 3.2 Commercial DAB multiplex coverage map for Swansea



3.2 Digital radio set ownership

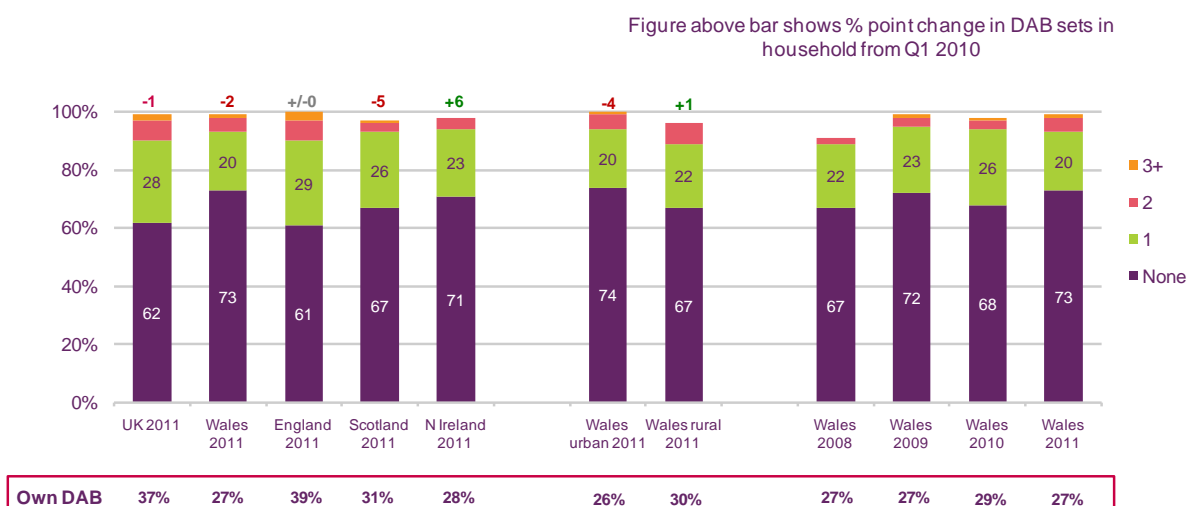
Just over a quarter (27%) of adults in Wales who listen to the radio report that they have a DAB radio set at home. The proportion of DAB set owners in Wales is ten percentage points lower than the UK average, which may have some connection to the availability of DAB in Wales compared with the rest of the UK³.

Among radio listeners in Wales who do not have a DAB radio set, one in five (22%) say that they are likely to purchase a DAB set in the next year, on a par with the UK average (21%)⁴.

³ Caution should be applied to these data since some respondents in our survey may have confused the description of a DAB radio set with an analogue set that has a digital display.

⁴ This finding should be treated with caution, as respondents' stated purchase intentions in survey research are often overstated.

Figure 3.3 Ownership of DAB digital radios



Source: Ofcom research, Q1 2011

Base: Adults aged 16+ who listen to radio and have any active radio sets in the household that someone listens to in most weeks (n = 2811 UK, 397 Wales, 1629 England, 357 Scotland, 428 Northern Ireland, 191 Wales urban, 206 Wales rural, 638 Wales 2008, 848 Wales 2009, 854 Wales 2010, 397 Wales 2011)

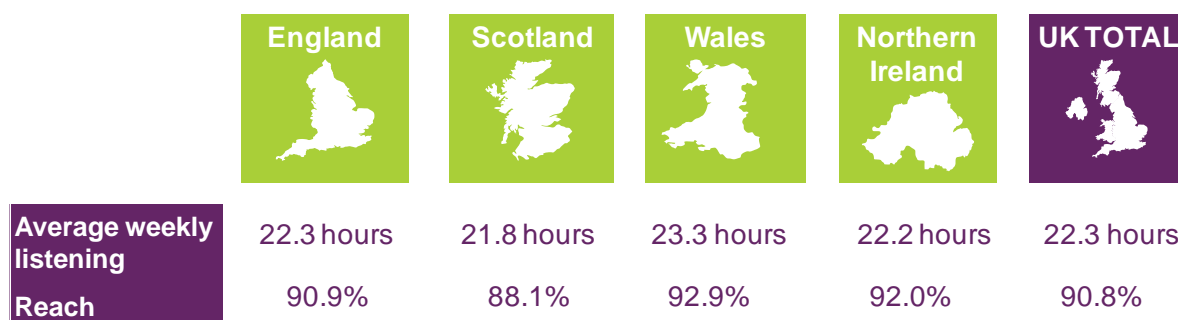
Q4. You said earlier that you have (NUMBER) radio sets in your home that someone in the household listens to in most weeks. How many of these radio sets are digital radios?

3.3 Patterns of listening to broadcast audio content

On average, adults in Wales listen to the most radio per week

Among adults in Wales, average weekly radio listening in the year ending Q1 2011 stood at 23.3 hours and average weekly reach 92.9% – both were the highest among all of the UK nations.

Figure 3.4 Average weekly reach and listening hours – year to Q1 2011

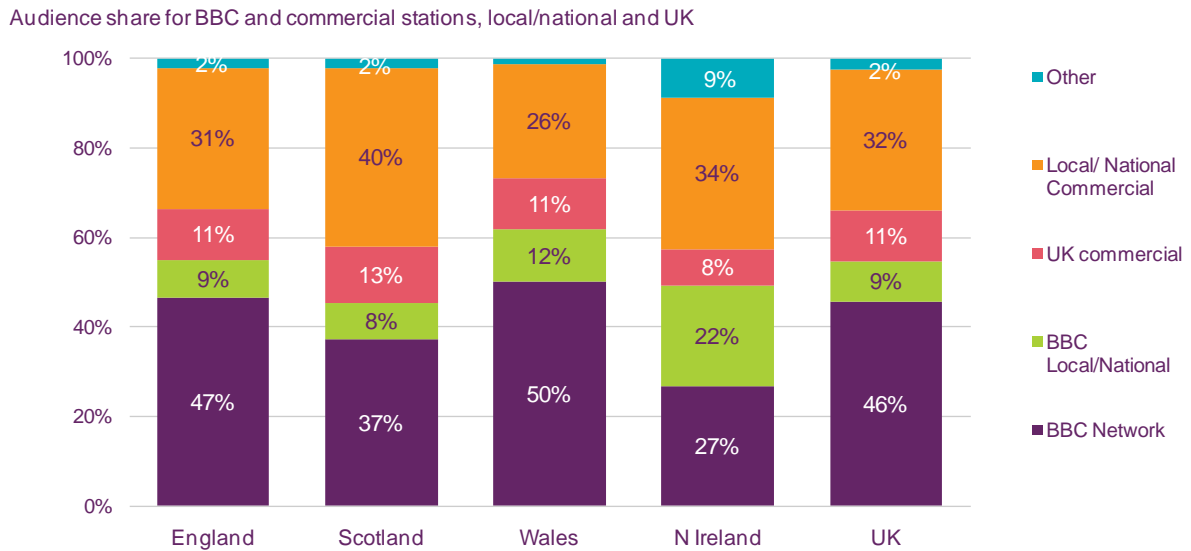


Source: RAJAR, All adults (15+), year ended Q1 2011. Reach is defined as the total proportion of the respective adult population who listened to at least five consecutive minutes in the average week.

BBC network stations are relatively popular among people in Wales

In the year ending Q1 2011, BBC network stations accounted for 50% of radio listening hours in Wales, the highest across any of the UK nations (the UK average was 46%). Conversely, local commercial stations attracted a market share of 26%, which was the lowest among the four nations (the UK-wide average share was 32%).

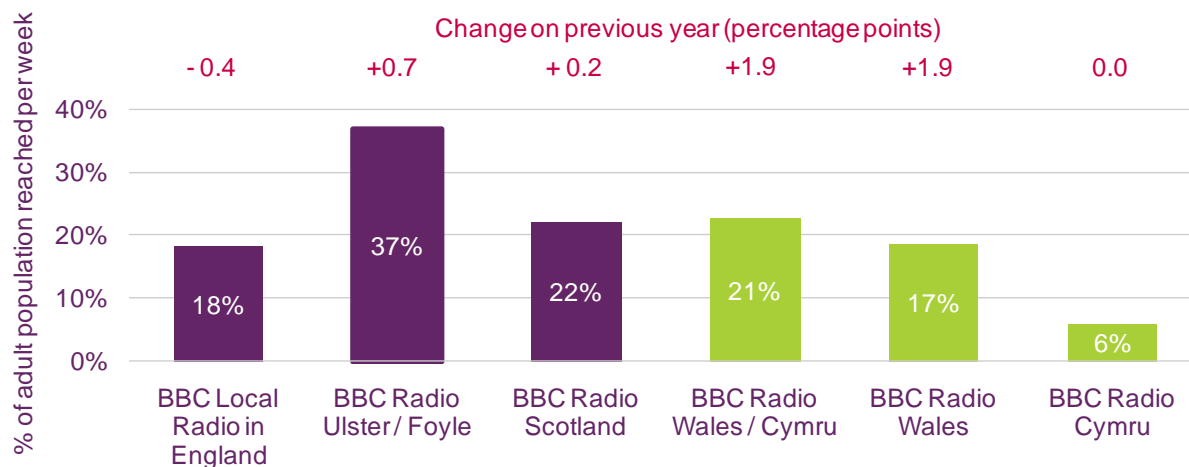
Figure 3.5 Share of listening hours, by nation: year to Q1 2011



Source: RAJAR, All adults (15+), year ended Q1 2011

Just over a fifth of adults (21%) listened to BBC Radio Wales/Radio Cymru in an average week in Q1 2011 (Figure 3.6). The figure rose year on year by 1.9 percentage points. BBC Radio Cymru reached 6% of adults weekly (on a par with 2009) while BBC Radio Wales reached 17% (up by 1.9 percentage points). Listening to nations-based services in Wales was similar to that in Scotland, with BBC Radio Scotland reaching 22% of adults per week.

Figure 3.6 Weekly reach for national/ local BBC services



Source: RAJAR, All adults (15+), year ended Q1 2011. Reach is defined as the total proportion of the adult population within each respective Total Survey Area who listened to at least five consecutive minutes in the average week.

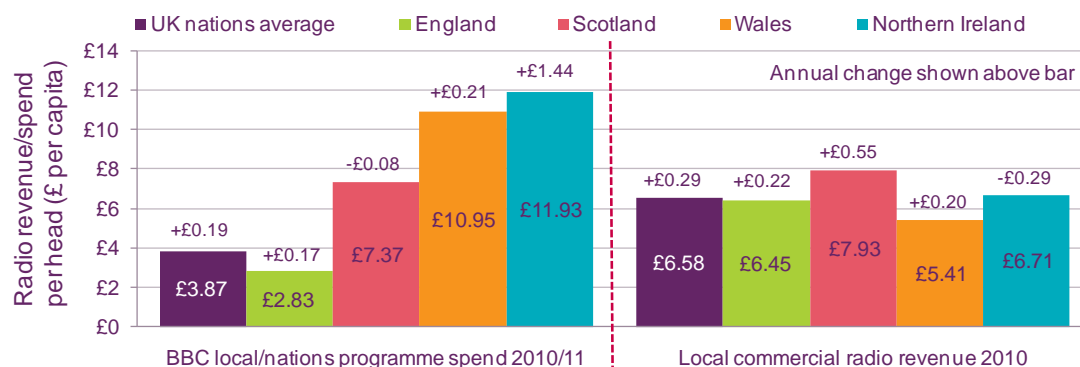
3.4 The radio industry

Commercial radio revenue and BBC Radio funding in Wales

The commercial revenues generated by local radio stations in Wales reached £16.3m in 2010. Adjusting for population size, Wales had the lowest revenue per head of the UK nations, at £5.41, despite a £0.20 (4%) increase on 2009.

BBC radio spend on BBC Radio Wales and BBC Radio Cymru totalled £33.1m in 2010/11. Expenditure per head was the second highest of the UK nations at £10.95, a 2% increase on the previous year. This is due to the smaller population in Wales and the added expenditure of running two services. It compares to the UK average spend per head of £3.87.

Figure 3.7 Local/nations radio spend and revenue per head of population 2010/11



Source: Broadcasters

Note: The UK total shows the average for local commercial radio across the four nations and therefore excludes revenues for the UK-wide commercial stations: Classic FM, talkSPORT, and Absolute. These figures supersede all others and are not directly comparable with historic data.

3.5 Recent developments

Real Radio becomes the first all-Wales commercial station

Real Radio expanded its service into Mid and North Wales in January 2011, thereby providing, for the first time, an all-Wales commercial radio service. Another development in commercial radio during the year was that Radio Maldwyn was sold to a new group and re-named Radio Hafren.

Community radio

In April, Ofcom announced a third round of community radio licensing. However, it will not be possible to launch new services in several areas of Wales, including Newport and Swansea, due to a shortage of available frequencies.

The Welsh Government's Community Radio fund agreed that all seven applicants: BRFM, Tudno FM, Point FM, XS (formerly Afan FM), Bro Radio, GTFM and Calon FM, should receive some funding (no applications were received from Radio Cardiff or Radio Tircoed).

The grants awarded were:

- GTFM in Pontypridd, £15,899.
- BRFM in Blaenau Gwent, £16,500.
- XS in Neath Port Talbot, £10,000.
- Tudno FM in Llandudno, £15,222.
- Point FM in Rhyl, £10,000.
- Calon FM in Wrexham, £16,500.
- Bro Radio in the Vale of Glamorgan, £15,899.