

The future of small scale radio

A research report for Ofcom



Prepared by Essential Research

July 2011



Contents

Executive Summary	03
1. Background and Objectives	09
Research Background.....	09
Research Objectives.....	11
2. Methodology and Sample	12
Methodology.....	12
Project Timeline.....	13
Sample.....	14
Re-weighting of the data.....	15
3. Research Findings:	
a) The value of small-scale stations: the listener perspective	16
Affection for and value of small-scale stations.....	16
The unique benefits of small-scale stations.....	19
Where small-scale stations deliver less.....	25
b) Differences between community and small commercial stations	27
Community stations.....	27
Small commercial stations.....	30
c) Policy scenarios: response	34
Setting-up new services.....	34
Attitudes to policy adjustment.....	36
Policy scenarios for existing services.....	36
A sliding scale of compromise.....	43
4. Conclusions	45
5. Appendix	48
Qualitative case studies on station participation.....	48
Qualitative Discussion Guide.....	49
Qualitative Stimulus.....	60
Quantitative Questionnaire and Data Tables.....	64

Executive Summary

Background and Objectives:

There are around 500 local non-BBC stations licensed in the UK, broadcasting on FM or AM. Around 150 of these could be classified as national, “large local” or regional stations, serving populations in excess of 250,000 and covering county-sized areas or large towns or cities.

The remaining 350 or so stations can be described as small local stations. They fall into two main categories, according to the way they are licensed.

- Around 140 of them are commercial stations, whose primary aim is to make profits for their shareholders, which they do by selling advertising. They are governed by licence conditions which require them to provide a certain amount of local programming. They also use this local programming to differentiate themselves from their commercial competitors that cover larger areas. Many of these stations have been broadcasting for a number of years.
- The remaining 200 or so are community stations. This is a relatively new type of station and almost all have been broadcasting for less than five years. These must be not for profit and must be funded by a diversity of funding sources: there is a limit of 50% on the proportion of their funding that can come from on-air advertising and sponsorship, and many receive funding in the form of grants from public and other bodies. They have included in their licences conditions which require them to provide “social gain” in the form of community information, accessibility for audiences and accountability to their local community. Some serve communities defined purely by geography; others serve more targeted local communities of interest, such as specific ethnic groups.

Both of these types of small-scale station have been under financial pressure due to declining advertising revenues and more recently, declining public funding.

The Government is currently developing a Digital Radio Action Plan which is considering how national and large local stations might migrate to digital-only broadcasting at some point in the future. Small-scale radio stations, both commercial and community, would remain on FM. The Government is also planning to introduce a new Communications Bill in the next few years which could seek to change the way that small-scale radio is regulated.

The purpose of this research is to provide an understanding of how much listeners value each type of small-scale radio in terms of the benefits they provide and to seek their opinions on the possible changes in the licensing and regulatory models currently applied to such services.

Ofcom commissioned Essential Research to conduct the research and this report details its findings.

The specific research objectives were as follows:

- To establish why people are listening to small-scale stations and what the unique benefits of these stations are
- To explore the social value of small-scale stations to individual listeners and communities as a whole
- To explore the different benefits and impacts of different types of small-scale station – small commercial vs. community, geographic vs. specialist
- To help test and refine three future policy scenarios within this sector, should relaxation in regulation be required to ensure their financial viability:
 - More advertising and other commercial activity
 - Less of a specific station focus – i.e. becoming more mainstream in terms of programming
 - Less participation by the station in the community

Research Approach:

A combined quantitative and qualitative methodology was used for this research in order to adequately address the objectives. The initial plan was to complete a robust quantitative investigation among station audiences within the broadcasting footprints of a sample of local stations in order to quantify opinions and attitudes towards local radio. This would be accompanied by some qualitative focus groups to add depth and insight. However, during the course of the study the main focus of the research shifted to a largely qualitative approach, due to recognised quantitative recruitment difficulties resulting from the small-scale of these stations which made effective recruitment of active station listeners a challenge.

The project was commissioned in June 2010, and the final integrated debrief was presented to Ofcom on 22nd March 2011. The methodology and project flow were as follows:

- 4 x Pilot qualitative focus groups
 - 2 x stations of geography – 1 Small Commercial and 1 Community station
- 10 x qualitative focus groups

- 4 x stations of geography – 2 Small Commercial and 2 Community stations
- 2 x specialist stations – 1 Small Commercial and 1 Community station
- 7 stations then took part in a first quantitative phase
 - 4 Small Commercial stations and 3 Community stations
 - There were the options of CATI or online questionnaires
- 5 further stations took part in a second quantitative phase
 - 3 Small Commercial stations and 2 Community stations
 - There were the options of CATI or online questionnaires
- 4 x qualitative groups
 - 2 x stations of geography – both Community stations

NB: In order to use the quantitative data effectively (due to the low incidence) a weighting was applied. This weighting was able to account for the variations in sample in a way that the community and commercial stations could still be differentiated in the sample.

Summary of Key Findings:

Small-scale radio services are highly valued by their listeners. They foster a real sense of belonging and listeners have a unique affection for them. These feelings of affection and value were most pronounced in areas where larger local stations have been re-branded and some listeners perceive that they have lost their local feel.

In addition, small-scale services offer benefits to their listeners that are not provided by other radio stations. These benefits are three-fold:

- Micro local information
- Quirky entertainment
- Local identity

It is not just about what these stations broadcast, but what they represent to their communities that make them so special to their listeners. They do not necessarily listen to these stations for long periods of time, but their level of engagement is higher than with most other stations.

There were three areas, however, where small-scale stations were not able to deliver to the same level as larger stations:

- National news and sport
- Experienced DJs
- Spoken word shows

Despite the many shared benefits that small-scale stations have, community and small commercial stations have a very different feel from each other, meaning they appeal and deliver these benefits in different ways.

Community stations have the most personal and familiar feel, with listeners feeling a real bond between them and their station. The DJs are often from the local community and use language and accents that listeners are familiar with. However, the somewhat amateur air that can sometimes be associated with these stations can make them seem unprofessional at times and, as a result, put some younger listeners off.

The music offering on community stations is considered very alternative by listeners, due to the specialist music shows and the unsigned local bands that are featured. This alternative music selection leads to appointment to listen, but means most listeners will tend not to tune in on an ad hoc basis, as the music often will not appeal to everyone.

Community stations are considered very active in their local areas, going beyond promotion and support and really getting involved in their community. They provide training and work experience, as well as encouraging community members to volunteer and go to events locally. Listeners feel that with more self-promotion more people will experience the benefits of these stations.

On small commercial stations the DJs are considered more professional. The local feel comes mainly from the high level of local information that they provide. They are the preferred destination for this type of information, especially in emergencies.

Their music offering is considered much more mainstream than on community stations, but with a quirky juxtaposition of songs. This output does not encourage appointment to listen, but means listeners can tune in whenever they feel like it and usually enjoy the playlist.

Small commercial stations are often well known within their local areas and go way beyond their remit when it comes to community involvement. They are considered very good at promoting and supporting local businesses and events, but some listeners felt they could get more actively involved with their communities putting their high profiles to good use.

Should financial difficulties require changes to the way stations are regulated in the future, listeners to small-scale stations are only willing to compromise on elements that don't affect the identity of the station. All small-scale stations are considered by listeners to be 'community' stations (regardless of their licence type) as this is the focal point of such stations.

As a result, listeners would prefer new services to be 'not-for-profit' (under current legislation, therefore, licensed as community radio services). These are more likely to remain local, because of the single ownership limit, which

means they cannot be bought by larger radio groups. However, in order for them to remain sustainable in the future, listeners understand the importance of local advertising as part of their funding mix. Greater commercial income generation was therefore considered to be acceptable as a way of protecting the localness and sense of community that small-scale stations have, whilst making sure they remain sustainable in the future.

Tied into wider economic issues, by the end of the field research period (early 2011), small-scale listeners had become much more open to the idea of compromise than they were at the start, some six months earlier. As long as these changes don't fundamentally alter the identity of the station, listeners accept that they could help such stations remain sustainable in the future.

Listeners felt that *increased on-air local commercial activity and sponsorship* would not threaten the identity of their small-scale stations to any great extent, and this proposal was therefore well-received as a potential policy adjustment. Potential associated benefits were also recognised - local businesses could promote themselves further and community members would be more aware of what was on offer in their local area.

Increased spot advertising was more of a problem however. It was not felt to bring any benefits, and small commercial stations in particular were considered to have a great deal of advertising already.

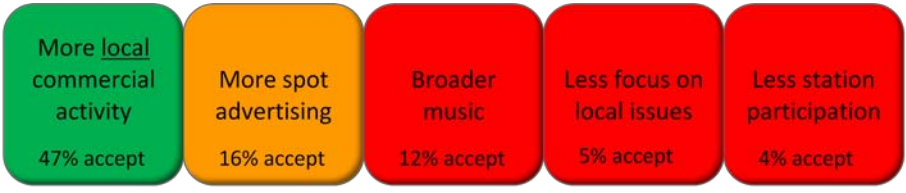
A broader music selection was not a huge problem for small commercial stations, as their music selection was considered quite mainstream already. Providing they could still provide a quirky mix within these playlists, this would be acceptable as potential policy adjustment. For community stations however, this would change the identity of the station as their music selection is so alternative. As a result community listeners were not willing to compromise here.

A reduced focus on local issues and less station participation were also potential policy adjustments that listeners were not willing to compromise on. Both of these elements were felt to be integral to the identity of small-scale stations. To obtain local information was one of the main reasons listeners tuned into their small-scale station and the participation by a station in its community was where its main value lay. If either of these potential policy adjustments were to go ahead, listeners felt that they would lose engagement with their small-scale stations and ultimately stop listening.

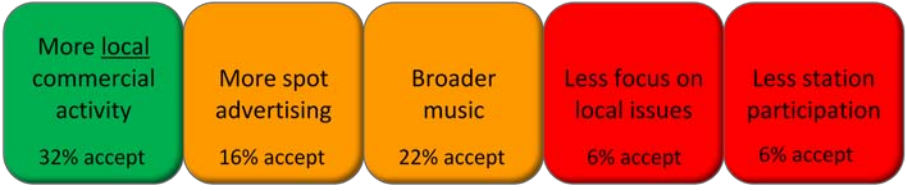
A sliding scale of compromise emerged from both the qualitative and quantitative research:

ESSENTIAL

Community stations:



Commercial stations:



QS16A: Which of the following changes would you be most willing to accept with regards to Station X [Total Base]

1. Background and Objectives

Research background:

There are around 500 local non-BBC stations licensed in the UK, broadcasting on FM or AM. Around 150 of these could be classified as national, “large local” or regional stations, serving populations in excess of 250,000 and covering county-sized areas or large towns or cities.

The remaining 350 or so stations can be described as small local stations. They fall into two main categories, according to the way they are licensed.

- Around 140 of them are commercial stations, whose primary aim is to make profits for their shareholders, which they do by selling advertising. They are governed by licence conditions which require them to provide a certain amount of local programming. They also use this local programming to differentiate themselves from their commercial competitors who cover larger areas. Many of these stations have been broadcasting for a number of years.
- The remaining 200 or so are community stations. This is a relatively new type of station and almost all have been broadcasting for less than five years. These must be not for profit and must be funded by a diversity of funding sources: there is a limit of 50% on the proportion of their funding that can come from advertising or sponsorship, and may receive funding in the form of grants from public and other bodies. They have included in their licences conditions which require them to provide “social gain” in the form of community information, accessibility for audiences and accountability to their local community. Some serve communities defined purely by geography; others serve more targeted local communities of interest, such as specific ethnic groups. Ofcom is currently inviting applications for more community radio stations.

During the economic downturn, like many other businesses, local radio stations, both commercial and not-for-profit community stations, have been struggling with declining revenues. Despite the recent emergence of some green shoots commercially, there are still going to be knock-on effects for these stations after the announcement of public spending contractions over the next few years. The effects of declining revenues and the knock-on effects of public spending cuts are particularly acute for very small stations that face unavoidable fixed costs despite their small scale.

In addition, smaller commercial stations are concerned about their place in the digital future. While a recent relaxation in regulation for commercial radio has

given more freedom to small local stations, the possibility of digital switchover for national and large local stations, leaving small-scale stations on FM has given some small-scale stations cause for concern.

In parallel, the Department for Culture, Media and Sport (DCMS) is preparing for a Communications Bill that will provide an opportunity to review the statutory framework within which small-scale radio is licensed.

Over recent years Ofcom has also launched and supported the emerging community radio sector, alongside the established commercial radio sector. It has seemed too early to analyse this relatively young sector which is still establishing itself, until now. With over two hundred stations already licensed and a third round of licensing now underway, it seems an appropriate time to review the community radio sector and conduct some specific research into these stations.

Ofcom therefore seeks to understand from the listener's perspective the value of small-scale radio (both small commercial stations and community stations). In particular, to assess:

- The value of the content currently provided to listeners by small-scale stations, and other benefits that small-scale radio delivers
- The differences between commercial and community stations
- The likely effect of possible changes in the licensing and regulatory models currently applied to small-scale stations

Ofcom can then use the information gathered to advise Government as it considers the future of radio policy.

Ofcom commissioned Essential Research to conduct this research study and this report details the findings.

It should be noted here that for the purposes of this research, small commercial stations were defined as:

- Stations with commercial radio licences serving fewer than 250,000 (adults aged 15+) within their measured coverage areas
- Stations with commercial radio licences and a measured coverage area with a radius of less than 10km

Approximately 140 stations fell within this definition.

Community radio stations are defined by the community radio licences they hold. They are:

- Not-for-profit radio services designed to operate on a small-scale and to deliver community benefits ('social gain') to one or more communities; each with
- A set of 'key commitments' which forms part of its licence and details how it will meet these characteristics and deliver social gain

Approaching 200 stations are now broadcasting as community stations, with others preparing to launch over the coming months. A third round of Community Radio licensing has also commenced, which will create further additional stations from 2012 onwards.

Research Objectives:

The main objective of this research was, therefore, to carry out a review of the small-scale radio market, examining small commercial stations and community stations in some depth.

This market review would then provide some insight about the listenership of these stations as well as the value and benefits they provide. These insights would then be used to inform future thinking about the small-scale radio sector.

The specific research objectives were as follows:

- To establish why people are listening to small-scale stations and what the unique benefits of these stations are
- To explore the social value of small-scale stations to individual listeners and communities as a whole
- To explore the different benefits and impacts of different types of small-scale station – small commercial vs. community, geographic vs. specialist

In addition, the research was also used to help test and refine three possible future policy scenarios within this sector. These scenarios were chosen to represent possible policy interventions that might help small-scale stations remain sustainable in the future.

The scenarios were:

- More advertising and commercial activity to increase station revenue
- Less of a specific station focus to lower the station's operating costs
- Less participation by the station in the community to lower the station's operating costs

2. Methodology and Sample

In order to adequately address the research objectives, a combined quantitative and qualitative methodology was used for this research project. The initial plan was to complete a robust quantitative investigation accompanied by some qualitative focus groups to add depth and insight. However, during the course of the study the main focus of the research shifted to a largely qualitative approach, due to recognised quantitative recruitment difficulties resulting from the small-scale of these stations which made effective recruitment of active station listeners a challenge.

Methodology:

The study began qualitatively with some pilot focus groups to test the scope of the research and the policy scenarios selected. The pilot was followed by an initial phase of qualitative focus groups. This was followed by 2 quantitative phases, one after the other, each targeting different small-scale stations. The project was completed with a second phase of qualitative focus groups.

The **qualitative methodology** was as follows:

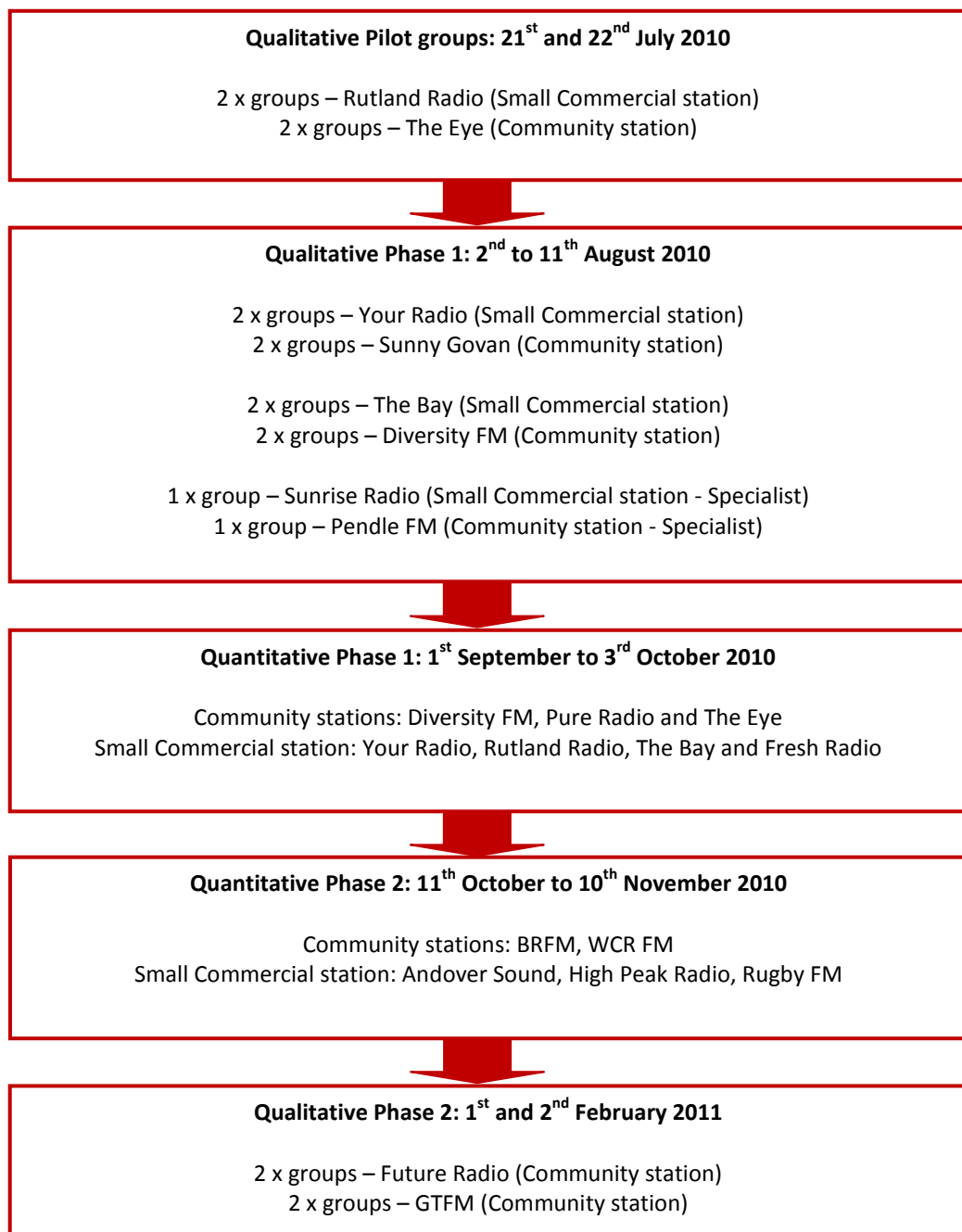
- 4 x Pilot groups
 - 2 x stations of geography – 1 small commercial and 1 community station
- 10 x groups for Phase 1
 - 4 x stations of geography – 2 small commercial and 2 community stations
 - 2 x specialist stations – 1 small commercial and 1 community station
- 4 x groups for Phase 2
 - 2 x stations of geography – both community stations

The **quantitative methodology** was as follows:

- 7 stations were selected to take part in Phase 1
 - 4 small commercial stations and 3 community stations
 - There were the options of Computer Assisted Telephone Interviews (CATI) or online questionnaires
- 5 stations were selected to take part in Phase 2
 - 3 small commercial stations and 2 community stations
 - There were the options of CATI or online questionnaires

Project timeline:

The timeline for the project was longer than initially planned because of the shift in the focus for the methodology, and the need for a further phase of qualitative research. The project was commissioned in June 2010, and the final integrated debrief was presented to Ofcom on 22nd March 2011. The flow was as follows:



Sample:

It was anticipated that recruitment for the research project would be challenging due to the small geographical coverage of the stations involved. As a result the sample profiles for both the qualitative and quantitative phases were fairly simple, in order to make recruitment manageable.

The **qualitative sample** for the focus groups in both Phase 1 and Phase 2 was as follows:

- All respondents were either regular or occasional listeners of their small-scale station
- All respondents were interested their local areas, and keen to get involved
- There was a mix of gender per group
- For each station of geography there was:
 - 1 younger group – 18-34 years old
 - 1 older group – 35-60 years old
- For each BME station there was just one group with a mix of ages

Each focus group was over-recruited (9 for 8 respondents), but for the pilot groups and Phase 1 there was an average of six people per group. Recruitment for small-scale stations in more rural areas (such as Rutland Radio and The Eye) was particularly difficult.

For the focus groups in Phase 2, however, recruiters were given longer lead times to find respondents and stations in less rural areas were selected. Each focus was still over-recruited (9 for 8 respondents) but there was a full turn out at every group.

The **quantitative sample** in both Phase 1 and Phase 2 was as follows:

- All respondents had to be 16 or over to take part
- No respondents were allowed to be involved with the station in question
- No respondents were allowed to be involved with the radio industry

Respondents were encouraged to take part in the quantitative study by on-air announcements made by the stations selected to take part. Banners were also placed on station websites, as well links to facebook and other social media in order to maximise exposure for participation. There was a target of 100 completes per station required to make the study robust.

Re-weighting of the data:

In reality however, finding 100 respondents for each station selected in both Phase 1 and Phase 2 proved challenging within the resources and time available. Response levels varied significantly from station to station and as a result it was necessary to re-weight data in order to counter these variations and provide a more balanced total sample for analysis.

In Phase 1 the numbers of completes achieved per station ranged from 14 to 114, and in Phase 2 the number of completes achieved per station ranged from 9 to 141.

As mentioned above, in order to be able to use the quantitative data effectively a weighting was applied. This weighting was able to account for the variations in sample in a way that ensured that community and commercial stations could still be differentiated from each other. This weighting was also designed to reduce the influence of Pure Radio and Andover Sound resulting from their disproportionate representation within the original sample.

The final quantitative sample was thus, as follows:

	Pilot 1	Pilot 2	Total	Weighted Total
Final Sample	245	209	454	300
Community Stations	133	22	155	95
Small Commercial Stations	122	187	299	205

3. Research findings:

a) The value of small-scale services: the listener perspective

Judging by the responses from both the quantitative and the qualitative research, it was clear that small-scale services are highly valued by their listeners. They offer unique benefits that other radio stations cannot and do not offer, and bring communities together through their support and involvement in their local areas.

Affection for and value of small-scale stations

Listeners have a real affection for their small-scale services. This affection appeared to be peculiar to small-scale local stations as they did not seem to have the same warmth and fondness when talking about the other radio stations that they listened to. This affection was not just derived from listening, however, but also from a sense of belonging that the station created – listeners felt that they were a part of something.

“We’ve got a lollipop man in our village, and he is virtually the heart of our community. He’s always there, and he’s always smiling and he’s always happy and tells you all the gossip. That is how I see GTFM.”

GTFM listener, 35-60 years old, female

“If there was a football team in Oakham, you would go to support them, even if they were terrible, because they are your local team. It’s the same with supporting your local shops and local cafés, it’s all about local community and spirit, and Rutland Radio is a part of that. It is a small community and Rutland Radio is the centre piece of it.”

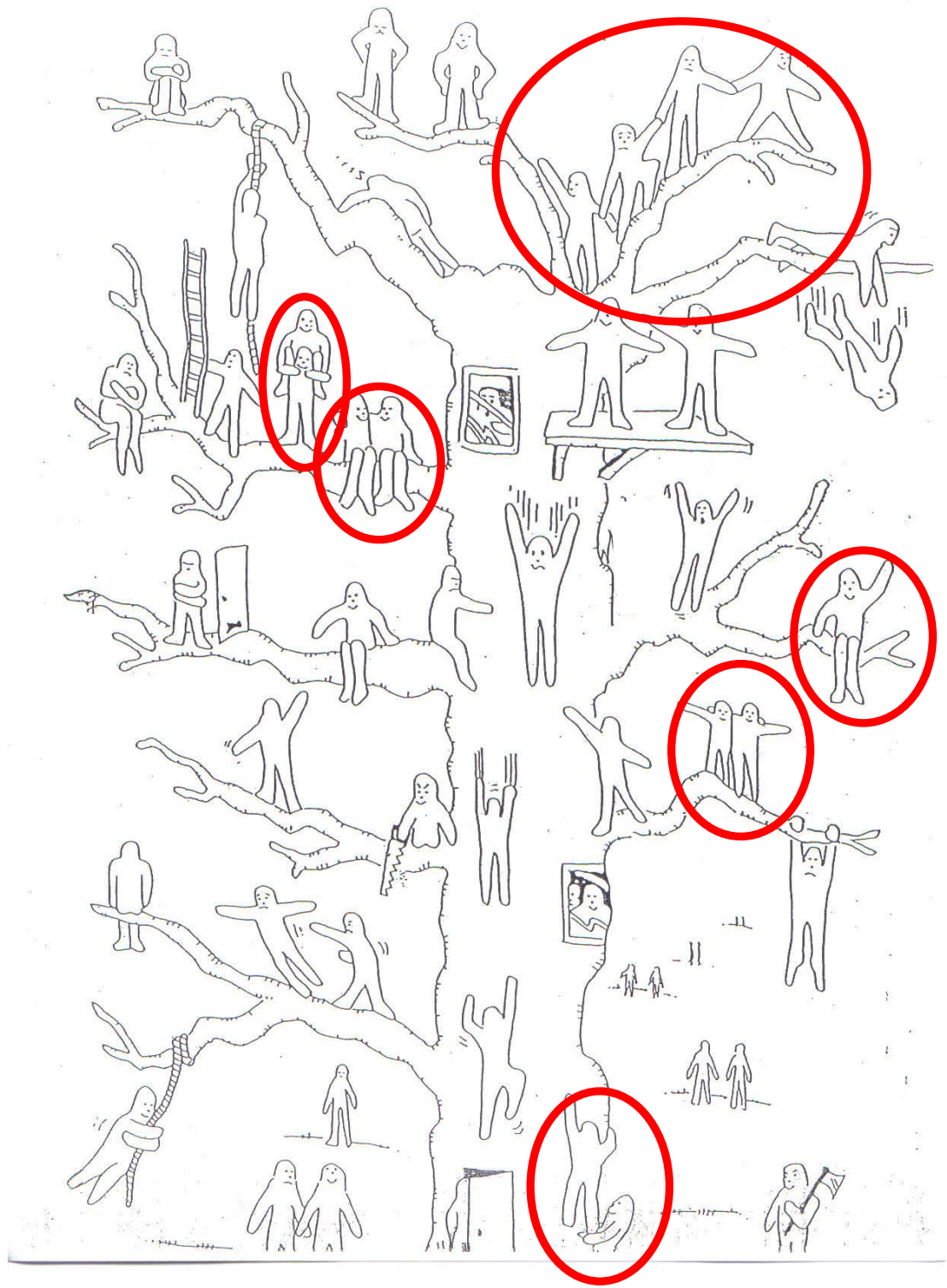
Rutland Radio listener, 18-35 years old, male

The quantitative findings support this unique sense of affection with 62% of listeners saying that they liked their small-scale station a lot. Less than 1% of all quantitative respondents disliked their small-scale station. It should be noted here that all respondents were recruited as interested listeners, which accounts to some degree for these positive associations.

The value that listeners place in their small-scale stations became apparent when respondents completed the **‘Mood Tree’ exercise** - a projective technique used to elicit additional emotional responses from respondents.

ESSENTIAL

They were shown an image of a tree with lots of figures in it in various poses and with various expressions (see image below). They were asked to circle the figures on the tree that they felt best summed up their feelings towards, and their relationship with, their small-scale station:



The figures most frequently chosen by our respondents were happy and contented, often in groups representing friendship and community spirit. The figures were usually smiling, waving their hands or putting their arms round each other. There was also an element of support that came through from the figures chosen; some were giving a 'leg-up', whilst others were holding hands and helping each other along.

"I can relate to those ones giving a helping hand up the tree. It [the small-scale station] helps people to reach their goals; it gives them hope when no one else will."

Future Radio Listener, 35-60 years old, male

It should be noted here that some of the younger listeners in our sample were less engaged with their small-scale station as other listeners. Generally they were less frequent listeners, and unaware of some of the benefits provided by their station.

These feelings of affection and the value placed in small-scale stations were most pronounced in areas where local stations had recently been re-branded by larger commercial radio groups. Listeners in these places felt that the re-branded stations have lost their local feel, and the many associated benefits, making remaining small-scale stations ever more precious.

A good example of this would be Broadland 102.4 FM being re-branded to Heart. Future Radio listeners in Norwich (within our sample) assumed Broadland had been bought out when it was re-branded to Heart and started sharing all of its local programming with Suffolk, and at the same time felt that it has lost its appeal. It no longer felt like a local station to them – its focus felt more regional. Listeners did not have the same affection for the station and the service it provided was less valued.

"I used to listen to Broadland all the time, especially for local information, but now they're Heart I don't listen anymore because they are so far behind everyone else."

Future Radio listener, 35-60 years old, male

It was a similar story for the listeners of GTFM in Pontypridd after Red Dragon was re-branded to Capital FM.

The unique benefits of small-scale stations

Listeners also felt that their small-scale services offered benefits to them that were not delivered by other radio stations. These benefits can be distilled down into 3 key areas:

- Micro-local information
- Quirky entertainment
- Local identity

Micro-local information

Micro-local information was considered unique to small-scale services. It was the kind of information that larger, less local, radio stations could not provide, but which kept small-scale listeners informed and up-to-date about what was going on in their local areas.

The qualitative research suggested that there were six key areas of micro-local information which listeners relied upon their small-scale station for:

1. **News** – if there was a news event in their area, listeners would tune in to their small-scale station to find out the details about it and if there were any consequences for themselves as a result.

Listeners of GTFM in Pontypridd described how there had been a fire there during the day which has caused massive traffic jams, and the only place where they could find out what had happened was by tuning it to GTFM.

2. **Weather** – the localised weather reports were especially important when there were severe weather conditions, such as snow and ice or flooding.

Listeners of all small-scale stations in areas which had been badly affected by the snow and ice in the spring and winter of 2010 reported how thankful they were for the weather updates provided by their small-scale stations during these times.

3. **Traffic** – the traffic reports provided by small-scale stations were described as so micro-local that they typically described conditions at local roundabouts as well as local roads.

Once again these reports were described as invaluable during the periods of bad snow and ice. Listeners could find out which roads were closed and which routes were the best to take.

4. **Schools** – information about schools was considered to be two-fold. Small-scale station told their listeners which events were on (e.g. fêtes or school plays), but they also let listeners know if schools were closed due to adverse weather conditions. Once again this was invaluable information during the periods of snow and ice.
5. **Events** – small-scale stations were considered extremely useful for finding out about local events and meetings. Listeners really appreciated it when small-scale stations promoted events that they would otherwise not have heard of – jumble sales and church fêtes.
6. **Local people / groups** – listeners used their small-scale stations to find out about local groups they could attend or use to help them do things (e.g. scouts groups or training). And on a personal level it was good to hear birthday ‘shout-out’ for people they were acquainted with.

“Nowhere else do you get the same level of local information, no offence to the local paper but it’s too late, especially with the traffic!”
GTFM listener, 35-60 years old, male

The quantitative data shows us that small-scale stations are always the preferred destination for local information, with either local papers or websites being the next preferred destinations. Interestingly other local radio stations were only considered the preferred choice by between 1% and 5% of listeners:

QS7/8: Sources for local information	Regularly go to small-scale station (base = 459)	Small- scale station as the preferred Choice (base varies)
Local News	79%	68% (Local papers 53% / other local stations 1%)
Local travel	71%	70% (Websites 20% / other local stations 5%)
Local weather	59%	54% (Websites 23% /other local stations 4%)
Local emergencies	76%	68% (Websites 17% / other local stations 5%)
Local events/what's on	74%	64% (Local papers 21% / other local stations 0%)
Local music/bands	56%	65% (Websites 18% / other local stations 1%)
Local comm. groups	71%	59% (Local papers 30% / other local stations 1%)
Local interest groups	56%	58% (Local papers 28% / other local stations 2%)
Local sport	52%	52% (Local papers 21% / other local stations 3%)

Quirky entertainment

Entertainment is a key element of the listening experience for small-scale listeners. The quirky nature of the entertainment on small-scale stations was considered to make this unique: no other radio stations were felt to provide entertainment quite like this.

The entertainment small-scale stations deliver was felt to be two-fold:

- The **music** played by the small-scale station
- The **mood** created by the different radio shows

Music – Small-scale listeners really enjoyed the mix of music played on these radio stations. They mentioned specialist music shows focusing on genres such as folk, soul, heavy metal, reggae and rock, as well as eclectic playlists with popular music from the 50s like Elvis, followed by modern hits by artists like Kylie and Katy Perry. There was a feeling of serendipity associated with these stations as a result – listeners never knew what music they might hear when they tuned in.

Small-scale stations were also felt to be the only radio stations where you could hear music from unsigned local bands and singers. They were felt to offer a platform for local talent to promote their music.

Mood – small-scale stations were also felt to be different in the fact that they were particularly good at creating different moods for listeners depending on the show that was being broadcast. Some radio shows were able to help listeners wind down at the end of the day, others would get them in the mood for a night out, and some would take them on a nostalgic trip. ‘Cuddle on the Couch’ was a radio show mentioned by listeners of The Bay in Lancaster which they appreciated as the perfect show to listen to on a Friday night in with their partner. Listeners of GTFM in Pontypridd loved ‘Film Hour’ where the station would play songs from old movies for an hour and take them on a trip down memory lane.

It is important to note here that, for the majority of listeners, this quirky entertainment was provided solely by the music and not by the radio DJs. The DJs on small-scale stations were often not really considered to have the same levels of expertise and experience as DJs on regional and national radio stations [see later section 3b].

“You get unsigned bands and really diverse music on there, stuff that you wouldn’t find on other radio stations.”

Sunny Govan listener, 18-34 years, male

Local identity

But perhaps most importantly of all, these stations are felt to reflect the identity of their local areas. The graphic below shows the words that listeners most frequently associated with their small-scale station. Words akin to local identity and community spirit are the most prevalent:



Small-scale stations were considered to have a personal and familiar feel, whilst supporting their local communities.

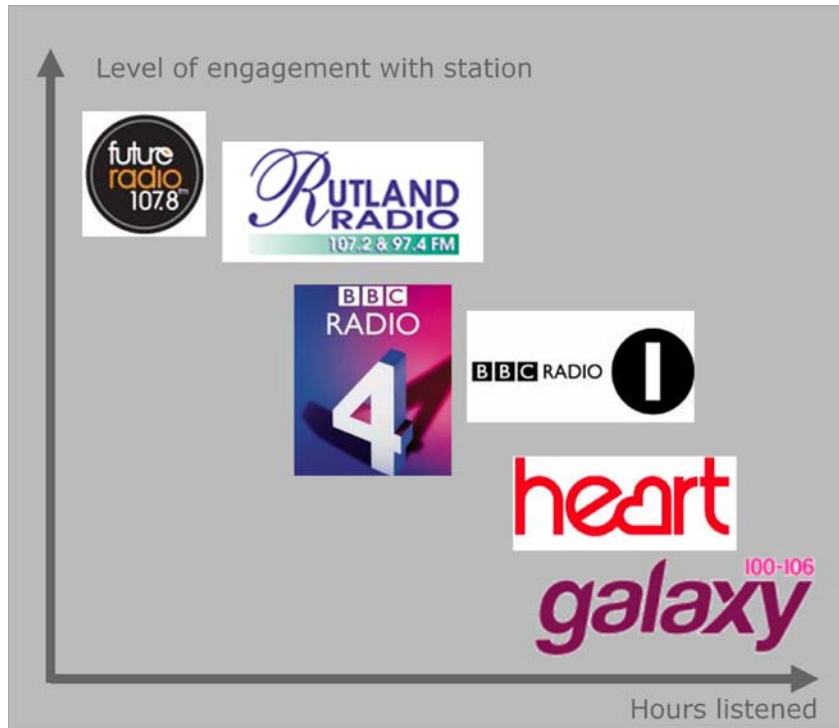
The personal and familiar feel was considered to come from the local accents and language used on air making listeners feel like they have a close connection with the station. It also comes from a feeling of ‘recognition’ – local people, places, shops and restaurants which they recognise are mentioned by the DJs, making them feel a real sense of belonging.

The support small-scale stations give helps bring communities together creating a sense of identity. Individuals, groups and local businesses are given support either through promotion and involvement in various events and initiatives, or through help and guidance.

“I got a mention on the radio today! There was a quiz on GTFM and I texted in the answer and they said I had got it right. I was really happy!”
GTFM listener, 35-60 years old, male

So it is not just about what small-scale stations broadcast, but what they represent to their communities that make them so special to their listeners.

The graph below (based on qualitative feedback from listeners) shows that although listeners may not listen to their small-scale stations for long periods of time, the level of engagement listeners have with these stations is higher than with most other stations:



“I would feel a sense of loss if my local radio station stopped broadcasting – not necessarily because of a presenter or because of the music they play, but more because of what the station represents.”
GTFM listener, 35-60 years old, male

The quantitative data shows us, in addition, how much more important small-scale stations are to their listeners than other local information sources (in particular other local radio stations). 71% of all listeners felt their small-scale station was of high importance to them, compared to only 21% who felt other local radio stations were of high importance to them:

Q S9: How important are these local information sources to you? (total base)	High Importance (8/9/10 out of 10)	Low importance (1/2/3 out of 10)
Small-scale station	71%	3%
Local newspapers	56%	11%
Websites	52%	13%
Regional / local TV programmes	39%	17%
Other local radio station	21%	44%

Only 3% of all listeners felt their small-scale station was of low importance to them.

A note on the benefits of ‘specialist’ small-scale stations:

Specialist small-scale stations display many of the benefits that geographical small-scale stations do, but they appear to contribute something further in addition. Listeners of these stations felt that they were actually learning something from these stations, rather than just being informed and keeping up-to-date. Interestingly a few geographical small-scale listeners expressed a desire to learn more from their stations.

The 2 specialist stations we researched had a religious focus (Pendle FM in particular) and were considered to teach respondents about their faith and help them understand why it was that their faith required them to do certain things. They also broadcast religious festivals from ‘back home’ connecting respondents with their country of origin and teaching them about its culture.

“They do readings from the Qur’an and then they explain why you have to fast and things like that. They don’t just tell you, they help you understand why.”

Pendle FM listener, mixed age group, female

It should be noted here that the sample for specialist small-scale stations was qualitative only and very small in comparison to the sample of geographic small-scale stations.

Where small-scale stations deliver less

Only a handful of listeners claimed to listen exclusively to their small-scale station. The majority had a portfolio of different stations that they listened to because their small-scale station was not considered to fulfill all their radio needs.

There were three main areas where small-scale services were considered lacking:

- **National news and sport** – this was not something covered in a lot of detail by small-scale stations. Their main focus, and one of their key benefits, was a focus on local news and sport. As a result listeners tuned in to other radio stations to get national information.

“You don’t get any of the big games on Rutland Radio – if I’m in my car I’ll listen to 5 Live or something.”

Rutland Radio listeners, 18-34 years old, male

- **Experienced DJs** – small-scale radio DJs were often considered inexperienced and unprofessional by their listeners. If they wanted experience and professionalism they would tune in to a larger regional or national station.

“The DJs are rubbish, I love the music but I turn it off when the DJs are on. There are long pauses and things and you get uncomfortable.”

Your Radio listener, 18-34 years old, female

- **Spoken word shows** – as a result of the inexperienced DJs, these were hard to come by on small-scale stations and often of poor quality. Listeners tuned into stations like Radio 4, Radio 2 and 5 Live for comedy, debates and drama.

I’d go to Radio 4 for spoken word shows where the DJs are more experienced – you don’t get high quality stuff on the Eye!”

The Eye listener, 35-60 years old, female

In addition the (by definition) restricted local coverage area of small-scale stations was sometimes seen as a drawback. This was particularly the case for community stations, which tend to be smaller than their small-scale commercial counterparts and which, because of unavoidable frequency availability constraints, can, in some cases, deliver less robust coverage. As a result, some listeners have experienced reception problems even within planned coverage areas.

Listeners could often only listen to their small-scale station in one location, usually either at home or at work. Listeners often became frustrated when listening whilst driving, as the station would cut out when they were only a few miles from home. So listeners would tune in to other radio stations for consistency.

“It’s so annoying, I can’t get reception where I live – I can only listen in the car occasionally, or at work.”

GTFM listener, 18-34 years old, female

As a result of the three drawbacks of small-scale stations and because of restricted coverage areas, listeners tended to have at least two regional or national stations within their radio portfolio, in addition to their small-scale station, in order to fulfil all their radio needs.

b) Differences between community and small commercial stations

Although, as we have just seen, small-scale stations have many shared benefits, they have significant differences too. This means that community and small commercial stations have a very different feel, and that their shared benefits are often delivered in different ways.

Community stations:

Local feel

It was community stations that had the more personal and familiar feel. Due to their small broadcast areas listeners felt they had a really close connection to their community stations, as if they were broadcasting especially for them.

A lot of the DJs were volunteers from the local community who were known personally to some of the listeners. As a result listeners felt like they were in on the jokes the DJs told and were familiar with the language and banter they used.

“Listening out for someone’s birthday encourages people to listen, it instils the community spirit. Most of the DJs are from the local community anyway.”
Diversity FM listener, 18-34 years old, female

In addition, community station listeners were often familiar with the exact reason why, and location where, these stations first started broadcasting. For example Future Radio listeners explained that the station began as part of the then ‘NR5 project’ which was set up to help the youth in one of Norwich’s most deprived areas. The station remains based in this area as well. Listeners were proud of how the station had developed and grown, and also of what it had achieved.

However, this personal and familiar feel can in some cases lead to an amateur air that seemed unprofessional to some listeners. The DJs are less restrained in what they say than DJs on larger stations, and sometimes make mistakes on air.

Whilst some older listeners understand that the people involved with the station are largely volunteers and find this approach endearing, younger

listeners are less convinced. They find the unprofessionalism frustrating and hard to listen to.

“It’s a bit disorganised, I have to switch it off when there are too many ums and errs. I don’t really know what they’re doing.”

Future Radio listener, 18-34 years old, male

Music offering

The music offering on community stations was considered very alternative by listeners. Although community stations were considered similar to other local stations in terms of their local feel and information, when it came to their music offering they were often compared to 6 Music because of the alternative mix and specialist shows. The not-for-profit nature of these services means they are not incentivised to pursue music policies which maximise audiences.

Although listeners appreciate this alternative music selection it does tend to lead to quite selective, appointment-led listening, as the music doesn’t always appeal to everyone. Listeners tune in for the shows they want to listen to and then go to other radio stations the rest of the time. If they tune in on an ad hoc basis they will often be confronted with a music show they have no interest in.

“Sometimes it’s a bit too whacky for me; it often does play music that I wouldn’t generally listen to.”

Future Radio listener, 18-34 years old, female

The quantitative data shows us that 59% of community listeners listen to their community stations for a specific programme compared to only 27% for small commercial stations:

Q S10: Why do you listen?	Community listeners (base = 156)	Small commercial listeners (base = 303)
To listen to a specific programme	59%	27%
As background music	36%	54%

In addition, 22% of community listeners feel that the main reason they listen to their small-scale stations is for a specific programme, compared to only 5% of small commercial station listeners:

Q S11: What is the main reason you listen?	Community listeners (base = 112)	Small commercial listeners (base = 264)
To listen to a specific programme	22%	5%
As background music	8%	20%

Community involvement

Community stations are considered to be very active in their local areas. They help organise local events and initiatives and then provide free on-air promotion. They offer training opportunities and guidance for the unemployed within their communities, and often encourage young people to get involved with the station for work experience. Listeners appreciate how involved these stations are with their local area – they are seen to ‘go the extra mile’ and actively participate in the events they organise and promote.

It is through this active participation within their local areas that many listeners claimed to have first become aware of their community stations. They would see the station at an event and then tune in to see what the station was like on air.

“We recently did an OB at an open day for a place with learning difficulties, we offer work experience, we do charity events and we help with community development too.”

Diversity FM station affiliated, 35-60 years old, female

Perhaps because of their not-for-profit ethos, community stations are more involved with their local areas than small commercial stations, going beyond promotion and support and really getting involved. The quantitative data reflects this as well, with 60% of community listeners agreeing that their small-scale stations provide training opportunities for local people, compared to only 40% of small commercial listeners:

Q S13: Do you agree with these statements?	Community listeners (base = 156)	Small commercial listeners (base = 303)
Provides training opportunities for local people	60%	40%
Supports groups (such as the elderly, faith and unemployed)	72%	53%



The quantitative data also shows us that community stations were felt to be better at encouraging local people to get involved in their local areas than small commercial stations. 70% of community listeners felt that their small-scale station encouraged them to go to local events, compared to 63% of small commercial listeners:

Q S12: Has station X encouraged you to...	Community listeners (base = 112)	Small commercial listeners (base = 264)
Go to local events	70%	63%
Volunteer locally	20%	10%

Awareness of community stations is, however, low compared to that of small commercial stations. By comparison to small commercial stations, these services have, collectively, only been broadcasting for a few years, giving them less time to build up local awareness. In addition, the coverage areas of community stations are small even compared to those of the longer-established small commercial stations.

Listeners felt that if community stations promoted themselves further, more community members would be aware of them and would therefore be able to take advantage the benefits they offer.

“They need to promote themselves more, maybe get their names onto the backs of buses and billboards.”
GTFM listener, 18-34 years old, male

Small Commercial stations:

Local feel

Small commercial stations had a more professional feel, with DJs considered to be more polished and experienced than those on community stations. The local feel was derived mainly from the information small commercial stations provided for their listeners.

This local information was considered second to none, constantly keeping listeners up-to-date with what was happening in their local areas. Small commercial stations were also felt to be a key source of practical advice, advising their listeners on which local businesses could be of assistance to them.

“I use The Bay to find roofers and double glazers. I trust them to recommend the right people to me.”

The Bay listener, 35-60 years old, male

In emergencies small commercial stations are the first port of call for their listeners. During heavy snow or flooding listeners are confident that they will find out which roads or schools are closed, as well as an update on the weather. If they are stuck in traffic, they believe their small commercial station will be most likely to know the cause and to give them updates.

“If I want to know what to do in the snow I listen to Your Radio – I can find out what roads or schools are closed from them.”

Your Radio, 35-60 years old, female

The quantitative data shows the difference between community and small commercial stations here. 80% of small commercial listeners feel that in an emergency their preferred source of information would be their small-scale station, whereas only 44% of community listeners feel this way:

Q S8AD: What is your preferred source of information about local emergencies?	Small commercial listeners (base = 141)	Community listeners (base = 83)
Station X	80%	44%
Other local radio station	2%	11%

Music offering

The music offering on small commercial stations is considered to be quite mainstream, in stark contrast to what community stations play. The playlists are less specialised with a much broader appeal, meaning listeners can tune in on an ad hoc basis and usually enjoy what is being played. Being commercial it is important for these stations to develop music policies specifically designed to maximise audiences, both in terms of absolute numbers and in relation to listening hours.

The ‘easy listening’ quality of small commercial station music means that it provides good background music rather than encouraging appointment to listen. The quantitative data shows us that 54% of small commercial station listeners listen as background music, whereas only 36% of community station listeners do:

Q S10: Why do you listen?	Small commercial listeners (base = 303)	Community listeners (base = 156)
To listen to a specific programme	27%	59%
As background music	54%	36%

In addition, 20% of small commercial station listeners feel that the main reason they listen to their small-scale station is as background music, compared to 22% of community listeners who state that the main reason they listen to their small-scale station is to listen to a specific programme:

Q S11: What is the main reason listen?	Small commercial listeners (base = 264)	Community listeners (base = 112)
To listen to a specific programme	5%	2%
As background music	20%	8%

However, small commercial station listeners feel that their playlists, although more mainstream than community stations, are still quirky and serendipitous. They are often pleasantly surprised by the juxtaposition of songs played, unable to predict what song will come next. Small commercial stations will often play a 'golden oldie' followed by a current chart hit, keeping listeners on their toes.

*“They play current songs as well as older songs – Katy Perry after Stevie Wonder for example, it’s weirdly wonderful.”
Your Radio listener, 18-34 years old, female*

Community involvement

Small commercial stations are often well-known within their local areas. Most have been broadcasting for many years and listeners believe they are much better at promoting themselves than community stations. They employ a lot of self-promotion material like fliers and stickers and have a high profile at local events, interviewing people and handing out promotional material.

During the qualitative fieldwork we often saw stickers on car or pub windows promoting the local small commercial station.



*“When I see a Rutland Radio logo it’s like a welcome home sign!”
Rutland Radio listener, 18-34 years old, male*

Small commercial stations were also considered to be very supportive of local businesses and groups, often promoting local businesses and events on air and keeping listeners up-to-date about what is going on in the local area. The quantitative data suggest that they are marginally better at doing this than community stations:

Q S13: Do you agree with these statements?	Small commercial listeners (base = 303)	Community listeners (base = 156)
Station X supports local businesses	83%	76%
Stations X supports local organisations (e.g. schools, charities)	87%	85%
Station X keeps me informed of important local information	90%	80%

It is important to note here that this is well beyond the licence requirements of small commercial stations and hugely appreciated by their listeners.

However, there were some small commercial station listeners who felt these stations could go one step further and really get involved with their local communities. They felt that they could go beyond promotion and support, and participate more – actually organising events and providing guidance and training.

Here perhaps the key difference between small-scale commercial and not-for-profit community radio services can be clearly seen. Small-scale commercial radio stations get heavily involved in their local communities precisely because, for perfectly sensible commercial reasons, it is in their economic interest to do so. The point at which such involvement may become problematic for them is when costs begin to outweigh benefits. For not-for-profit community services, there is no obligation to maximise profit for shareholders, but they do have greater licensing requirements placed upon them by Ofcom. As a result, these stations can go further in terms of their community involvement; for example by deliberately engaging in economically loss-making activities for the benefit of their target communities.

c) Policy scenarios: responses

On the broadest level, when it comes to policy, listeners are not totally opposed to accepting some minor changes to their small-scale stations if this will make these stations more sustainable going forwards. However, they are not willing to accept changes that compromise the identity of their local community.

Setting up new services

All small-scale stations were considered by listeners to be ‘community’ stations regardless of their classification. Therefore, to avoid confusion around the word ‘community’, the two different types of small-scale station were introduced in the research as ‘small commercial’ and ‘not-for-profit’. However there were still some listeners who were not sure what the classification of their station was.

The quantitative data shows us that when listeners were asked whether they believed their small-scale station was ‘not-for-profit’ or ‘small commercial’ 25% of listeners did not know, and a significant number were incorrect in their assumptions in addition:

Q S17 Do you think Station X is not-for-profit station commercial station?	Community listeners (base = 156)	Small commercial listeners (base = 303)
Not-for-profit	75%	33%
Commercial	16%	51%
Don't know	9%	16%

Most community station listeners were aware of the classification of their station (75%), but only 51% of small commercial listeners were aware their station was commercial.

However, having been shown the definitions of what ‘not-for-profit’ and ‘small commercial’ stations were, listeners would generally prefer any new services to be set up as not-for-profit stations. They believed that not-for-profit stations would be more likely to remain local and community focused, which is very important to small-scale listeners, because they have to be owned locally. On the other hand small commercial stations are able to be bought and sold by larger radio groups which, as some listeners had already experienced, often meant they lost their local focus.

Listeners of Future Radio, who used to listen to Broadland FM, and listeners of GTFM, who used to listen to Red Dragon, were the most outspoken about their desire for new services to be not-for-profit. These listeners understood the potential consequences of commercial set-ups, where stations can be bought or sold by larger radio groups.

Despite their desire for new services to be set up as not-for-profit stations, listeners believed that commercial set-ups were more sustainable than not-for-profit stations because of their ability to raise funds from advertising revenues. Due to the recent recession and announcements of public spending cuts listeners were concerned that not-for-profit stations would struggle to remain sustainable.

“I’d like new services to be not-for-profit, but in the real world they’ve got be commercial because then they’d be more likely to last.”

Future Radio listener, 35-60 years old, male

The above comment highlights often present listener confusion over the term ‘commercial’, in the context of community radio stations. Under current legislation, typically, community radio stations *are allowed* to obtain up to 50% of their income from commercial activity (such as spot advertising and programme sponsorship). What they are *not permitted* to do is to distribute commercial profits to shareholders (through dividends etc.). However, despite an ability to obtain up to half their income from on-air commercial sources, to date, the vast majority of community radio stations have tended to obtain much lower percentages from such sources.

Aware of the current economic climate, as a result, listeners believed that the ideal for new services would be a hybrid – combining elements from both not-for-profit and commercial set-ups, since they believe that community radio stations can’t obtain much, if any, income from commercial activity. This way new services would be locally owned and still have a strong community focus, they would have more control over their broadcast content, but also have a greater focus on generating supporting revenues from commercial sources to offset reduced grants and other public funding. However, listeners were insistent that any profit made would be invested back into the radio station and therefore the local community as well.

This attitude suggests that a more diverse range of income sources (i.e. from commercial activity as well as grants and public funding) was considered to be the best of both worlds for not-for-profit stations, protecting the localness

and sense of community small-scale stations already have, whilst making sure they remain sustainable in the future.

Attitude to policy adjustment

An interesting observation was made during the course of the qualitative research. There were more than five months between the two phases of qualitative research which meant there was an opportunity for opinions to shift. It was noted in the second phase that listeners had become much more open to the idea of changes to their small-scale station than they were in the first phase.

In the first phase of the qualitative research listeners had not really started to feel the effects of the recession. They were well aware that the country was in recession and that the economy was in serious difficulties, but they themselves had not had to make many sacrifices yet. Thus they were reluctant to make sacrifices when it came to their small-scale station.

However, during the second phase of the qualitative research a shift in attitude was apparent. Listeners were starting to feel the effects of the economic crisis and serious spending cuts had been announced by the government. As a result they were aware that compromises needed to be made in order for businesses to remain sustainable in the future.

“I can understand it, it’s acceptable. If it’s a case of keeping our local radio station then I can accept that changes need to be made.”

GTFM listener, 35-60 years old, male

When it came to the identity of local stations, however, listeners were still unwilling to compromise. Station identity was felt to be the life blood of small-scale stations, so the majority of listeners felt they would no longer listen to these stations if changes were made that affected this.

Policy scenarios for existing services

Listeners were shown three potential scenarios during the research where policy for existing small-scale services could be relaxed or adjusted in order to help these stations remain sustainable in the future.

It should be noted here that the scenarios were introduced to the listeners in different orders in the different focus groups in order to avoid any kind of order effect.

These scenarios were...

Advertising and Commercial activity:

Ofcom could relax the rules about how much **Advertising and Commercial activity** the station is allowed to have. This might mean:

- a) More ads than the station carries at present
- b) More brands mentioned in the programming (these are likely to be local businesses)
- c) Some Sponsored Features (e.g. a breakfast competition feature brought to you by a local business)
- d) Some Outside Broadcasts with commercial partners (e.g. A radio DJ hosting a programme from a shopping centre)

NB: All these things would generate more income for the station.

Station Focus:

All radio stations face decisions on what to broadcast, but they also have to follow some rules about this. Ofcom could relax the rules on the **Focus** of the station, but this might mean:

- a) Not being independent and highly focussed on local issues, but having a more mainstream, music-based entertainment approach
- b) Not focusing on certain specific sections of the community (e.g. a minority audience) but on the community as a whole
- c) Subtle changes to programming so that the output is designed to appeal to a wider audience (e.g. playing more popular music)

NB: All these things would lower the operating costs of the station.

Participation:

Local radio stations are usually rooted in their communities. But, Ofcom could relax the rules on the levels of **Participation** a radio station plays in its community, meaning:

- a) The local community is not reflected as much in the radio station output (e.g. Local charitable events or fetes might not be given free on-air promotion any more)
- b) Local community members are not able to get involved in the radio station as much as before
- c) The station cannot get involved in community projects as much as before (e.g. Youth Training)

NB: All these things would lower the operating costs of the station.

Advertising and commercial activity:

When it came to relaxing the rules around the amount of advertising and commercial activity a station could have, listeners broke this down into 2 elements:

- *Local* commercial activity and sponsorship (as the description suggested that this would be local)
- Spot advertising (both local and national)

Increased **local commercial activity and sponsorship** was generally well-received by listeners as a potential policy adjustment. As the focus would be *local* listeners felt that, of all the policy scenarios put to them, this would threaten the identity of their small-scale stations the least.

Listeners did recognise that increased commercial activity and sponsorship would change the feel of the station at times, particularly for the community listeners who were generally unaccustomed to any sort of advertising. But because the brands mentioned would be relevant to local people it made this more acceptable.

In addition, listeners also recognised that increased local commercial activity and sponsorship could bring benefits to both individual listeners and the community as a whole. It would give local businesses the opportunity to promote themselves and any offers or events they might have, whilst



individual listeners would be made aware of what was going on in their local area and could take advantage of any local offers or initiatives.

*“If the commercial partners were local it wouldn’t be too much of a problem as it would still keep the community feel.”
The Bay listener, 18-34 years old, male*

However, increased **spot advertising** was more problematic for listeners; in particular younger and small commercial station listeners. It was not felt to be relevant to them, or to bring any benefits.

Small commercial listeners felt that there was already a lot of spot advertising on their stations. Increasing the amount of this advertising would encourage them to channel flick even more than do already, and in some cases listeners said that they might stop listening to their station altogether.

Younger listeners are more familiar with larger commercial stations which have huge amounts of advertising already. They were concerned that if their local stations had advertising levels as high as these, their stations would be overwhelmed with advertising and lose their local focus.

Community station listeners, however, felt that although increased spot advertising would damage the local feel of the station (since there is hardly any advertising at the moment) and not bring listeners any benefits, a few more spot adverts might help the station financially as it would generate more income for these stations.

Quantitative data largely reflects this feedback on increased advertising and commercial activity. 71% of community listeners and 56% of small commercial listeners would not be bothered at all if the amount of sponsorship on their small-scale stations increased a little bit:

Q S15A: If the amount of sponsorship increased a little it would...	Community listeners (base = 156)	Small commercial listeners (base = 303)
Bother me a lot	6%	4%
Bother me a bit	19%	35%
Not bother me at all	71%	56%
Don't Know	4%	4%



Only 10% of all listeners (community and small commercial) would be bothered a lot by this.

Whereas 42% of community listeners and 62% of small commercial listeners would be bothered (either a bit or a lot) if the amount of advertising on their small-scale stations increased:

Q S15B: If the amount of advertising increased a little it would...	Community listeners (base = 156)	Small commercial listeners (base = 303)
Bother me a lot	9%	12%
Bother me a bit	33%	50%
Not bother me at all	54%	36%
Don't Know	4%	2%

“It would be a shame to have national advertising, it would ruin it. One of the joys of listening to your local station is not having to put up with constant advertisements.”

The Eye listener, 35-60 years old, female

Station Focus:

When it came to relaxing station focus, once again small-scale station listeners felt that this could be applied to two elements:

- The music played
- The local information provided

Small commercial listeners felt that the **music output** from their small-scale stations already had a broad appeal, so relaxing the station focus in that respect would not make a huge difference. The music played was felt to be fairly mainstream, despite the random mix of current and older song choices.

“The music is pretty broad anyway; it’s pretty much the same as what other commercial stations play all across the country.”

The Bay listener, 35-60 years old, female

However, they were keen to preserve the quirkiness of their playlists, so would not want their playlists to be restricted in that respect.

For community listeners, however, the alternative music played by their small-scale stations was considered to be one of the main elements that made their



stations unique. Listeners enjoyed and appreciated the specialist music shows broadcast by these stations; they were felt to be somewhat of a USP as specialist music shows were not considered to be available on other radio stations anymore.

Relaxing the focus of community stations, when it came to their music output, meaning that they played more mainstream music was therefore considered to significantly change the identity of these stations. As a result community station listeners were unwilling to compromise here.

“I’d rather it had all the different shows rather than just playing popular music all the time – the station focus is part of the station’s soul in that respect.”
Diversity FM listener, 35-60 years old, male

The **local information** provided by small-scale stations was felt to be of the utmost importance to all listeners, whether community or small commercial. The local information provided by these stations was one of the main reasons listeners tuned in to their local stations. They feel there are very few other sources of local information available to them, and none of these sources are as useful or as up-to-date as their small-scale stations

“Well that’s exactly why we stopped listening to the other stations, because they stopped focusing on local issues. The same thing would happen with Future as well.”
Future Radio listener, 35-60 years old, male

The quantitative data shows us that only 6% of all listeners (community and small commercial) would be willing to accept less local information from their small-scale stations:

Q S16A: Which of the following changes would you be most willing to accept with regards to small station X?	Community listeners (base = 156)	Small commercial listeners (base = 303)
Station X had less local information	5%	6%

As a result relaxing the rules around station focus, so that small-scale stations no longer have to be highly focused on local issues, would seriously affect the affect the identity of these stations. They would lose their local feel and the

unique benefits associated with this, so listeners were unwilling to compromise here either.

Participation:

Listeners felt that when it came to relaxing rules on station participation, this would threaten the identity of their small-scale station the most. This was considered to be where the main value of the station lay and was another factor that made small-scale stations unique. No other radio stations were considered to contribute to their local communities in the way these stations do.

But, participation was not just about a small-scale station getting involved in its local community, but, in the case of not-for-profit stations, is also about people from the local area getting involved in the station. Community stations rely heavily on local volunteers to both run the station and broadcast to their listeners – these volunteers are part of what gives these stations their ‘street corner’ feel. Without these volunteers, listeners felt these stations wouldn’t be the same.

“If it wasn’t involved with the community anymore what would be the point of the radio station?”
Diversity FM listener, 18-34 years old, male

Once again the quantitative data shows us listeners’ unwillingness to accept less participation from their local station. Only 5% of all listeners (community and small commercial) were willing to accept less community involvement from their small-scale station:

Q S16A: Which of the following changes would you be most willing to accept with regards to small station X?	Community listeners (base = 156)	Small commercial listeners (base = 303)
Station X had less community involvement	4%	6%

Listeners felt that if policy adjustments were made that reduced the amount of participation a small-scale station needed to have within its local community they would probably stop listening to the station. Although it wouldn’t make a massive difference to what the station broadcast, it would take away what the

station represented to its listeners. Their level of engagement would no longer be as high.

“If there were more adverts I would probably carry on listening, but if they stopped being local and helping out the community the station would be pointless.”

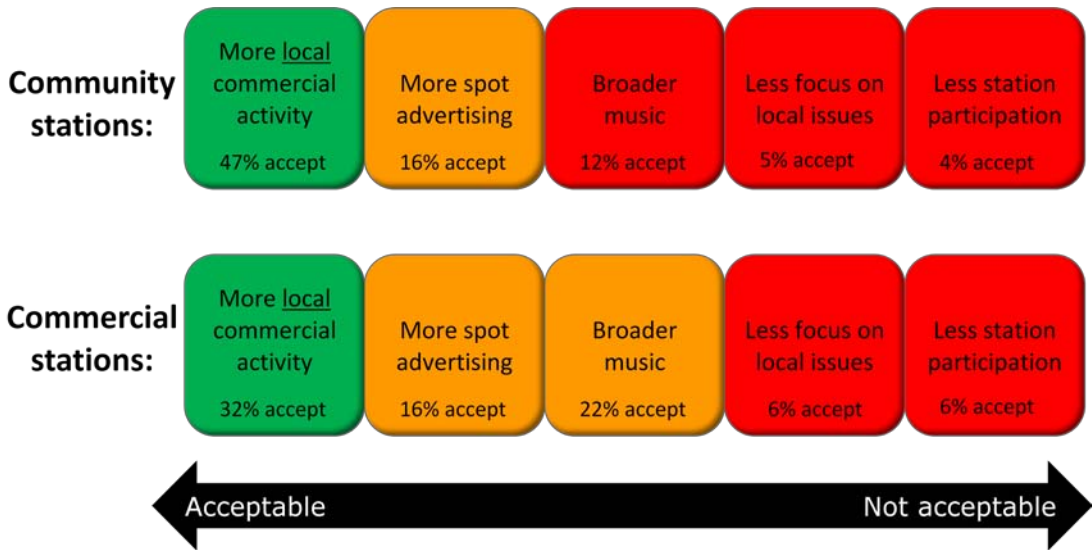
Future Radio listener, 35-60 years old, female

As a result, listeners were not willing to compromise when it came to the amount of participation their small-scale station had within its local community.

A sliding scale of compromise

It became apparent from what the small-scale listeners said that they had a sliding scale when it came to what they were willing to compromise on. Anything that did not affect the identity of their local stations was acceptable, if it would make these stations more sustainable in the future. Whereas anything that that did affect the identity of their local stations was non-negotiable, as ultimately they would stop listening. However there were some scenarios in between where they were willing to compromise up to a point, but if the policy scenario were relaxed too much it would no longer be acceptable.

The diagram below shows (in green) the policy scenario that was acceptable, (in orange) the policy scenarios that were acceptable up to a point, and (in red) the policy scenarios that were not acceptable:



QS16A: Which of the following changes would you be most willing to accept with regards to Station X [Total Base]

For both community stations and small commercial stations **more local commercial activity** was a compromise they were willing to make. Not only would this not affect the identity of the station, but it would also bring some benefits.

More **spot advertising** was something that both community and small commercial listeners were willing to compromise on, but only up to a point. They understood that the revenues accrued by allowing this would make their stations more sustainable in the future, but if the increase was significant it would detract too much from the local feel and start to alter this identity.

For small commercial station listeners, **music with a broader appeal** was something they were willing to compromise on, but again only up to a point. They believed their music selection was already quite mainstream appealing to a wide audience, but if the station were too restricted in the music it could play it would lose its quirky feel and thus change the identity of the station.

Community station listeners however were not willing to compromise here. If the music they played had a broader appeal they would lose their specialist music shows which listeners believed would significantly alter the identity of their stations, as these shows were unique to community stations.

Lastly, for both community and small commercial listeners, **less focus on local issues** and **less station participation** were not policy scenarios they were willing to compromise on. Both of these elements were considered to be what made these stations unique and special.

4. Conclusions

Small-scale radio services are highly valued by their listeners. They foster a real sense of belonging and listeners have a unique affection for them. These feelings of affection and value were most pronounced in areas where small-scale stations have been re-branded and lost their local feel.

In addition, small-scale services offer benefits to their listeners that are not provided by other radio stations. These benefits are three-fold:

- Micro local information
- Quirky entertainment
- Local identity

It is not just about what these stations broadcast, but what they represent to their communities that make them so special to their listeners. They do not necessarily listen to these stations for long periods of time, but their level of engagement is higher than with most other stations.

There were three areas, however, where small-scale stations were not able to deliver to the same level as larger stations:

- National news and sport
- Experienced DJs
- Spoken word shows

In addition the small coverage areas of these stations was a disadvantage for some.

Despite the many shared benefits that small-scale stations have, community and small commercial stations have a very different feel, meaning they appeal and deliver these benefits in different ways.

Community stations had the most personal and familiar feel, with listeners feeling a real bond between them and their station. The DJs are often from the local community and use language and accents that listeners are familiar with. However, the amateur air that is sometimes associated with these stations as a result can seem unprofessional and put younger listeners off.

The music offering on community stations was considered very alternative by listeners, due to the specialist music shows and the unsigned local bands that are featured. This alternative music selection leads to appointment to listen, but means most listeners will not tune in on an ad hoc basis as the music often does not appeal to everyone.

Community stations are considered very active in their local areas, going beyond promotion and support and really getting involved. They provide

training and work experience, as well as encouraging community members to volunteer and go to events locally. Listeners feel that with more self-promotion more people will experience the benefits of these stations.

On small commercial stations the DJs are considered much more professional. The local feel comes mainly from the high level of local information that they provide. They are the preferred destination for this type of information, especially in emergencies.

Their music offering is considered much more mainstream than on community stations, but with a quirky juxtaposition of songs. This output does not encourage appointment to listen, but means listeners can tune in whenever they feel like it and usually enjoy the playlist.

Small commercial stations are often well known within their local areas and go way beyond their remit when it comes to community involvement. They are considered very good at promoting and supporting local businesses and events, but some listeners felt they could get more actively involved with their communities putting their high profiles to good use.

When it comes to adjusting policy, small-scale listeners are only willing to compromise on elements that don't affect the identity of the station. All small-scale stations are considered by listeners to be 'community' stations (regardless of their classification) as this is the focal point of the station.

As a result listeners would prefer new services to be 'not-for-profit' as they are more likely to remain local because they cannot be bought or sold by larger radio groups. However, in order for them to remain sustainable in the future, listeners express the likely need for them to develop increased revenues from advertising. A greater focus on building such income sources was therefore considered to offer the best of both worlds, protecting the localness and sense of community that small-scale stations have, whilst making sure they remain sustainable in the future.

When considering existing services, small-scale listeners have become much more open to the idea of compromise than six months earlier. As long as these adjustments don't change the identity of the station, listeners accept that they could help the station remain sustainable in the future.

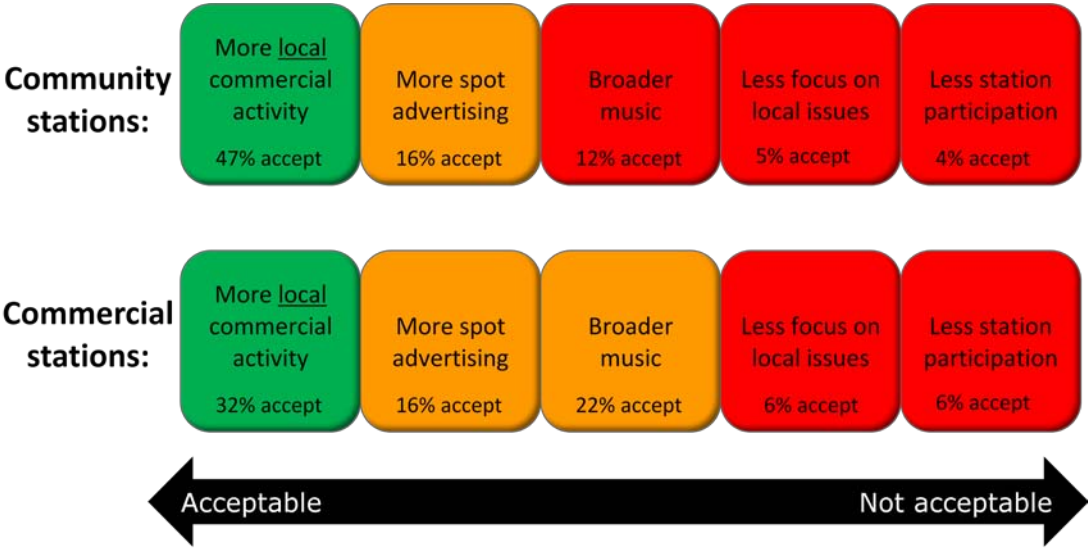
Listeners felt that *increased local commercial activity and sponsorship* would threaten the identity of their small-scale stations very little, and was therefore well-received as a potential policy adjustment. Potential associated benefits were also recognised.

Increased spot advertising was more of a problem however. This was not felt to bring any benefits, and small commercial stations were considered to have a great deal of advertising already.

A *broader music selection* was not a huge problem for small commercial stations, as their music selection was considered quite mainstream already. Providing they could still provide a quirky mix within these playlists, this would be acceptable as potential policy adjustment. For community stations however, this would change the identity of the station as their music selection is so alternative. As a result community listeners were not willing to compromise here.

A *reduced focus on local issues* and *less station participation* were also potential policy adjustments that listeners were not willing to compromise on. Both of these elements were felt to be integral to the identity of small-scale stations. To obtain local information was one of the main reasons listeners tuned into their small-scale station and the participation by a station in its community was where its main value lay. If either of these potential policy adjustments were to go ahead, listeners felt that they would lose engagement with their small-scale stations and ultimately stop listening.

A sliding scale of compromise emerged from both the qualitative and quantitative research:



QS16A: Which of the following changes would you be most willing to accept with regards to Station X [Total Base]

5. Appendix

Qualitative case studies on station participation

Community stations The Eye at 'Gone 50':

One listener of The Eye station in Melton Mowbray explained that the reason she has become aware of her small-scale station was because this radio station had offered to support an event she was organising. The event was called 'Gone 50' and was designed to help community members who were above the age of 50. The Eye promoted the event live on-air and also arranged to do an outside broadcast from the event itself.

"I started listening about six months ago, since they supported our event. The Eye were very helpful and kind, they did an outside broadcast from the event. Now I listen to them in the morning and use them to check for events."

The Eye listener, 35-60 years old, female

Diversity FM at 'Catch the Wind' Kite festival:

The Lancaster and Morecambe Bay area has an annual Kite festival where thousands of enthusiasts have the opportunity to enjoy their hobby whilst local families come along to enjoy the spectacle. Diversity FM, the local community station, hosted an outside broadcast at 'Catch the Wind' and played live music on-air from the event for their listeners. A Diversity FM listener told us how much he enjoyed the event, particularly when he was interviewed by someone from the station and the interview was broadcast by the station.

"They were at the kite festival, I got interviewed on the station, I was flying my kites on the beach and they asked about my hobby - that's how I got listening to Diversity in the first place."

Diversity FM listener, 18-34 years old, male

Sunrise Radio connecting people with their cultural roots:

Many of our respondents who were listeners of Sunrise Radio explained how important the station was to them because it provided them with a link to 'back home' – where they or their families grew up. These links included music, news, discussion forums and even coverage of religious festivals such as Ramadan and Vaisakhi. In addition the station was very involved with charity initiatives to help raise funds for the needy in countries where listeners originated.

"I brought in a collection box because Sunrise is involved with a lot of charity work and causes. I've recently been to Gaza and now I want to raise money for everyone back home because of the floods."

Sunrise Radio listener, 35-60 years old, male

GTFM at a local school fête:

One GTFM listener explained how the station had helped the PTA organise the school fête at the local secondary school. The station promoted the event on-air and encouraged local people to attend. GTFM even managed to persuade the local table tennis champion to attend the event and talk to the children about the experience of being a table tennis player.

"My event wouldn't have been half the success that it was if it wasn't for the support of the radio station. And that is predominantly why I listen, to find out what's going on. That's the whole point of the station, it is for the community, on behalf of the community."

GTFM listener, 35-60 years old, female

Qualitative Discussion Guides:

Phase 1 Discussion Guide:

Ofcom Small Scale Radio: Extended Group Discussion Guide (Draft, generic)

2 hours and 15minutes (max)

NB we will rotate the various techniques included within this guide according to the conceptual ability of each group.

Please note we will slightly tweak this guide for the different types of radio station

A. INTRODUCTION; WARM-UP; RAPPORT BUILDING (5 mins):

The purpose of this section is to get the respondents relaxed and to gain some brief context into their life especially in terms of their local community

- Discussion to follow MRS guidelines/regulations
- No right or wrong answers
- Moderator to give a brief explanation of the purpose of the research
 - We are here to talk about radio - and some small, local radio stations in particular. Our client is trying to gain a greater understanding of the local radio sector, since these stations don't often have much of say, so that they can help support small radio stations better in the future
- Each individual gives their first name, how long they have lived locally
- Briefly gauge interests and hobbies, how they like to spend their week and weekend
- **How would they describe their local community**

- What object have they brought which best represents their local community
- **MODERATOR TO PHOTOGRAPH THESE OBJECTS**
- What are they proud of: what disappoints them about their local community

B. RADIO CONSUMPTION (c.30 mins):

This section is designed to understand the relative importance of media channels and the role of radio within the media mix

Radio consumption (15 mins):

- Respondents can refer to pre-task:
- What radio kit do they have in and out of the house – PROBE kitchen set, living room, bedroom; in car; DAB vs. analogue (NB: DAB subject controversial)
- When and where do they listen (home, car, work, other)?
- How do they listen (type of engagement)?
- Do they use other platforms such as TV, PC or mobile – if yes where and when do they use them – how does it differ from other platforms (NB: particularly interested to find out how much they consume via the web)
- Why do they listen to the radio? (Companionship, news etc.)
- Does this differ by time of day / day of the week?
- What stations do they listen to?
- **MODERATOR TO RECORD ON CARDS THE DIFFERENT RADIO STATIONS THEY ARE AWARE OF (AND NOTE THE LOCAL STATIONS)**
- Why do they choose some stations over others? (probe for browsing vs pre selection habits – range of repertoire)
- What are you looking for from a station? What needs do different stations fulfil?

Mapping the radio market (15 mins): In order to understand how stations are grouped in respondents minds and where station X sits within this

- **MODERATOR THEN SHOWS RESPONDENTS SOME PREDETERMINED RADIO BRANDS ON CARDS, IN ADDITION TO THE ONES THEY GENERATED EARLIER**
- Respondents map the radio brands - where do they map them and why?
- How are those grouped together the same? In what ways are the different groups different?
- Which ones are families? How are they the same in a family? How are they different? How are they different from other families?
- **MODERATOR TO NOTE AND PROBE around small station X – What sets small station X apart from the others?**
- Which station is felt to be its main competitor? How is it different to competitor X?
- **MODERATOR TO MAKE A NOTE OF COMPETITOR STATION X FOR LATER IN THE DISCUSSION**
- What needs do different stations fulfil?
- **MODERATOR TO PHOTOGRAPH THE MAP**

C. FOCUS ON SMALL STATION X (c.30 mins):

The purpose here is to start to understand why people are listening to small scale radio and to explore what their unique benefits might be (if any)

The general context (15 mins)

- How long have they been listening? When did they start listening? Why?
- Why do they tune in now?
- How did they discover the station
- Where does it rank in their portfolio of radio stations?
- How would they describe their mood when listening?
- When do they tune in?
- Where do they listen?
- Do they listen to it with anyone or do they listen on their own?
- What does it do well?
- What does it do better than competitor station X
- What doesn't it do as well as competitor station X
- What does it do not so well? What are its weaknesses?
- How are these different to competitor station X
- How do they feel about it? Respondents to circle figure on **mood tree (appendix three)** to show feeling: Is this feeling different to competitor station X?
- How would they describe the listening experience to someone who had never listened to the station before? Is this different to competitor station X (if they listen to both)
- How would you compare it to other community/commercial station how are they different or the same – what do other stations look like as a person

[SOCIAL BENEFIT SECTION] The listeners' relationship with small station X (15 mins):

- What need does it meet? Show list of **need cards** – is there anything missing?
- Are the needs different for competitor station X? Are they different to those for other radio stations? In what way? Are they different to competitor station X?
- What does small station X contribute beyond the radio shows? Probe around training, charity fundraisers, events, show casing talent etc.
- Are they actively involved in the station: Do they go to events, take part in competitions etc? Why?
- Is there anything that small station X doesn't do, that would be appreciated? How could small station X achieve this?
- If the station didn't exist how would they feel? Would they miss anything? If so what would they miss and why?
- Do they visit small station X web site?
- How would they feel if small station X was just online

D. LOCALNESS (c. 15 mins):

The purpose of this section is to understand the importance of their local community, and how their local radio stations deliver against this

Localness (15 mins):

REFER TO MEDIA DAIRIES AND DISCUSSION IN SECTION B FOR RECAP OF LOCAL MEDIA

- Do they consume local media? If so what type? Internet, papers etc
- Do they use community web sites?
- **MODERATOR WRITES THE WORD LOCALNESS ON A FLIP CHART**
- What does this word mean to them?

- How would they define it, with supplementary words?
- Does small station X embody this? If so in what way?
- Does it satisfy the localness definition identified by respondents? If not, why not? What is missing?
- **MODERATOR WRITES THE WORD COMMUNITY ON A FLIP CHART**
- What does this mean to them?
- How does this tie in with the object they brought with them to represent community?

[10 MINTUE BREAK]

E. TOUGH TIMES FOR RADIO - POLICY CONCEPTS DISCUSSION (45 mins):

MODERATOR TO EXPLAIN:

Our client for this project is Ofcom, who are in charge of issuing licences to new radio stations, and making the rules that all broadcast stations must follow. They are keen to ensure that small scale radio stations deliver services that are valued by listeners. But there is recession, and there are going to be big public spending cuts, and things are not easy for small stations. Ofcom wants to make sure that the rules are not making stations go out of business.

We are going to explore some questions that Ofcom faces: firstly, how to create new services; secondly, whether to change the rules that existing stations have to follow.

1. NEW SERVICES [*same intro for community and commercial*] (5 min)

MODERATOR TO EXPLAIN:

There are 3 ways that radio station can be set up: they can be licence fee funded BBC stations (like Radio 1 or 4), Commercial Radio stations and Non-profit radio stations. **We are not here today to talk about BBC stations**, but we would like to look at the other 2 types in more detail – particularly with regard to small, local radio stations

MODERATOR TO INTRODUCE THE FOLLOWING (ON A BOARD):

- When there are demands from communities for new small scale local radio services, there are 2 ways in which these small scale radio stations can be set up. They can be either commercial in nature (where they are able to raise all their revenues from advertising, and the station can be bought and sold by larger commercial radio groups), or non-profit (which have to be owned locally, and which have limits on the amount of money they can make from advertising)

MODERATOR TO PROBE AROUND THE FOLLOWING QUESTIONS

- Do you know whether small station X is commercial or not-for-profit?
- Does it matter to you which of these it is?
- If in an area like yours there was a demand from a local community for a new local radio station, would you prefer it to be commercial or not for profit? Or would you not really mind?

2.INTRO: FINANCIAL PRESSURES [*different board for community and commercial*] (5 min)

MODERATOR SHOWS THE RELEVANT BOARD EXPLAINING THE CURRENT CHALLENGING RADIO ENVIRONMENT ACROSS THE COUNTRY:

- **For commercial radio groups** – “Commercial radio stations are small businesses whose funding only comes from advertising. However, these advertising revenues have been hit by the recession whilst the costs of running a small commercial radio station have not reduced”
- **For community radio groups** – “Some radio stations are funded from a variety of public grants and funding, and this is where the majority of their income comes from. These stations often have requirements to engage with the community that can be costly for the station. Since these radio stations are not-for-profit organisations these public funds often only just cover costs and there is very little in the way of contingency funds. However, going forwards, these public funds are looking less certain”

3. MAKING EXISTING LOCAL RADIO SERVICES MORE SUSTAINABLE: ‘WHAT IFS’ [same material for Commercial and Community] (20 min)

MODERATOR TO INTRODUCE THE FOLLOWING 3 IDEAS TO RESPONDENTS IN TURN ON A4 SHEETS (ROTATE ORDER ACROSS GROUPS):

There are some rules around what radio stations must do, and what they can't do. These rules have an impact on how those stations operate – on their costs, and on their income.

So Ofcom are considering 3 different areas where the rules might make a difference to stations:

1. They could allow more ‘Advertising and commercial activity’...

Adverts and Commercial programming – This might mean:

- More ads than the station carries at present
- More brands mentioned in the programming (although likely to be local businesses, e.g. A car repair shop on the high street);
- Sponsored features (e.g. a breakfast competition feature brought to you by a local supermarket)
- Outside broadcasts with commercial partners (e.g. a DJ hosting a programme from a shopping centre)

[Generally, it is possible for small radio stations to raise more revenues by being more commercial.]

2. They could allow lower levels of participation radio stations play in the community...

Participation – Local radio stations are usually rooted in the community, but this can mean a number of different things:

- This might just mean the community being reflected in the radio output (e.g. free on-air promotion of local events particularly charitable events and school/church fetes etc)
- Or it might mean community members getting involved in the radio station
- Or the station taking a role in community projects – a wider role than just broadcasting (e.g. youth training)

[Generally more participation comes at a cost (although some types of participation can bring commercial advantage or even direct revenue).]

[NB: Moderator to explain that there are varying levels of participation depending on the station, some of which are more costly than others, but all of which come at an extra cost to the station. For example some radio stations are involved with training programmes for the youth in their local community which is a long-term contribution and requires a lot of involvement and funding...whereas at the other end of the scale a radio station could present the show live from a local shopping centre to promote an event. This is less costly, as it is a one-off event, but it still requires extra funds.]

3. They could allow the station to have a less specific focus...

Station focus – Local radio stations face choices in deciding what to broadcast, but also have some rules to follow, and these are often about the station's focus:

- a. Stations can be independent and highly focused on local issues, or have a more mainstream, music-based entertainment approach
- b. They can focus on the whole community, or on certain specific sections of it (e.g. programming targeted at a minority audience)
- c. It may also mean more subtle changes to programming, designed to make the output appeal to a larger audience (e.g. more popular music being played)

[Generally, a more specific focus comes at a cost.]

MODERATOR TO DISCUSS EACH IDEA IN TURN

- What do they think of the idea? How important is it?
- What is good / bad about it? What bits do they like/not like
- How will it impact on the radio station in question? And on them, **both** as a listener and as a member of the wider community?
- Would it be likely to make them stop listening to the station?
- Would they change anything about the idea? If yes, what?
- What else could the radio station do in addition?

4. TRADE OFF EXERCISE (10 min)

Now let's have a look at all three ideas together.

MODERATOR TO SHOW RESPONDENTS A PRE-PREPARED PAGE ON THE FLIP CHART THAT READS:

- 1) More advertising and commercial activity, in order to increase revenues
- 2) Less participation within the local community, in order to reduce costs
- 3) Less of a specific station focus, in order to reduce costs

Taking into account the changes it would bring to the station, which of these 3 ideas would you, **as a listener and member of your local community**, be willing to accept for small station X? By accepting this idea, it would mean that small station X would not have to consider the other 2 ideas.

Which idea would be your second choice? Which idea (if any) would you NEVER want small station X to consider?

MODERATOR TO PROBE AROUND THE TRADE-OFFS BETWEEN THE DIFFERENT IDEAS

Now imagine that you are **the manager of small station X**. Given the difficulties in making the station's income cover its costs, would your decisions be the same? Why? Why not?

F. Wrap up and close session

Thanks respondents for their time and ask them if they have any questions.

Phase 2 Discussion Guide:

OFCOM – SMALL SCALE RADIO

Discussion guide – Qual Phase 2: Community Station Groups
2 hour groups; 9 respondents per group

1. INTRODUCTION TO RESEARCH AND WARM-UP (15 mins)

The purpose of this section is to get the respondents relaxed and to gain a brief context of their lives (especially in terms of their local community)

- Thank respondents for completing their Pre-tasks
- Session to follow MRS guidelines / regulations. Voice recorder for internal research purposes
- No right or wrong answers & we want to hear from everyone
- Session will last for 2 hours, with a 10 minute break in the middle
- *Moderator to explain:* We are here to talk about radio – and small scale radio in particular. Our client is trying to gain a greater understanding of the local radio sector, so that they can help support small radio stations better in the future
- Respondents introduce themselves; explain their hobbies / interests
- Respondents describe their local community; what are they proud of/what disappoints them
- Respondents present the **OBJECT** they have brought with them to the group
- *Moderator to photograph the object*
- Do any of them get involved in their local communities; if they do, in what ways

2. RADIO CONSUMPTION (10 mins)

The purpose of this section is to understand the respondents' radio consumption

- What radio kit do they use (in and out of their houses. *PROBE: DAB vs. Analogue, home, car, work*) NB: DAB subject can be controversial
- Where and when do they listen to the radio
- If they use other platforms, such as TV, PC or mobile, how do they differ from other platforms. NB: Interested in how people consume radio over the web
- Why do they listen to the radio; does this differ depending on the time of day / day of week
- What stations do they listen to
- *Moderator to record on cards any stations mentioned which are not on the*
STATION CARDS

3. MARKET MAPPING (15 mins)

The purpose of this section is to understand how stations are grouped and where the station in question sits within these groups

- Moderator shows the **STATION CARDS**, as well as the any stations recorded at the end of section 2
- Respondents map the station cards as a group and explain where they put them and why
- Respondents explain why radio stations are grouped together in different groups, and what the differences are between the different groups
- Why do they choose to listen to some stations / groups over others
- What are they looking for from a station / group; what needs does this station / group fulfill
- Moderator to photograph the market map
- Moderator to particularly probe around the station in question
- What makes this station different to the other stations

4. FOCUS ON THE STATION IN QUESTION (15 mins)

The purpose of this section is to understand why people are listening to the station in question and what its unique benefits might be

- How long have they been listening to the station in question; when did they start listening, and why
- How did they discover the station in the first place
- Do they still listen for the same reasons now
- How would they describe their mood when listening to the station
- When do they tune in; where do they listen to it and who do they listen with
- Where does it sit in their portfolio of radio stations
- What needs are the different stations within this portfolio fulfilling
- Do they listen to some to fulfil more 'practical' needs and others to fulfil more 'emotional' / 'personal' needs
- Moderator to introduce the **MOOD TREE**
- How do they feel about the station in question – respondents to circle on the Mood Tree to show this feeling
- How would they describe the listening experience to someone who had never listened to the station before; is it different to other stations
- What person/celebrity, TV channel, radio station is the station in question most similar to

5. SOCIAL BENEFIT (10 mins)

The purpose of this section is to understand the respondents' relationship with the station and their community

- Moderator to introduce the **NEEDS CARDS**
- Which needs does the station in question fulfil; are there any needs missing
- Moderator to record any missing needs and photograph the map
- Why have they chosen these needs in particular
- Do they differ from those for other stations
- What is it (if anything) that makes the station in question special / different

- What does the station in question contribute to the community beyond the radio shows. *Probe: training, charity fundraisers, events, show casing talent etc.*
- Are they actively involved in the station themselves; do they go to / organise events or take part in competitions
- Is there anything the station doesn't do that would be appreciated; how could the station achieve this
- If the station didn't exist, how would they feel; what would they miss and why
- How would they feel if the station was only available online

[10 MINUTE BREAK]

6. POLICY CONCEPTS DISCUSSION (45 minutes)

The purpose of this section is to understand respondents' reactions to the different types of small scale radio set-ups, as well as relaxing 3 different policy concepts

INTRODUCTION

Moderator to show BOARD 1: Our client for this project is Ofcom. They (amongst other things) are in charge of issuing licences to new radio stations, as well as making the rules that all radio stations must follow. They are keen to ensure that small scale radio stations deliver services that are valued by listeners. But we are currently enduring tough financial times and big public spending cuts, which is not making things easy for these small radio stations. So, Ofcom wants to make sure that the rules they make for small radio stations are not making them go out of business.

Moderator to show BOARD 2: We are going to explore 2 questions that Ofcom currently faces:

1. How to set-up new small scale radio stations
2. Whether to change the rules that existing small scale radio stations have to follow

FIRST QUESTION (how to create new small scale radio stations)

- *Moderator to explain:* There are 3 ways that radio stations can be set up: they can be licence fee funded BBC stations (like Radio 1 or 4), Commercial radio stations & Non-Profit radio stations
- Do they understand these distinctions
- Where do they think the station in question fits in

Moderator to show BOARD 3: When there are demands from communities for new small scale local radio services, there are 2 ways in which these small scale radio stations can be set up. They can be either Commercial in nature (where they are able to raise all their revenues from advertising, and the station can be bought or sold by larger radio groups), or Non-Profit (which have to be owned locally, and which have limits on the amount of money they can make from advertising)

- Which do they think the station in question is; have they changed their minds now that they have seen this description. *Moderator to clarify that it is Non-Profit once they have guessed*

- Do they mind whether the station in question is Commercial or Non-Profit
- If the station in question did not exist, and there was a demand from their local area for a new local radio station, would they prefer it to be Commercial or Non-Profit
- If they don't mind, what do they think about the idea of a hybrid; are there any benefits of a hybrid

SECOND QUESTION (whether to change the rules that existing small scale radio stations have to follow)

*Moderator to show **BOARD 4:*** Non-Profit stations are funded from a variety of public grants and funding, and this is where the majority of their income comes from. These stations often have requirements to engage with the community which can be costly for the station. Since these radio stations are Non-Profit organisations, these public funds often only just cover costs and there is very little in the way of contingency funds. However, at the moment, these public funds are looking less certain

- As already mentioned, Ofcom makes the rules about what radio stations must and must not do. These rules have an impact on how these stations operate – namely on their operating costs and their income
- Relaxing these rules could lower station operating costs or increase station income
- So Ofcom is considering 3 different areas where relaxing the rules could make a difference to Non-Profit stations:

*Moderator to show **BOARD 5:***

'Ofcom could relax the rules about how much 'Advertising or commercial activity' the station is allowed have. This might mean:

- a) More ads than the stations carries at present
- b) More brands mentioned in the programming (these are likely to be local businesses)
- c) Some Sponsored Features (e.g. a breakfast competition feature brought to you by a local business)
- d) Some Outside Broadcasts with commercial partners (e.g. a Radio DJ hosting a programme from a shopping centre)

All these things would generate more income for the station'

*Moderator to show **BOARD 6:***

'Local radio stations are usually rooted in their communities. But, Ofcom could relax the rules on the levels of Participation a radio station plays in its community, meaning:

- a) The local community is not reflected as much in the radio output (e.g. local charitable events or fetes would not be given free on-air promotion any more)
- b) Local community members are not able to get involved in the radio station as much as before
- c) The station cannot get involved in community projects as much as before (e.g. Youth training)

All these things would lower the operating costs of the station'

*Moderator to show **BOARD 7:***

'All local radio stations face decisions on what to broadcast, but they also have to follow some rules about this. Ofcom could relax the rules on the Focus of the radio station, but this might mean:

- a) Not being independent and highly focused on local issues, but having a more mainstream, music-based entertainment approach
- b) Not focusing on certain specific sections of a community (e.g. a minority audience) but on the community as a whole
- c) Subtle changes to programming so that the output is designed to appeal to a wider audience (e.g. playing more popular music)

All these things would lower the operating costs of the station'

- *Moderator to discuss each BOARD in turn*
- What do they think of the idea on the board
- What are the advantages and drawbacks of relaxing these rules on the board
- How will the relaxation of these rules impact the station from their point of view as a listener and as a member of their local community
- Would it be likely to make them stop listening to the station
- If they could change anything about the idea on the board, what would it be
- Is there anything the station could do in addition or instead

TRADE-OFF EXERCISE

*Moderator to show **BOARD 8:***

1. More advertising and commercial activity, to increase the station's income
 2. Less participation within the community, to reduce the station's operating costs
 3. Less of a specific station focus, to reduce the station's operating costs
- So it will involve a level of compromise – relaxing the rules will help the station financially, but it will also bring these changes (shown on BOARD 8)
 - Which of the 3 ideas (if any) would they, as a listener and as a member of their local community, be willing to accept for the station in question
 - Which idea (if any) would be their second choice
 - Which ideas (if any) would they never want to consider / make them stop listening
 - *Moderator to probe the trade-offs between the different ideas and create a ranking*
 - They should now imagine that they are the manager of the station in question, Given the difficulties in making the station's income cover its costs, would their decisions be the same
 - Why / why not

7. WRAP UP AND CLOSE

- Thank respondents for their time and give them their incentives

Qualitative Policy Stimulus

Board 1: Introduction

Our client for this project is Ofcom. They are in charge of issuing licenses to new radio stations, as well as making the rules that all radio stations must follow. They are keen to ensure that small scale radio stations deliver services that are valued by listeners.

But we are currently enduring tough financial times and big public spending cuts, which is not making things easy for these small radio stations. So, Ofcom wants to make sure that the rules they make for small radio stations are not making them go out of business.

Board 2: The 2 questions to explore

We are going to explore 2 questions that Ofcom currently faces:

1. How to set-up new small scale radio stations
2. Whether to change the rules that existing small scale radio stations have to follow

Board 3: The difference between commercial and not-for-profit

When there are demands from communities for new small scale local radio services, there are 2 ways in which these small scale radio stations can be set up:

They can be either commercial in nature (where they are able to raise all their revenues from advertising, and the station can be bought and sold by larger commercial radio groups)

Or non-profit (which have to be owned locally, and which have limits on the amount of money they can make from advertising)

Board 4: Description of not-for-profit stations

Non-profit stations are funded from a variety of public grants and funding, and this is where the majority of their income comes from. These stations often have requirements to engage with the community that can be costly for the station.

Since these radio stations are non -profit organisations these public funds often only just cover costs and there is very little in the way of contingency funds. However, at the moment, these public funds are looking less certain.

Board 5: Relaxing the rules on the amount of Advertising and Commercial activity

Ofcom could relax the rules about how much **Advertising and Commercial activity** the station is allowed to have. This might mean:

- a) More ads than the station carries at present
- b) More brands mentioned in the programming (these are likely to be local businesses)
- c) Some Sponsored Features (e.g. a breakfast competition feature brought to you by a local business)
- d) Some Outside Broadcasts with commercial partners (e.g. A radio DJ hosting a programme from a shopping centre)

NB: All these things would generate more income for the station.

Board 6: Relaxing the rules on station Participation

Local radio stations are usually rooted in their communities. But, Ofcom could relax the rules on the levels of **Participation** a radio station plays in its community, meaning:

- a) The local community is not reflected as much in the radio station output (e.g. Local charitable events or fetes might not be given free on-air promotion any more)
- b) Local community members are not able to get involved in the radio station as much as before
- c) The station cannot get involved in community projects as much as before (e.g. Youth Training)

NB: All these things would lower the operating costs of the station.

Board 7: Relaxing the rules on Station Focus

All radio stations face decisions on what to broadcast, but they also have to follow some rules about this. Ofcom could relax the rules on the **Focus** of the station, but this might mean :

- a) Not being independent and highly focussed on local issues, but having a more mainstream, music -based entertainment approach
- b) Not focusing on certain specific sections of the community (e.g. a minority audience) but on the community as a whole
- c) Subtle changes to programming so that the output is designed to appeal to a wider audience (e.g. playing more popular music)

NB: All these things would lower the operating costs of the station.

Board 8: The trade-off exercise

1. More advertising and commercial activity, to increase the station's income
2. Less participation within the community, to reduce the station's operating costs
3. Less of a specific station focus, to reduce the station's operating costs

Quantitative questionnaire and data tables:

Questionnaire:

BASIC DEMOGRAPHICS

Thank you in advance for taking part in our survey. The first set of questions is for classification purposes only.

D1. First we would like to check which radio station you are completing this survey for.

Are you completing this survey for (station x) ?

[Station recorded during online/telephone registration inserted above]

- a. Yes
- b. No

If 'Yes' and station survey closed, advance to thank and close message.

Thank you for taking the time to share your thoughts with us. Unfortunately, we have already received 130 responses to this station, and the survey is now closed.

D1b. [If 'No' at D1]. For which station are you completing this survey?

Show long list drop down of all stations for selection [to account for misunderstanding between what people said in their message and what recruiter understood]

D3. Are you...

Tick box for online.

Do not read out (but record) for CATI surveys.

- a. Male
- b. Female

D4. How old are you?

- Under 16 **CLOSE**
- 16-18
- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65+

IF UNDER 16 – *Thank you for taking the time to share your thoughts with us. Unfortunately, we can only survey people who are at least 16 years old.*

D5. What is your working status?

- 1. Working full-time
- 2. Working part-time
- 3. A student in full-time education
- 4. Not working but looking for work
- 5. Not working and currently not looking for work
- 6. Retired
- 7. Other

D6. In which of the following areas do you work?

ASK IF 'WORKING FULL-TIME' OR 'WORKING PART-TIME AT D5.

- 1. Armed Forces
- 2. Farming, Mining or Forestry
- 3. Government

4. Manufacturing
5. Marketing or Market Research
6. Media (i.e. TV, Radio, Other)
7. Retail or Hospitality
8. Service Industry
9. Other

D6b. And where do you do work?

ASK IF 'MEDIA' AT D6.

1. Station X **CLOSE**
2. Other radio station/radio industry **CLOSE**
3. Other media

IF IS 'STATION X' OR OTHER RADIO INDUSTRY THEN CLOSE. - Thank you for taking the time to share your thoughts with us. Unfortunately, we can only survey people who do not work within the radio industry.

M1. Thinking about the area you live in, to what extent do you agree with each of the following statements?

Please answer on a scale of 1-5, where 1 is strongly disagree and 5 is strongly agree.

[Scale: 1 – 5, and 'don't know']

RANDOMISE

- a. I am proud of where I live
- b. I feel part of a local community
- c. I use a lot of the local facilities available to me (e.g. library, leisure centre etc)
- d. I am interested in what is going on in my local area
- e. I like to attend local events
- f. I like to help run or actively participate in local events (e.g. community events, sports teams)

RADIO LISTENING & STATION X QUESTIONS

We'd now like to ask you some more detailed questions about your radio listening.

R1. Which of the following do you own or have access to?

Please select all that apply.

MULTICODE

1. Standard radio set (picks up AM, FM and medium wave radio)
2. DAB digital radio
3. Car radio
4. Internet (e.g. on a computer)
5. A television that offers digital radio channels
6. None **EXCLUSIVE**

R2. How often, if at all, do you listen to the following radio stations?

	R2.01	R2.02	R2.03	R2.04	R2.05	R2.06
	Every day	Several times a week	Several times a month	Less often	Never	Don't know (CATI-do not read out)
a) Station X					Not asked of Station x	
b) BBC local						

ESSENTIAL

radio						
c) Other local radio stations (not including Station X)						
d) BBC national radio stations (e.g. Radio 1, Radio 2, etc.)						
e) National commercial radio stations (e.g. Absolute, Talksport, Classic)						

R3. What are the main local radio stations that you listen to?

Please list up to 3 local radio stations, where 1 is the station you listen to the most. Please type in the boxes below up to 3 stations.

OPEN ENDED ANSWER

One answer required to advance

CATI – Interviewer instruction: Respondents do not need to mention 3 stations; rather it is up to 3

1	
2	
3	

S1. For roughly how long have you been listening to station X?

SINGLE CODE

CATI – Do not read out codes.

- a. Less than a month
- b. Between one and six months
- c. Between six months and one year
- d. One to three years
- e. More than three years
- f. Don't know

S2. Where do you tend to be when you listen to station x?

Please select all that apply.

MULTICODE

- a. At home
- b. Travelling / commuting
- c. At work / school / college / university
- d. Somewhere else (e.g. the gym)
- e. Don't know **EXCLUSIVE** (CATI – Do not read out)

S3. When do you generally listen to station x on weekdays?

Please select all that apply.

MULTICODE

CATI – Do not read out codes.

- a. Early mornings (6am-9am)

- b. Late mornings (9am-12 noon)
- c. Early afternoons (12 noon-3pm)
- d. Late afternoons (3pm-6pm)
- e. Early evenings (6pm-9pm)
- f. Late evenings (9pm-12 midnight)
- g. Overnight (12 midnight – 6am)
- h. I don't listen on weekdays **EXCLUSIVE**
- i. Don't know **EXCLUSIVE**

S4. When do you generally listen to *station x* on weekends?

Please select all that apply.

MULTICODE

CATI – Do not read out codes.

- a. Early mornings (6am-9am)
- b. Late mornings (9am-12 noon)
- c. Early afternoons (12 noon-3pm)
- d. Late afternoons (3pm-6pm)
- e. Early evenings (6pm-9pm)
- f. Late evenings (9pm-12 midnight)
- g. Overnight (12 midnight – 6am)
- h. I don't listen on weekends **EXCLUSIVE**
- i. Don't know **EXCLUSIVE**

S5. In which of the following ways have you listened to *station x* in the last two months?

Please select all that apply.

MULTICODE

	Listened this way in the last 2 months
FM or AM radio (including mobile phones and in the car)	
Live digital radio via the internet	
Catch-ups or podcasts via the internet	
Don't know [CATI - DO NOT READ OUT]	
Haven't listened in the last two months [CATI - DO NOT READ OUT]	

S6. Which of the following types of radio programme do you regularly listen to on *station x*?

Please select all that apply.

MULTICODE

	Regularly listen to
Chart music / Classic Hits	
Local bands / Music	
Other music	
Local news and information	
Sport	
Discussion / Debates / Phone-ins	
Programmes on local issues	
Live coverage from local events	

ESSENTIAL

Other [CATI - DO NOT READ OUT]

S7. Where do you regularly go for the following types of local information?

Please select all that apply.

MULTICODE

	Station X	Other local radio station	Local newspapers or magazines	Websites	Regional / local programmes on TV	Not Interested / Don't know (CATI – Do not read out)
a. Local news						
b. Local travel information						
c. Local weather information						
d. Information about local emergencies (e.g. snow / floods)						
e. Local information about what's on						
f. Information about local music / bands						
g. Information on local community issues						
h. Information about local interest groups						
i. Information on local sport						

S8: And what is your preferred source for each of the following types of local information?

Please choose one only.

SINGLE CODE

ASK IF MORE THAN ONE SOURCE SELECTED AT S7; ONLY SHOW CODES SELECTED AT S7

	Station X	Other local radio station	Local newspapers or magazines	Websites	Regional/local programmes on TV	Not Interested/ Don't know (CATI – Do

ESSENTIAL

							not read out)
a. Local news							
b. Local travel information							
c. Local weather information							
d. Information about local emergencies (e.g. snow / floods)							
e. Local information about what's on							
f. Information about local music / bands							
g. Information on local community issues							
h. Information about local interest groups							
i. Information on local sport							

S7 & S8 asked as row loop – S7a, then S8a, then S7b, then S8b, etc...

S9. How important are each of the following sources of local information to you?

Please answer on a scale of 1-10, where 1 is not important at all and 10 is completely important.

[Scale 1-10, and 'don't know']

S9.01 - Station X

S9.02 - Other local radio station

S9.03 - Local newspapers or magazines

S9.04 - Websites

S9.05 - Regional/local programmes on TV

S10. Why do you listen to *station x*?

Please select all that apply.

RANDOMISE CODES A-H. MULTICODE.

- a. As background while doing something else
- b. To hear about my local community

ESSENTIAL

- c. To hear about my culture or faith
- d. To hear about people like me
- e. To stay informed
- f. To hear my favourite / new music
- g. To listen to a specific programme
- h. Because others choose to play it (e.g. at work or in the shops)
- i. Other reason (please write in) _____ (for pilot only, to feed in pre-codes)
- j. Don't know (Don't read out) **EXCLUSIVE**

S11. And what is the main reason you listen to station x?

ASK IF MORE THAN ONE CODE SELECTED AT S10
SINGLE CODE.

ONLY SHOW CODES SELECTED AT S10.
SHOW IN ORDER SELECTED AT S10.

- a. As background while doing something else
- b. To hear about my local community
- c. To hear about my culture or faith
- d. To hear about people like me
- e. To stay informed
- f. To hear my favourite / new music
- g. To listen to a specific programme
- h. Because others choose to play it (e.g. at work or in the shops)
- i. Other reason (as above) (for pilot only, to feed in pre-codes)

S12a. Have you ever volunteered at station x?

SINGLE CODE

- a. Yes
- b. No
- c. Don't know

S12. Has anything on station x encouraged you to do any of the following?

Please select all that apply.

MULTICODE
RANDOMISE

- a. Volunteer locally
- b. Take up a work placement / professional training
- c. Give money to a charity
- d. Go to local events (e.g. local sports / music events)
- e. Vote on or follow local issues / politics
- f. Support local businesses
- g. None of the above **EXCLUSIVE; KEEP AT BOTTOM OF LIST**

S13. Please state whether you agree or disagree with each of the following statements.

Please answer on a scale of 1-5, where 1 is strongly disagree and 5 is strongly agree.

[Scale 1-5, and 'don't know']
RANDOMISE.

- a. Station x provides training opportunities to local people
- b. Station x raises awareness of local issues
- c. Station x supports local businesses
- d. Station x supports local organisations (e.g. local schools, charities)
- e. Station x keeps me informed of important local information



f. Station x supports specific groups (such as the elderly, faith, unemployed)

S14. How much do you like or dislike, if at all, each of the following on Station X?

Please answer on a scale of 1-5, where 1 is dislike a lot and 5 is like a lot.

RANDOMISE first 7 attributes; keep 'Station X overall' at end

	1 – Dislike a lot	2	3	4	5 - Like a lot	Don't know
Presenters						
Music						
Range of programming						
Local News & information						
Amount of advertising						
Community feel						
Programming of specific interest to me						
Station X overall						

S15. Advertising and sponsorship provide revenue for local radio stations. Without money from advertising and sponsorship, local radio stations may not exist.

S15a. To what extent, if at all, would it bother you if the amount of sponsorship on *station x* increased a little?

- a. Not bother me at all
- b. Bother me a bit
- c. Bother me a lot
- d. Don't know (CATI – do not read out)

S15b. To what extent, if at all, would it bother you if the amount of advertising on *station x* increased a little?

- a. Not bother me at all
- b. Bother me a bit
- c. Bother me a lot
- d. Don't know (CATI – do not read out)

S16. Local radio has come under pressure in recent years, and as a result, many stations have had to consider changes.

RANDOMISE (AT A ONLY, KEEP SAME ORDER AT B) AS FOR A)

- a) Which of the following changes would you be **most willing to accept** with regards to station x?

Please select only one.

CATI – read out all

RANDOMISE

(Select one only)

- a. Station x aired more advertisements.
- b. Station x had more sponsored and commercial features.
- c. Station x had less local information.
- d. Station x became more mainstream (e.g. playing only pop music)
- e. Station x had less community involvement.
- f. Don't know (CATI – do not read out)

b) And which would you be **least willing to accept on Station X?**

(CATI – Read out all except code from a)

- a. Station x aired more advertisements.
- b. Station x had more sponsored and commercial features.
- c. Station x had less local information.
- d. Station x became more mainstream (e.g. playing only pop music)
- e. Station x had less community involvement.
- f. Don't know (CATI – do not read out)

S17. Radio stations can be either commercial or not for profit in nature.

Commercial stations are able to raise all their revenues from advertising, and the station can be bought and sold by larger commercial radio groups.

Not-for-profit stations have to be owned locally, and have limits on the amount of money they can make from advertising.

Do you think *Station X* is a not for profit station or commercial station?

Please select one option only.

- a. Not-for-profit
- b. Commercial station
- c. Don't know (CATI – do not read out)

Data Tables:

Across the two phases of quantitative fieldwork there was an uneven response rate from the stations selected for study. In each fieldwork phase, one station attracted a far greater sample size than the others in their group. To account for this difference, and allow for a more effective comparison of community and commercial stations at the aggregate level, weighting was applied to the data set in order to reduce the relative influence of the higher-sampling stations, Pure Radio and Andover Sound, and to boost the relative influence of the lower-sampling stations.

Overall, the weighting reduced the sample from 459 respondents to 300 respondents. Community station sample size was reduced from 156 to 95, with Pure Radio altered from having 114 respondents in the sample to 45. Commercial station sample size was reduced from 303 to 95 – with Andover Sound's response downweighted from 141 to 50. Weighting was applied to each station individually; no other weighting was applied.