The Communications Market:

Digital radio report chart pack

July 2011

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Basis of report publication

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

• The plan emphasises that digital radio switchover should only begin when the market is ready for such a process and that it should therefore be predominantly consumer-led. An aspirational target date of 2015 was supported by the report. But it also concluded that a decision on switchover could only made once two criteria had been fulfilled:
  – when 50% of all radio listening is via digital platforms; and
  – when national DAB coverage is comparable to FM, and local DAB reaches 90% of the population and all major roads.

• This report includes data on digital radio devices’ share of radio listening, coverage project, designed to measure current levels of FM and DAB coverage and take-up.

• In this report ‘digital radio’ is used in its broadest sense to include all platforms and technologies that allow listeners to access digital radio services.
# Figure 1: Existing DAB Coverage

<table>
<thead>
<tr>
<th>Existing DAB coverage</th>
<th>Aggregate of local multiplexes</th>
<th>BBC national</th>
<th>Commercial national (Digital One)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households (robust)</td>
<td>66.2%</td>
<td>92.2%</td>
<td>84.6%</td>
</tr>
<tr>
<td>Roads (robust mono)</td>
<td>42.9%</td>
<td>73.4%</td>
<td>63.5%</td>
</tr>
</tbody>
</table>

Source: Ofcom, June 2011
## Figure 2: Existing FM Coverage

<table>
<thead>
<tr>
<th>Existing DAB coverage</th>
<th>Aggregate of local multiplexes</th>
<th>BBC national (BBC Radios 1 to 4)</th>
<th>Commercial national (Classic FM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households (robust)</td>
<td>92.6%</td>
<td>94.9%</td>
<td>90.9%</td>
</tr>
<tr>
<td>Households (variable)</td>
<td>97.9%</td>
<td>99.1%</td>
<td>97.4%</td>
</tr>
<tr>
<td>Roads (robust mono)</td>
<td>91.5%</td>
<td>93.1%</td>
<td>86.8%</td>
</tr>
<tr>
<td>Roads (variable mono)</td>
<td>95.5%</td>
<td>95.8%</td>
<td>90.3%</td>
</tr>
</tbody>
</table>

Source: Ofcom, June 2011
Figure 3: Number of UK radio stations broadcasting on analogue, July 2011

<table>
<thead>
<tr>
<th>Type of station</th>
<th>AM</th>
<th>FM</th>
<th>AM/FM total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local commercial</td>
<td>53</td>
<td>245</td>
<td>298</td>
</tr>
<tr>
<td>UK-wide commercial</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>BBC UK-wide networks</td>
<td>1</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>BBC local and nations</td>
<td>36</td>
<td>46</td>
<td>46</td>
</tr>
<tr>
<td>Community radio</td>
<td>4</td>
<td>188</td>
<td>193</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>96</strong></td>
<td><strong>484</strong></td>
<td><strong>545</strong></td>
</tr>
</tbody>
</table>

Source: Ofcom, July 2011
Figure 4: Number of radio stations broadcasting on DAB, July 2011

<table>
<thead>
<tr>
<th>Type of station</th>
<th>Relation to analogue area</th>
<th>Number of stations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local commercial</td>
<td>DAB in analogue area</td>
<td>101</td>
</tr>
<tr>
<td></td>
<td>DAB extends analogue area</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>DAB only</td>
<td>37</td>
</tr>
<tr>
<td>UK-wide commercial</td>
<td></td>
<td>13</td>
</tr>
<tr>
<td>BBC UK-wide networks</td>
<td></td>
<td>11</td>
</tr>
<tr>
<td>BBC local and nations</td>
<td></td>
<td>32</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>208</strong></td>
</tr>
</tbody>
</table>

Source: Ofcom July 2011
Figure 5: Number of services available on DAB, UK map

Source: Ofcom, July 2011
Figure 6: Take-up of equipment capable of receiving digital radio, 2011

<table>
<thead>
<tr>
<th>Year-on-year increase (pp)</th>
<th>Share of households</th>
</tr>
</thead>
<tbody>
<tr>
<td>+2</td>
<td>Internet 75%</td>
</tr>
<tr>
<td>+1</td>
<td>Digital TV 93%</td>
</tr>
<tr>
<td>+4</td>
<td>DAB radio 38%</td>
</tr>
</tbody>
</table>

- **Broadband**: 74%
- **Satellite**: 43%
- **Cable**: 11%
- **Dial-up**: 1%
- **Terrestrial**: 38%

Source: Research from: Ofcom, GfK and RAJAR in Q1 2011
Figure 7: Number of analogue and digital radio sets sold

<table>
<thead>
<tr>
<th>Year to Q1</th>
<th>Total annual sales (millions)</th>
<th>Share of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.4 million</td>
<td>81.5% 18.5%</td>
</tr>
<tr>
<td></td>
<td>10.4 million</td>
<td>79.9% 20.1%</td>
</tr>
<tr>
<td></td>
<td>9.3 million</td>
<td>77.5% 22.5%</td>
</tr>
<tr>
<td></td>
<td>9.2 million</td>
<td>79.1% 20.9%</td>
</tr>
<tr>
<td></td>
<td>8.5 million</td>
<td>77.7% 22.3%</td>
</tr>
</tbody>
</table>

Categories of device included are: portable radios, personal media players, car audio systems, home audio systems, clock radios, radio recorders, headphone stereos, tuners and receivers.

Source: GfK sales data, 2006-2011. Note: Figures cover GB only, GfK Panel. Market data represents over 90% of the market.
Figure 8: Average price of DAB digital radio receivers sold

Source: GfK sales data 2003-2011
**Figure 9: The radio set universe and frequency of listening**

<table>
<thead>
<tr>
<th></th>
<th>Sets in the market (millions) – lower bound estimate(^3)</th>
<th>Estimated proportion used at least weekly (%)(^4)</th>
<th>Estimated proportion that are digital (%)(^5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>In home radios(^1)</td>
<td>66m – 79m</td>
<td>73%</td>
<td>15% - 18%</td>
</tr>
<tr>
<td>Vehicle radios(^2)</td>
<td>34m</td>
<td>92%</td>
<td>1%</td>
</tr>
<tr>
<td>Total</td>
<td>100m – 113m</td>
<td>83%</td>
<td>11%-12%</td>
</tr>
</tbody>
</table>

Source: Ofcom research on home radio ownership and vehicle figures from the Department of Transport
Note 1: In-home radios includes hi-fis, portable radios and alarm clock radios.
Note 2: data on the number of vehicles on UK roads, as reported by the Department of Transport in December 2009
Note 3: Due to the complexity of estimating the radio set universe, we have included a range of figures based on consumer research conducted in November 2008 and GfK retail sales data for 2000-2011.
Note 4: Frequency of listening figures from Ofcom consumer research May 2010
Base: 1075 UK adults
(Q1) How many working (insert type of device) do you have in your household?
(Q4ii to Q6i): How often do you or someone in your household listen to (type of device)?
Note 5: Proportion of home radios including a DAB digital radio tuner draws on GfK sales data, March 2011 (12.1m devices).
Figure 10: The number of sets that consumers listen to in ‘most weeks’

Proportion of respondents (%)

None 1 2-3 4-5 6-10 DK
0% 5% 10% 15% 20% 25% 30% 35% 40%
30 37 26 5

QP5. In total, how many radio sets do you have in your home that you, or someone in your household listens to in most weeks?
Source: Ofcom research, Q1 2011
Base: All respondents, n=2281
Figure 11: The location of sets that are used in ‘most weeks’

Proportion of respondents %

- Kitchen: 37%
- Lounge: 34%
- Adult’s bedroom: 23%
- Dining room: 4%
- Child’s bedroom: 4%
- Bathroom/WC: 3%
- Study: 2%
- Garage: 1%
- Hallway: 1%
- Move around: 3%

Source: Q4. How often, if at all, do you access the radio via…
Source: Ofcom Technology Tracker, Wave 1 2011
Base: All respondents, n=2281
**Figure 12:** Proportion of individuals claiming access to DAB in the home

Proportion of all individuals (%)

- Q1 2005: 8.1%
- Q1 2006: 13.6%
- Q1 2007: 19.5%
- Q1 2008: 27.3%
- Q1 2009: 32.1%
- Q1 2010: 34.5%
- Q1 2011: 38.2%

Source: RAJAR/ Ipsos MORI / RSMB
Figure 13: Take-up of DAB digital radio, by multiplex area

Source: RAJAR Q1 2011
Figure 14: Distribution of listening hours across analogue & digital platforms

Source: RAJAR Ipsos MORI/ RSMB. All adults (15+), data relates to corresponding year ending each date shown. Note: Unspecified relates to listening where the radio platform was not confirmed by the listener.
Figure 15: Proportion of people, by age, who have ever listened to radio through a digital platform

Digital radio listening by age group (% of total)

Source: Ofcom research, Q1 2011
Base: All who listen to the radio (n=7017)
Q: Whether ever use digital radio
Figure 16: Those who listen to digital radio at least weekly

Digital radio listening by social-economic group (% of total)

Source: Ofcom research, Q1 2011
Base: All who listen to the radio (n=7017)
Q: Whether use digital radio at least weekly
Figure 17: Those who listen to digital radio at least weekly

Q4. How often, if at all, do you access the radio via…

Source: Ofcom research, Q1 2011
Base: Adults aged 16+ who listen to radio n = 2811 UK, 357 Scotland, 1629 England, 397 Wales, 428 Northern Ireland
Note: Remaining percentages are Don’t know responses.
Figure 18: Share of digital listening, by platform and area

Source: RAJAR / Octagon, Q1 2011
Figure 19: Digital radio’s share of total radio audience

Source: RAJAR, all adults (15+), Q1 2011
Note: ‘Digital unspecified’ relates to listening to digital-only stations, where the survey respondent has not specified the listening platform used.
Figure 20: Distribution of listener hours, by service provider, between analogue and digital platforms, year end Q1 2011

Increase in digital listening from Q1 ‘10 (to zero decimal places)

<table>
<thead>
<tr>
<th>Category</th>
<th>+3pp</th>
<th>+1pp</th>
<th>0pp</th>
<th>+1pp</th>
<th>0pp</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Radio</td>
<td>8%</td>
<td>27.0%</td>
<td>65%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BBC Network</td>
<td>3%</td>
<td>14%</td>
<td>29%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local / Nations BBC</td>
<td>1%</td>
<td>7%</td>
<td>1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National commercial</td>
<td>1%</td>
<td>1%</td>
<td>6%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Local commercial</td>
<td>3%</td>
<td>5%</td>
<td>23%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Digital share of listening = 26.5%

Source: RAJAR, all adults (15+), quarter ending Q1 2011
Figure 21: Distribution of listener hours, by service, between analogue and digital platform, Q1 2011

Source: RAJAR, all adults (15+), quarter ending Q1 2011
Figure 22: Most listened-to digital only stations, Q1 2011

% change Q1 11 versus Q1 10

+27% +10% +8% +28% +35% +17% +15% +40% +136% +5% +12% new +26% -16% +14% new

Source: RAJAR, all adults (15+), quarter ending Q1 2011
Q. Before today, were you aware that you can listen to radio programmes as they are broadcast in these ways?
Source: Ofcom Technology Tracker, Wave 1 2011
Base: All respondents, n=2281
Awareness of ‘Digital radios, sometimes called D-A-B radios’ stood at 83% in Q1 2011
Figure 24: Awareness of digital radios sometimes called ‘DAB digital radio’, Q1 2011

Source: Ofcom Technology Tracker, Wave 1 2011
Base: All adults
Q3. Before today, had you heard of digital radios, sometimes called D-A-B radios? Digital radios are sometimes called D-A-B radios and may have ones of these logos (SHOWCARD). They can receive more radio stations and have a clear signal with no interference. It doesn’t simply refer to a radio with a digital display panel.
Figure 25: Likelihood to purchase a DAB set, Q1 2011

Percentage of respondents who listen to the radio, have any active radio sets at home but have no DAB set in the home

Source: Ofcom research, Q1 2011
Base: Those who listen to the radio but have no DAB sets in the home (n=1304)
QP12: How likely is it that your household will get a DAB radio in the next 12 months?
Figure 26: Reasons for not acquiring a DAB digital radio set, Q1 2011

- No need: 51%
- Happy to use existing service: 43%
- Can receive via DTV: 8%
- Happy to use analogue radio: 5%
- Too expensive: 4%
- Poor reception in area: 4%
- Can't afford it: 3%
- Would never listen: 3%
- Don't know why I should: 3%

Source: Ofcom research, Q1 2011
Base: Those unlikely to get a DAB radio in the next 12 months
Q: Why are you unlikely to get a DAB radio in the next 12 months?