3. Radio and audio

Figure 3.1

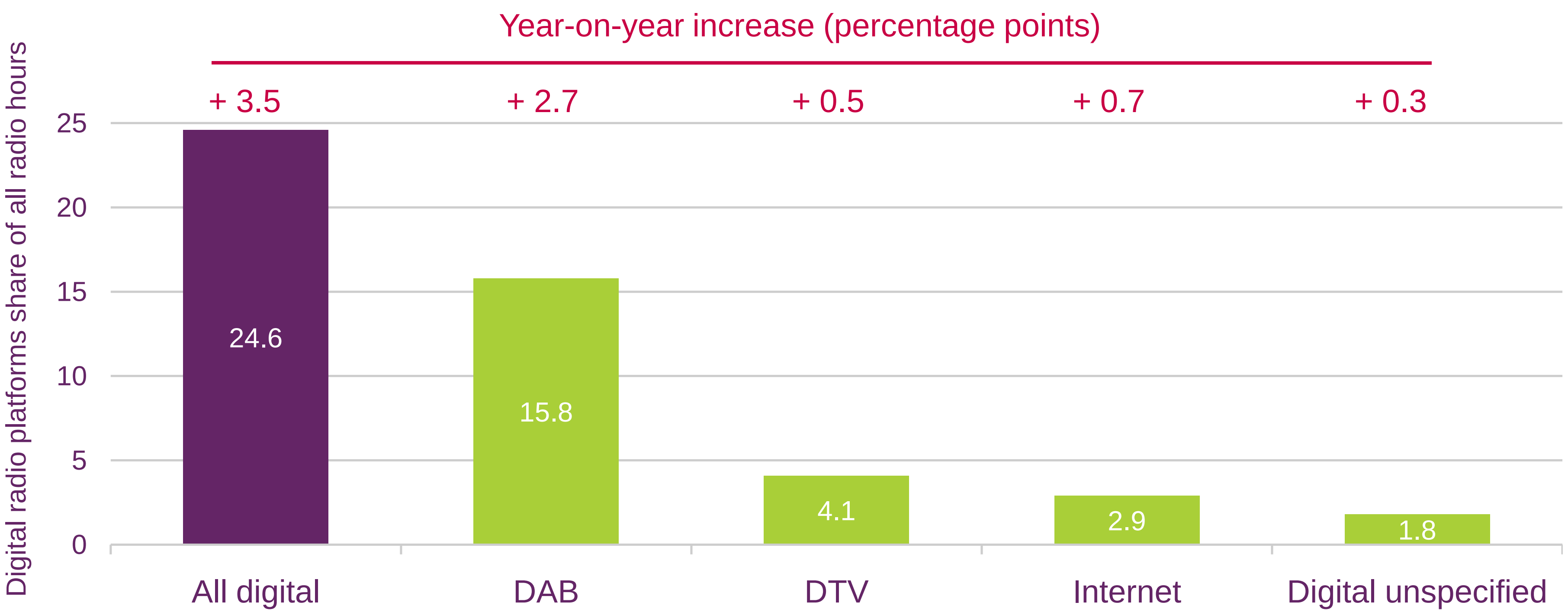
UK radio industry key metrics 2004-2009

UK radio industry	2004	2005	2006	2007	2008	2009
Weekly reach of radio (% of population)	90.3%	90.0%	89.8%	89.8%	89.5%	89.8%
Average weekly hours per head	21.9	21.6	21.2	20.6	20.1	19.8
BBC share of listening	55.5%	54.5%	54.7%	55.0%	55.7%	55.3%
Total industry revenue (£m)	1,158	1,156	1,126	1,175	1,131	1,092
Commercial revenue (£m)	551	530	512	522	488	432
BBC expenditure (£m)	607	626	614	653	643	660
Radio share of advertising spend	3.5%	3.3%	3.0%	2.9%	2.7%	2.8%
DAB digital radio take-up (households)	5%	10%	16%	22%	30%	33%

Source: Ofcom, RAJAR 2008 (adults aged 15+), BBC, WARC, radio operators 2008

Figure 3.2

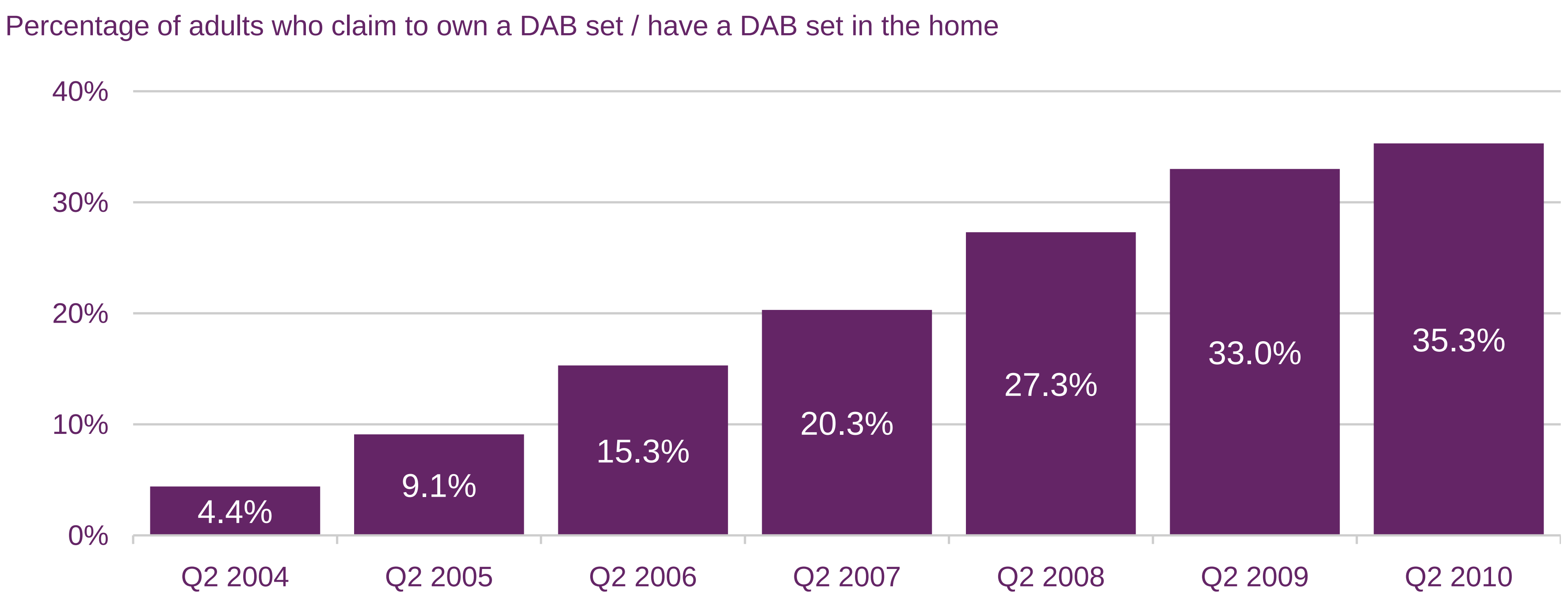
Digital radio's share of radio listening, Q2 2010



Source: RAJAR (adult listeners 15+), Q2 2010
Note: 'Digital unspecified' relates to listening to digital-only stations where the survey respondent has not specified the listening platform used.

Figure 3.3

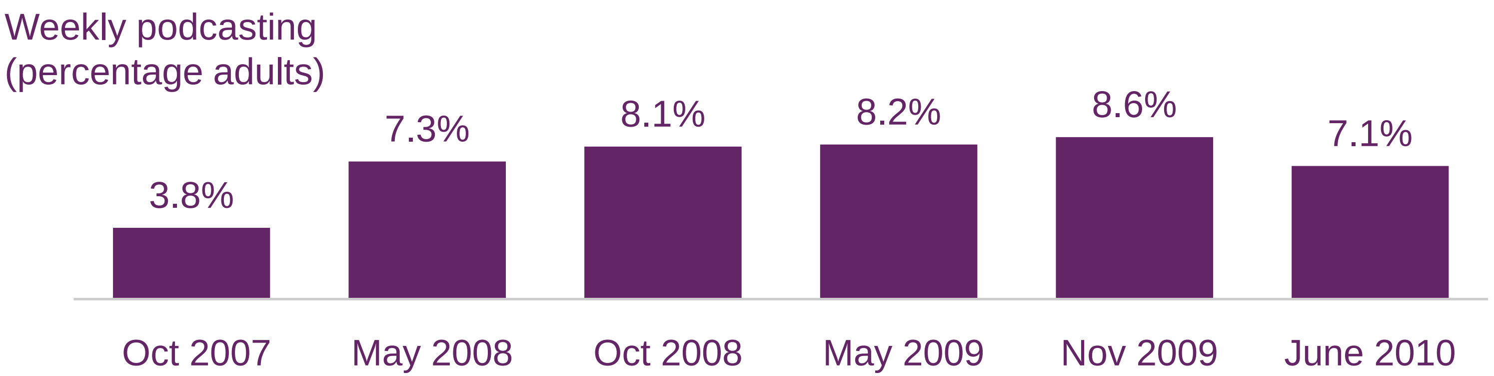
Ownership of DAB set, Q2 2010



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

Figure 3.4

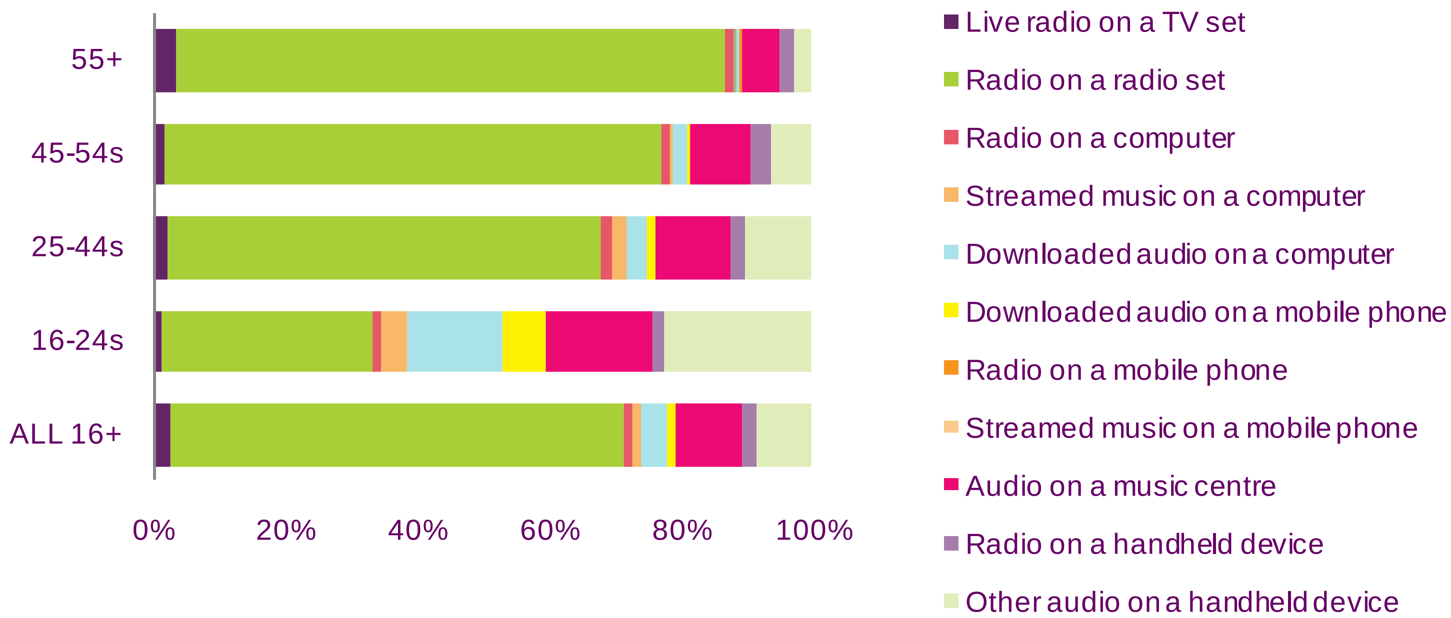
Listening to podcasts



Source: RAJAR / Ipsos MORI, 'Measurement of Internet Delivered Audio Services (MIDAS 6)', conducted during June 2010, and previously Nov 2009, May 2009, October 2008, May 2008, and October 2007.

Figure 3.5

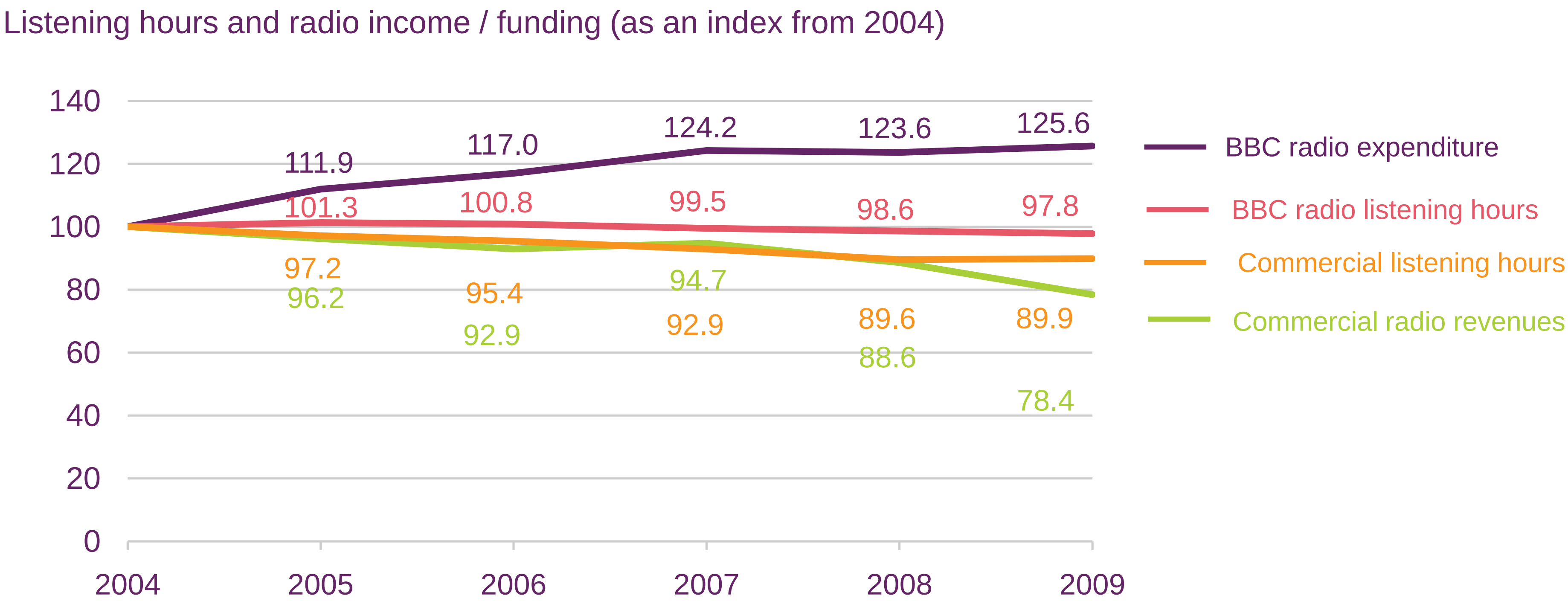
Proportion of listening time, by age and activity



Source: Ofcom research June 2010
Base = All respondent days: 16+ = 7966; 16-24s = 1106; 25-44s = 3003; 45-54s = 1484; 55+ = 2373

Figure 3.6

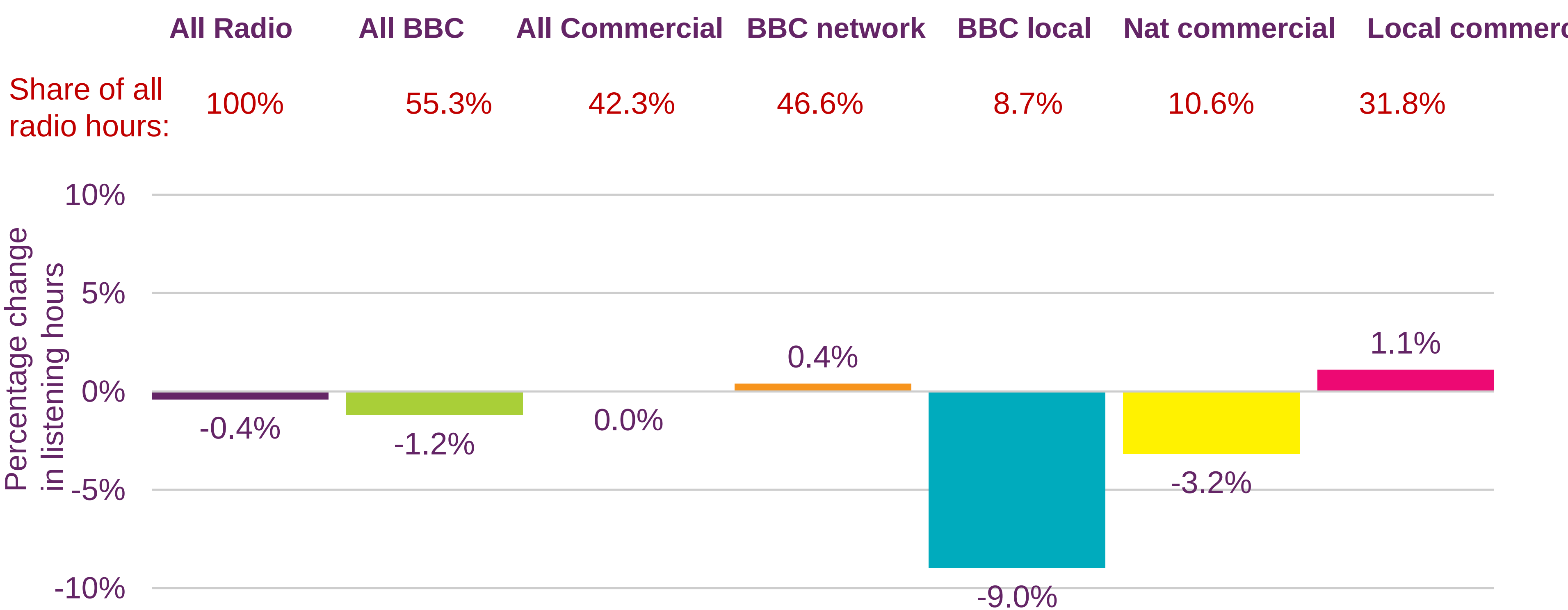
BBC and commercial listening / income, indexed against 2004 figures



Source: Listening data based on RAJAR (Adults 15+). Funding share data based on commercial radio revenues and estimated BBC expenditure on radio for 2009.

Figure 3.7

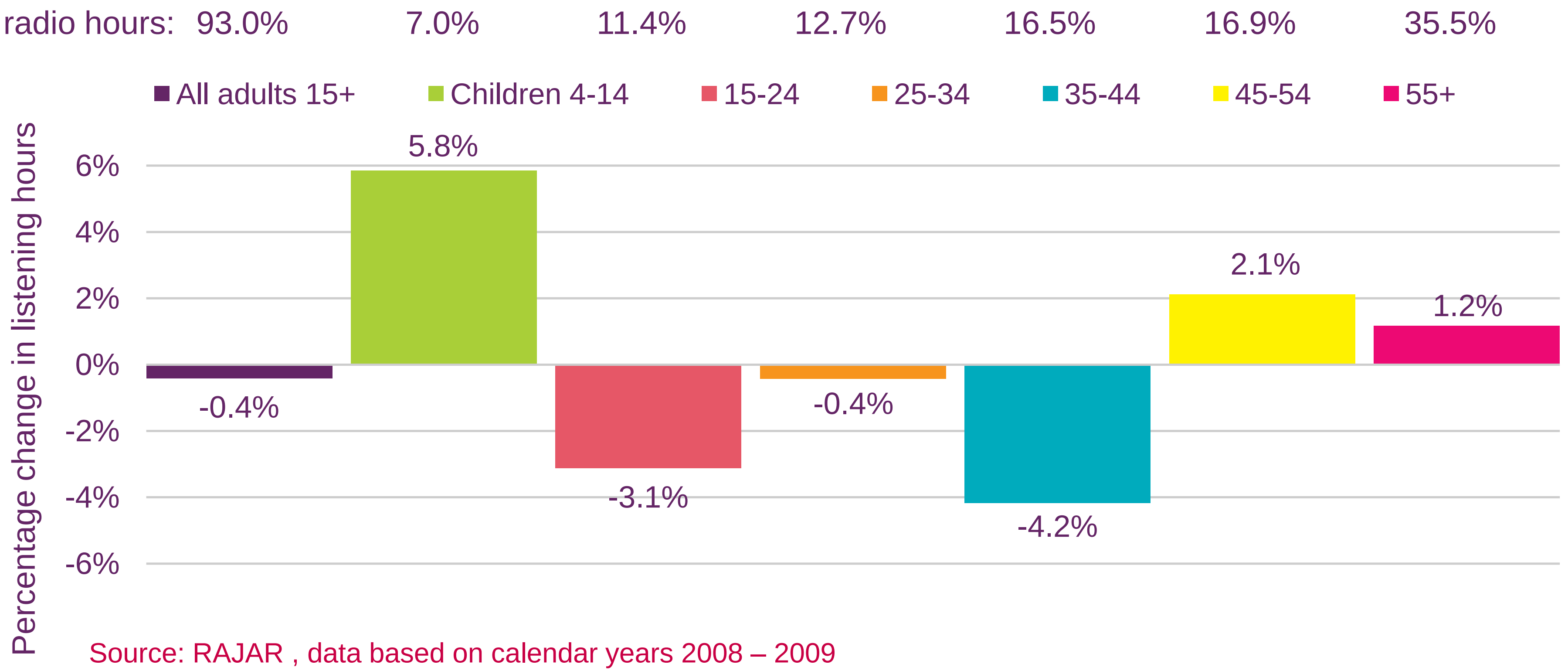
Change in listening hours 2008-2009



Source: RAJAR, (all listeners aged 15+). Data based on calendar year 2008 - 2009

Figure 3.8

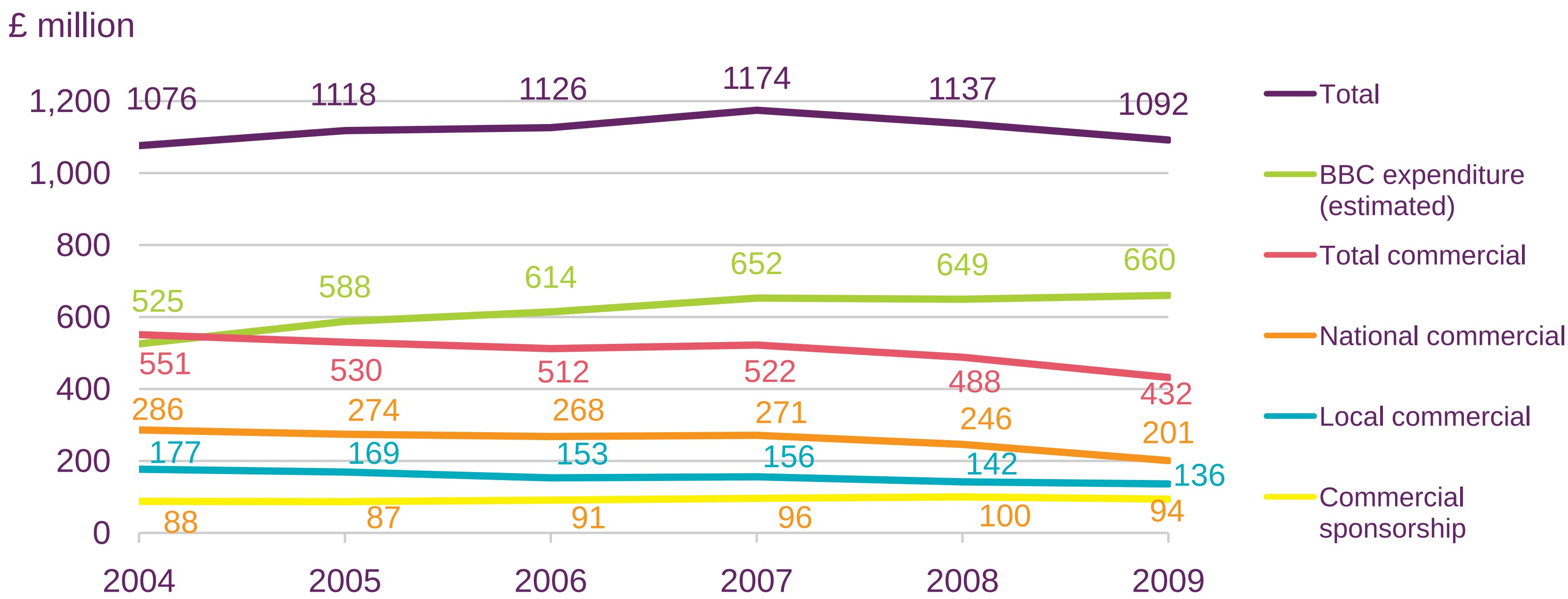
Changes in listening hours, 2009 vs. 2008, by age group



Source: RAJAR , data based on calendar years 2008 – 2009

Figure 3.9

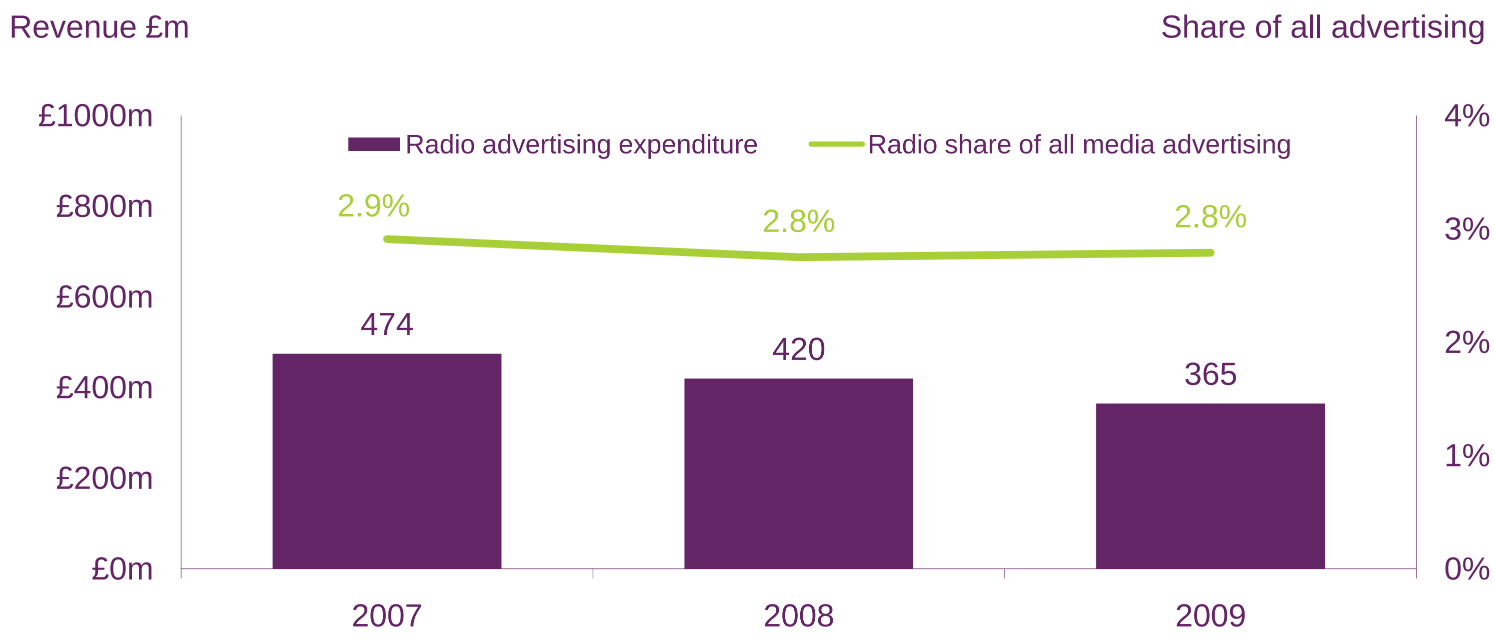
UK commercial radio revenue and BBC radio spending



Source: Ofcom / operator data / BBC, 2004-2009
Notes: BBC expenditure figures are estimated by Ofcom based on figures supplied by the BBC; figures in the chart are rounded.

Figure 3.10

UK radio advertising spend and share of display advertising, 2007 – 2009, (based on 2005 prices)



Source: WARC (World Advertising Research Council), data based on constant 2005 prices

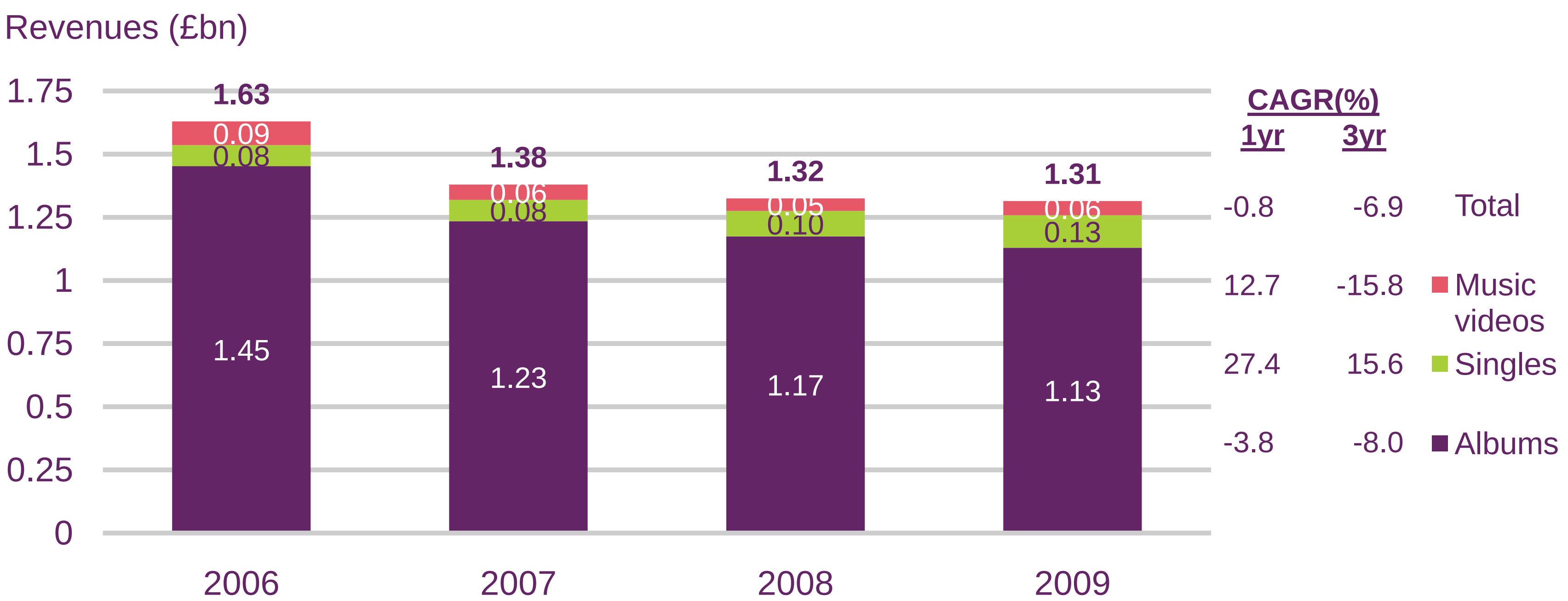
Figure 3.11

Commercial radio revenue per listener

Source: Licensee revenue data and RAJAR listening data, 2004-2009

Figure 3.12

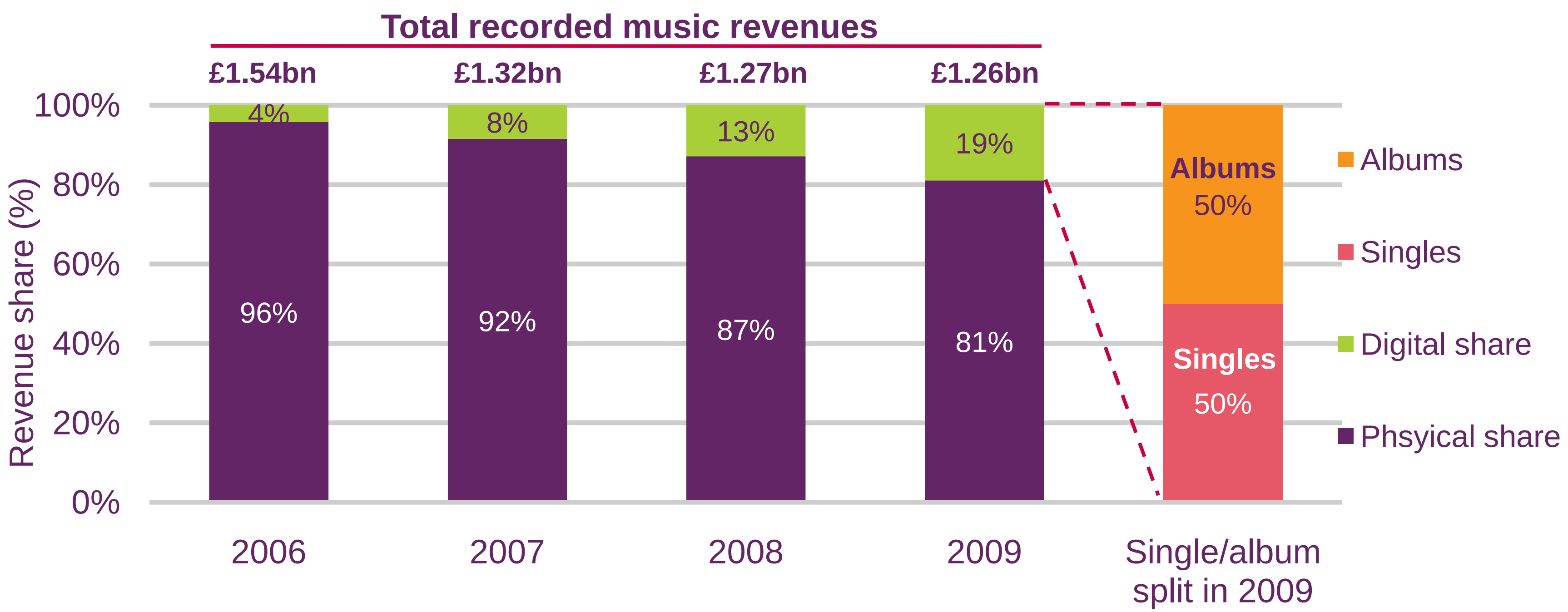
Recorded music retail revenues, 2006-2009



Source: Entertainment Retailers' Association yearbook, 2010.

Figure 3.13

Distribution of recorded music retail revenues, 2006-2009



Source: Entertainment Retailers' Association yearbook 2010
Note: This chart does not include revenues from music videos.

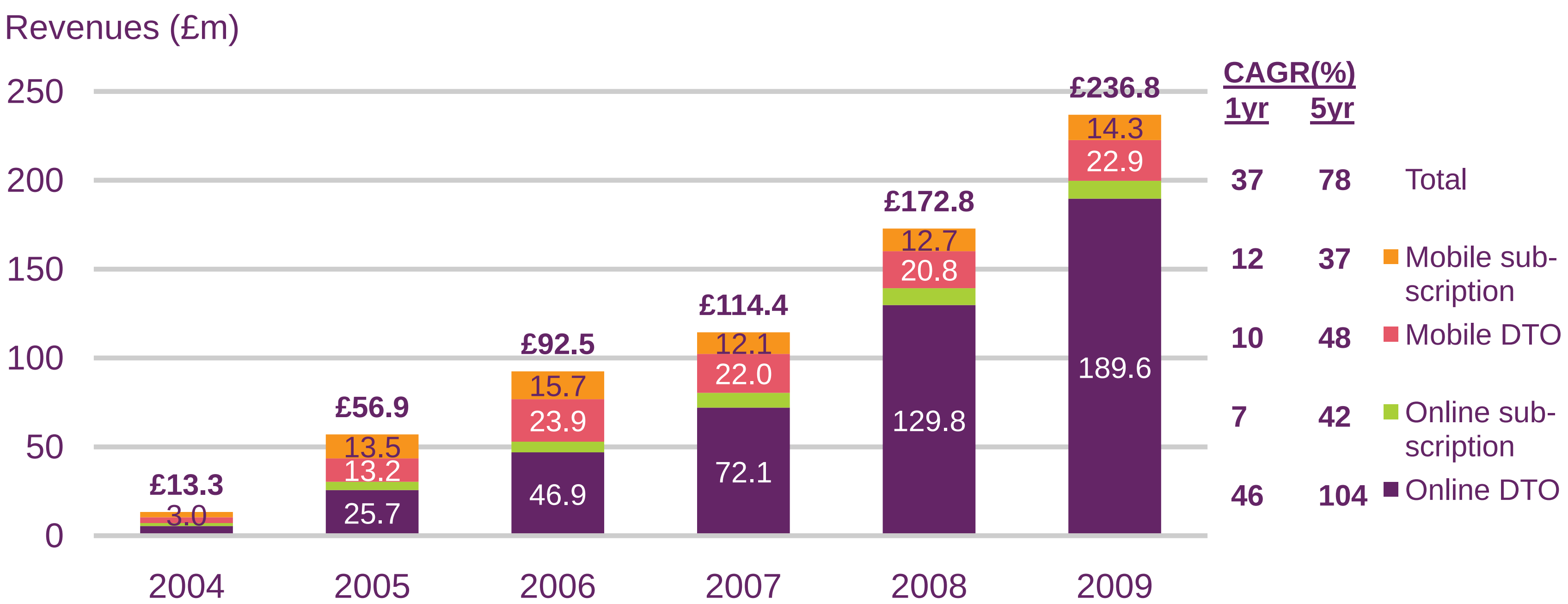
Figure 3.14

Recorded music sales by volume, 2006-2009

Source: Entertainment Retailers' Association yearbook 2010

Figure 3.15

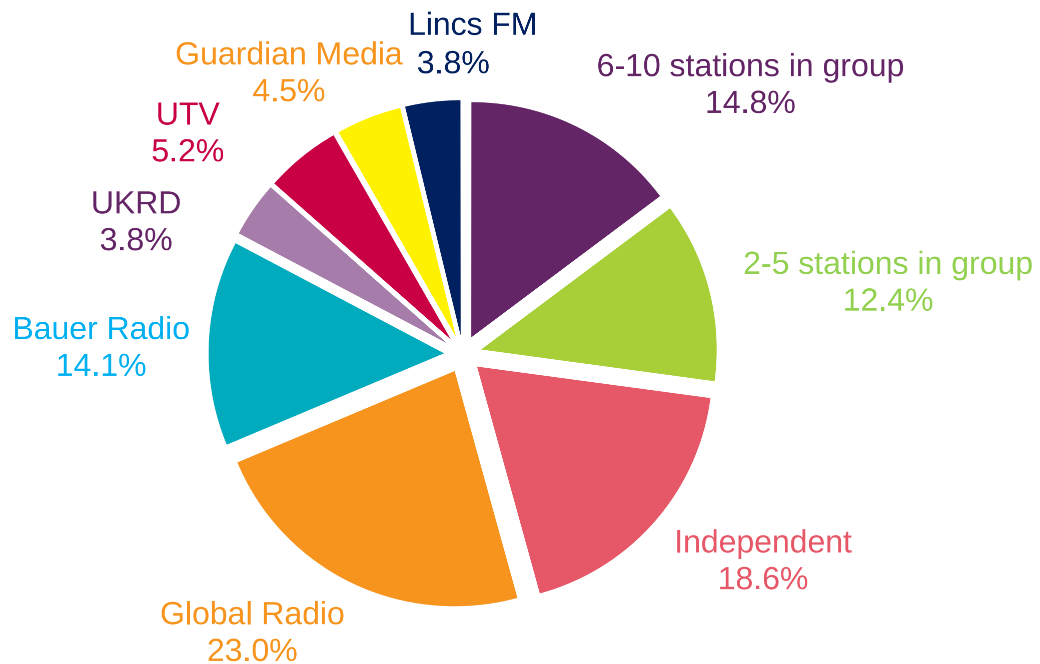
Digital music revenues by business model, 2006-2009



Source: Screen Digest
Note: excludes revenue from ad-supported services. Due to different data sources this chart is not directly comparable with previous charts.

Figure 3.16

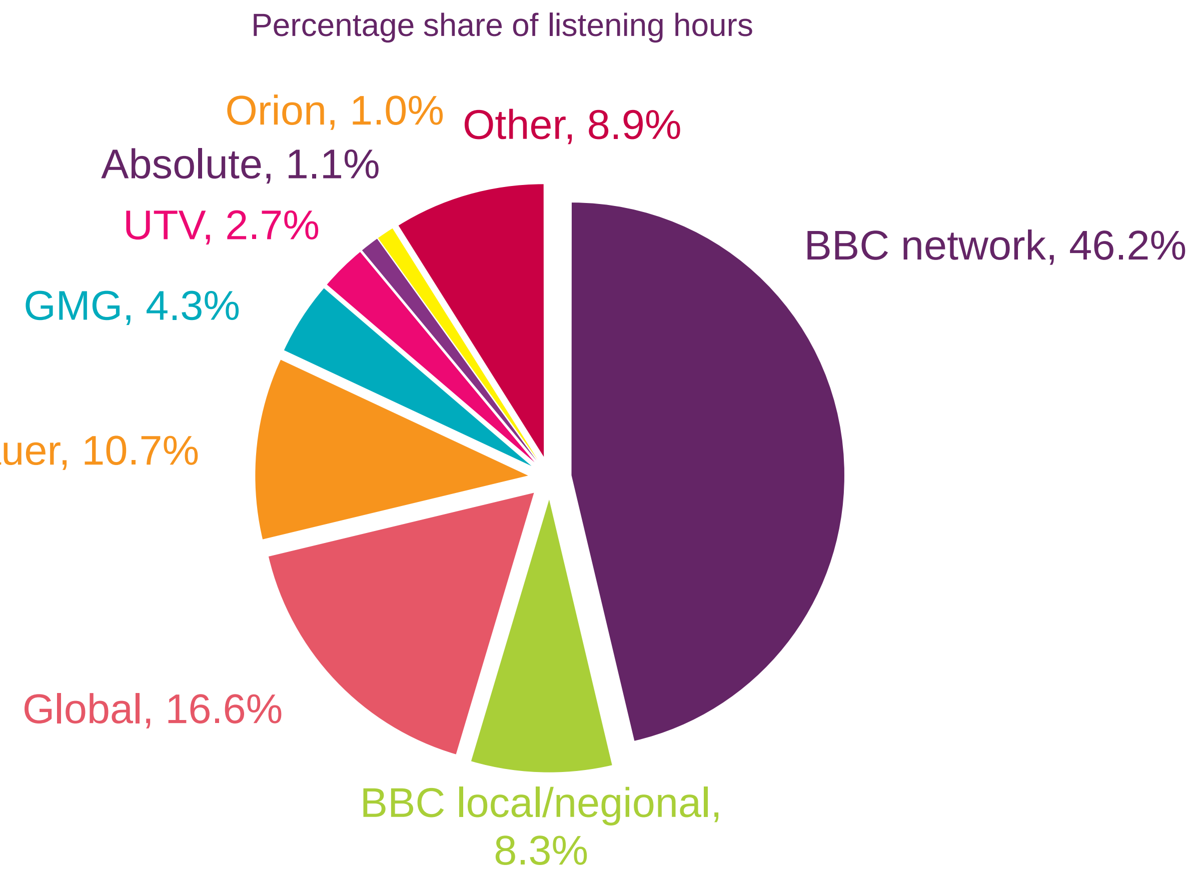
Number of commercial analogue stations owned, by group



Source: Ofcom, July 2010
Note: The percentages are derived from a universe of analogue stations rather than licences

Figure 3.17

Share of all radio listening hours, Q2 2010

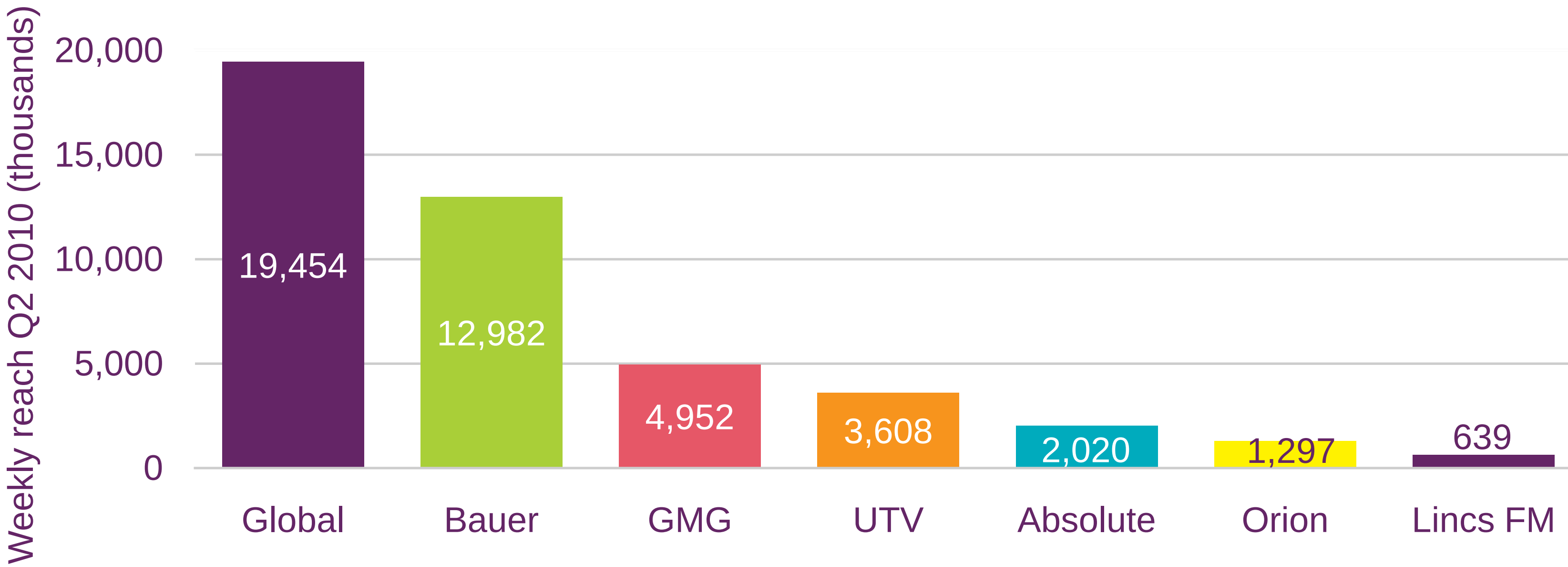


Source: RAJAR Q1 2010

Figure 3.18

Commercial radio: weekly audience reach, Q2 2010

	Global	Bauer	GMG	UTV	Absolute	Orion	Lincs FM
Weekly UK audience reach	37.7%	25.2%	9.6%	7.0%	3.9%	2.5%	1.2%
Annual change in reach	+ 0.5pp	+ 0.5pp	- 0.2pp	- 0.1pp	+ 0.2pp	n/a	- 0.1pp

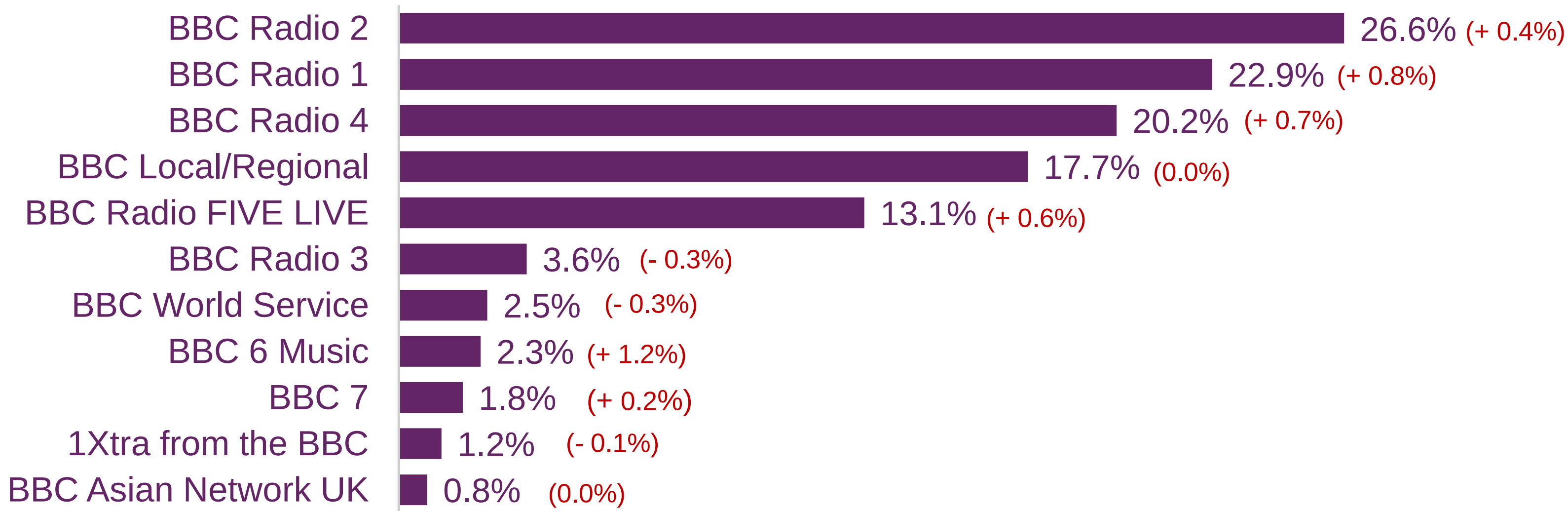


Source: RAJAR Q2 2010, adults

Figure 3.19

Weekly reach of BBC stations, Q2 2010

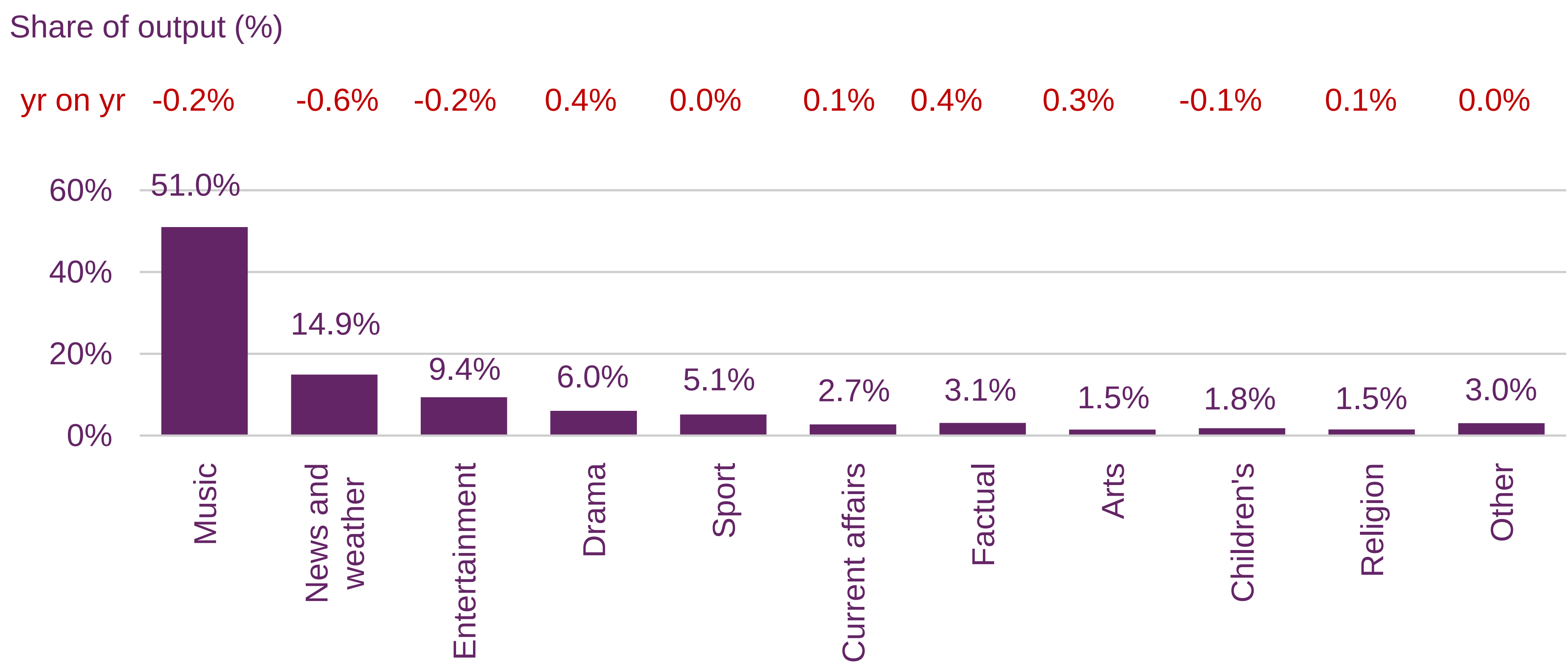
Average weekly listening (% UK adults), and year on year change



Source: RAJAR Q2 2010, adults 15+

Figure 3.20

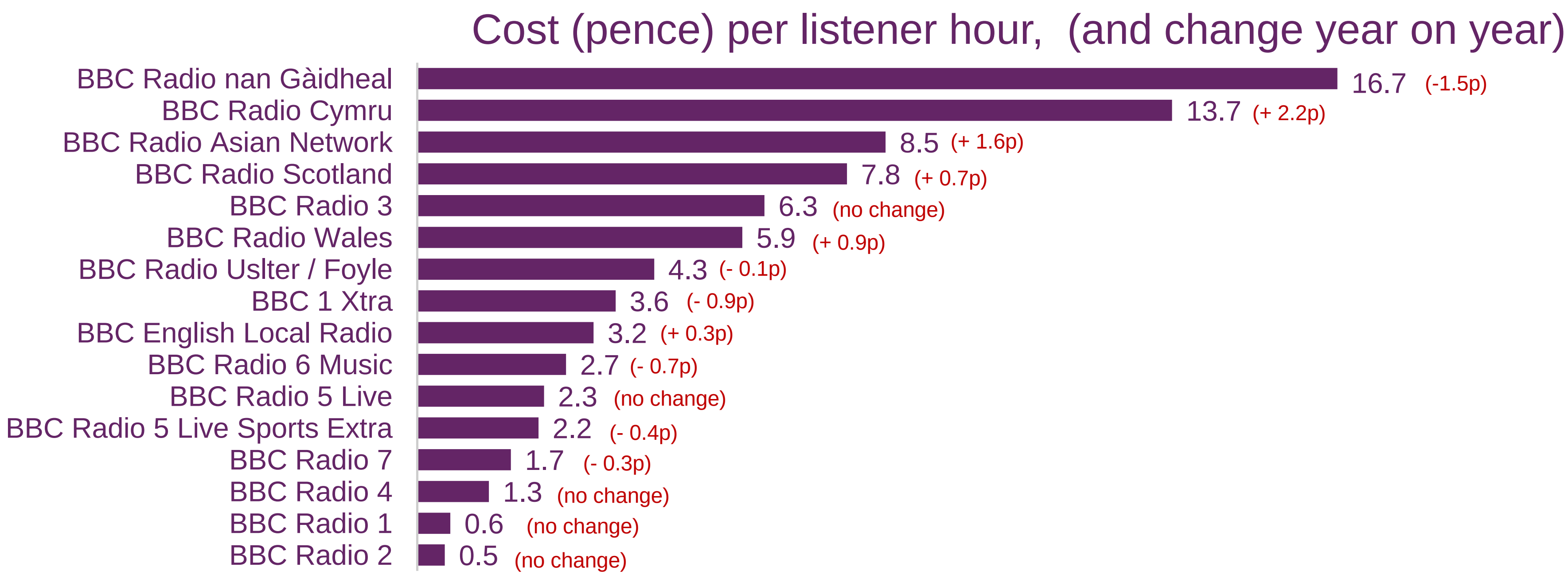
BBC network radio broadcast hours, by genre: 2009/10



Source: BBC annual report 2009/10

Figure 3.21

BBC radio stations: cost per listener hour of programmes, 2009/10



Source: BBC Annual report 2009/10

Figure 3.22

UK radio stations broadcasting on analogue, DAB digital radio, and community radio, July 2010

Type of station	AM	FM	AM/FM total	DAB	Total
Local commercial	31	203	234	139	267
UK-wide commercial	2	1	3	10*	10
BBC UK-wide networks	1	4	5	11	11
BBC local and nations	36	46	46	32	46
Community radio	4	172	176	0	176
TOTAL	**74**	**426**	**464**	**192**	**510**

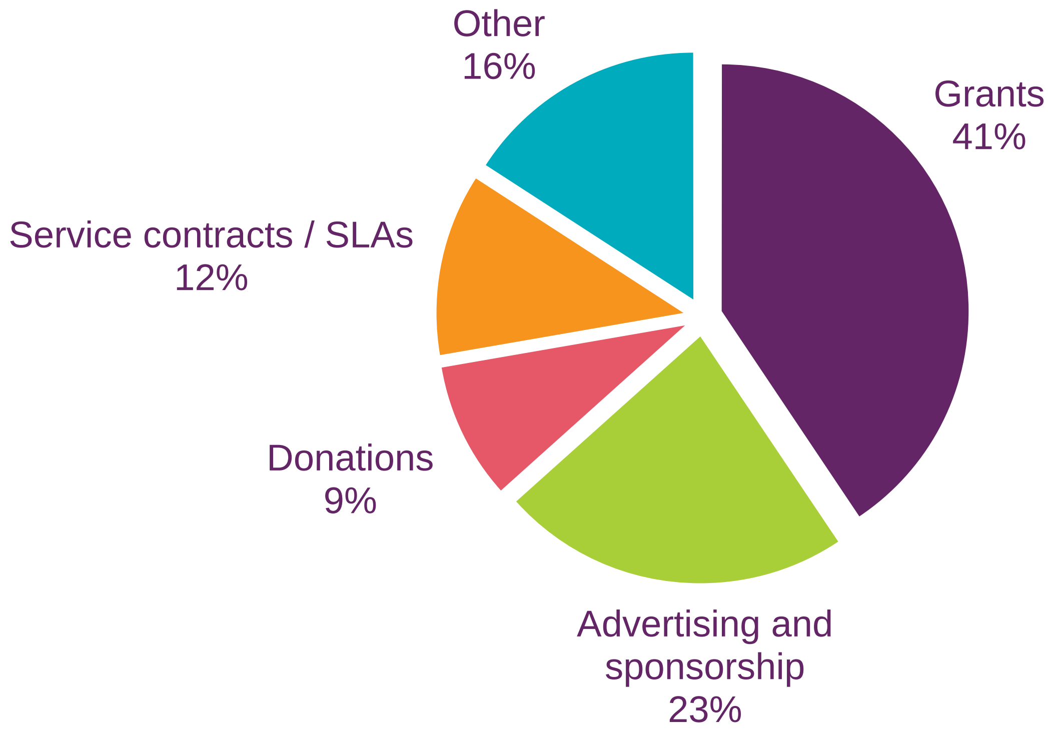
Source: Ofcom, July 2010

Note 1: In total there are 288 individual analogue services on AM/FM as 36 simulcast over both AM/FM wavebands. Of the 288 analogue stations and 191 DAB stations, there are 334 unique stations, as 46 stations are digital-only brands.
*The existing Digital One national DAB radio multiplex does not offer coverage of Northern Ireland.
Note 2: A single radio brand may broadcast to many different parts of the country, using different technologies. For each area/technology combination, Ofcom issues a distinct broadcast licence (where it is licensable). The conditions of each licence will determine the amount of programming that may be shared between these licensed services. Here we have taken the view that a service providing at least four hours a day of separate programming (even if the same brand has other services) equals one service.

Figure 3.23

Community radio income, by source

Community radio stations' income 2008/09



Source: Ofcom, community station revenues 2008/09

Figure 3.24

Community radio licence awards in 2009/10

Community station	Location	Award date
Betar Bangla	Stratford, east London	June 2010
Generation Radio	Clapham Park, south London	June 2010
Greenwich Kasapah	Greenwich, south east London	June 2010
Reprezent FM	South London	June 2010
Rinse FM	Inner London	June 2010
Streetlife Radio	Waltham Forest, north east London	June 2010
Susy Radio	Redhill and Reigate, Surrey	June 2010
SAFE Radio	Grays, Essex	March 2010
SFM	Sittingbourne, Kent	February 2010
Gateway FM	Basildon, Essex	February 2010
Insanity	Egham, Surrey	February 2010
Kane FM	Guildford, Surrey	February 2010
The Vibe	Watford	February 2010
Ox FM	Oxford	December 2009
Ummah FM	Reading	October 2009

Source: Ofcom, June 2010

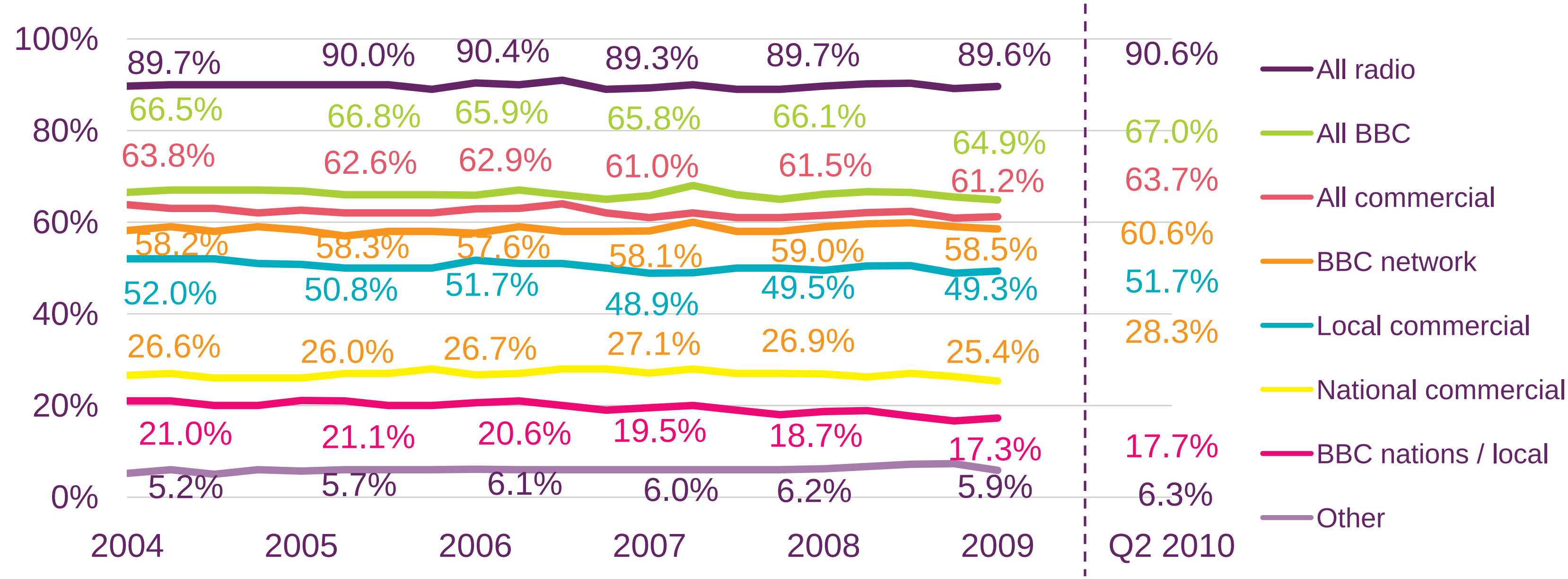
Figure 3.25

Availability of DAB stations, by area

Source: Ofcom, June 2010

Figure 3.26

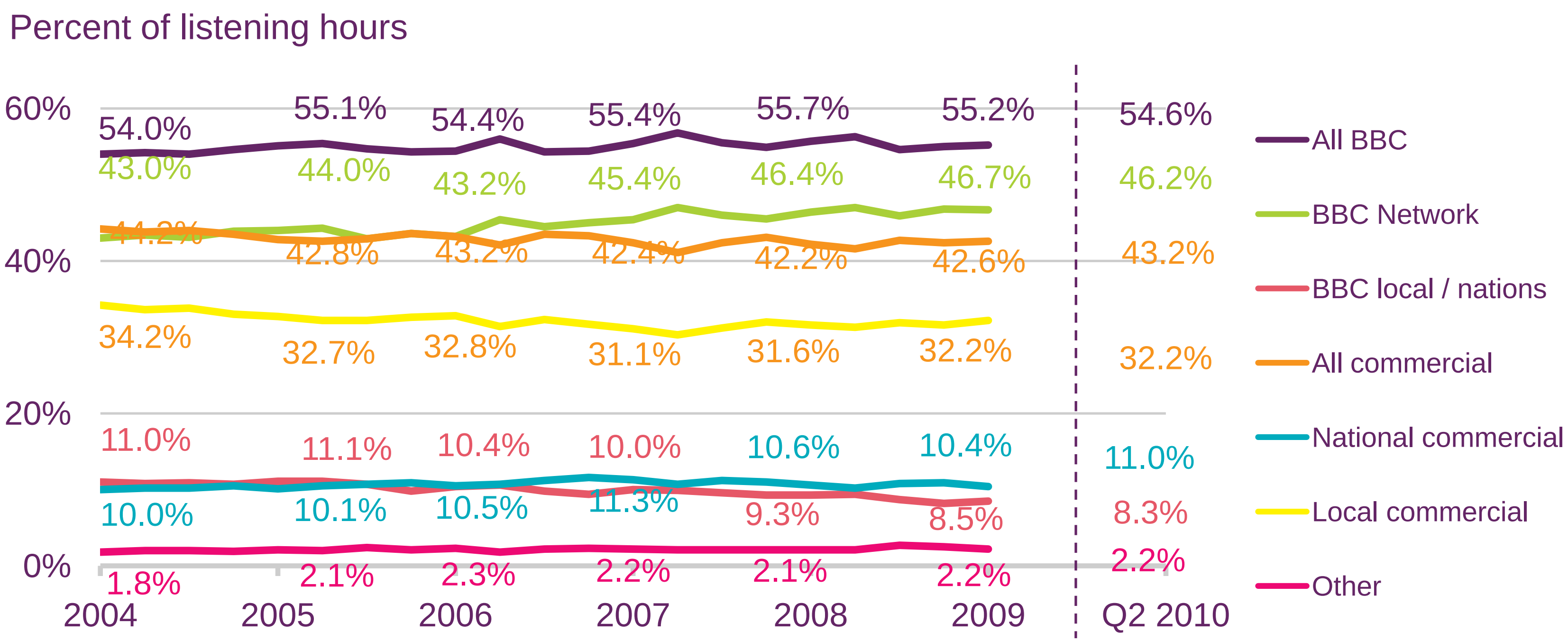
Reach of radio, by sector



Source: RAJAR (adult 15+), 2004-2010

Figure 3.27

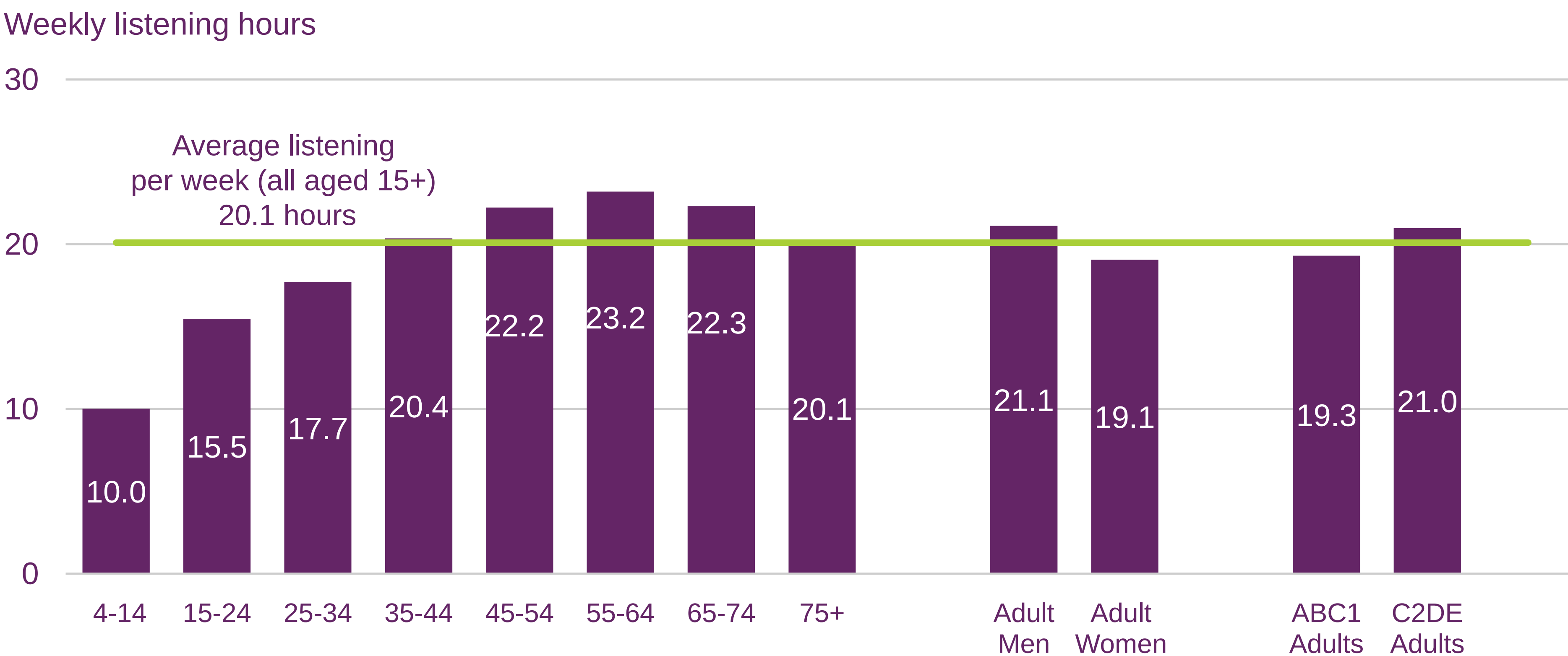
Share of listening hours, by sector



Source: RAJAR (adult listeners15+), 2004-2010

Figure 3.28

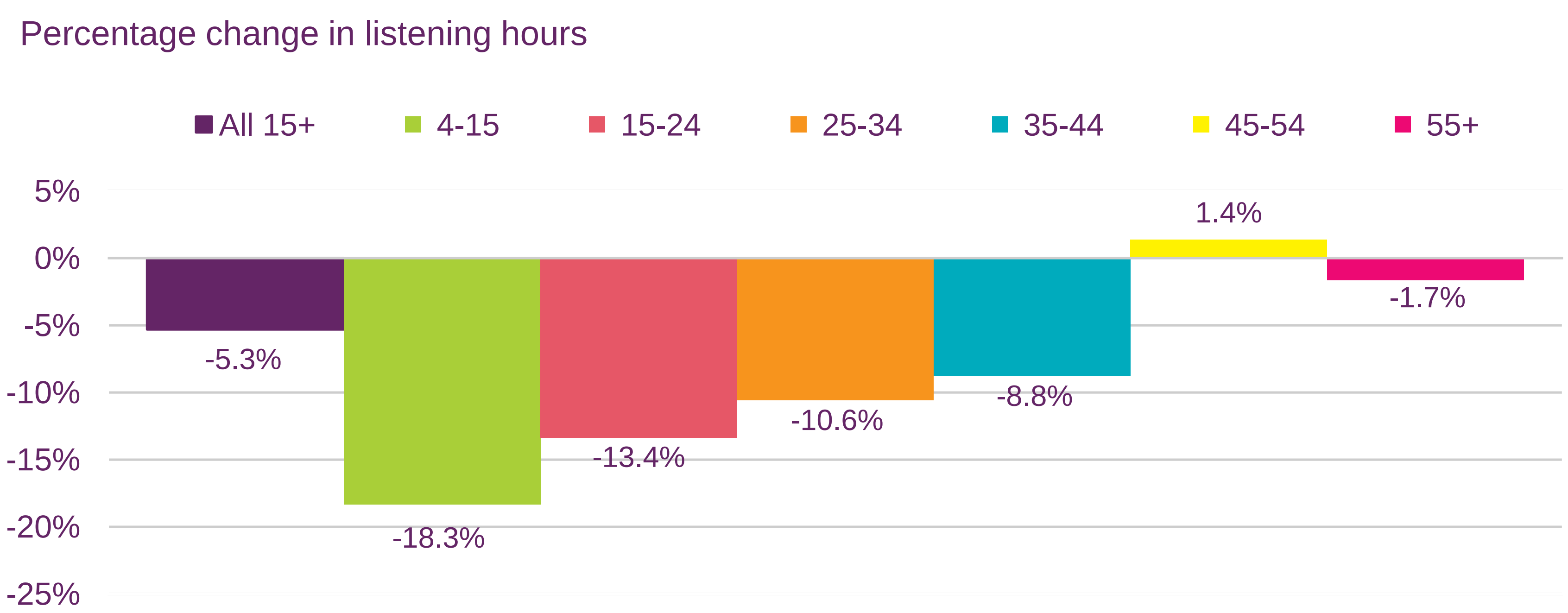
Demographic profile of overall listening



Source: RAJAR Q2 2010, (average weekly listening hours per head)

Figure 3.29

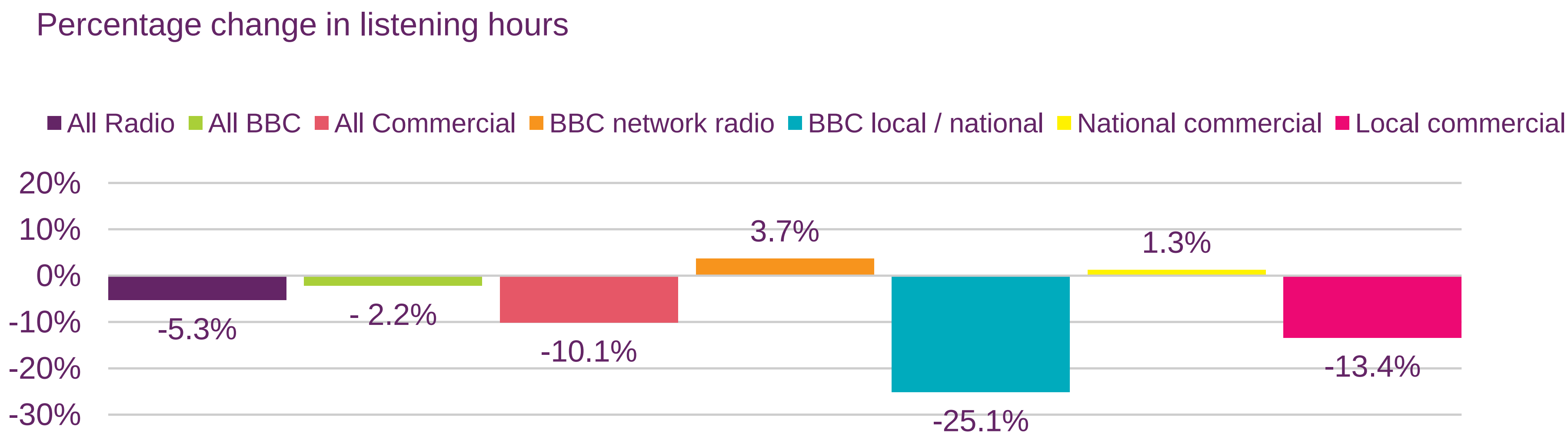
Changes in listening hours by age, 2004 - 2009



Source: RAJAR (Individuals 4+): data based on calendar years 2004 and 2009

Figure 3.30

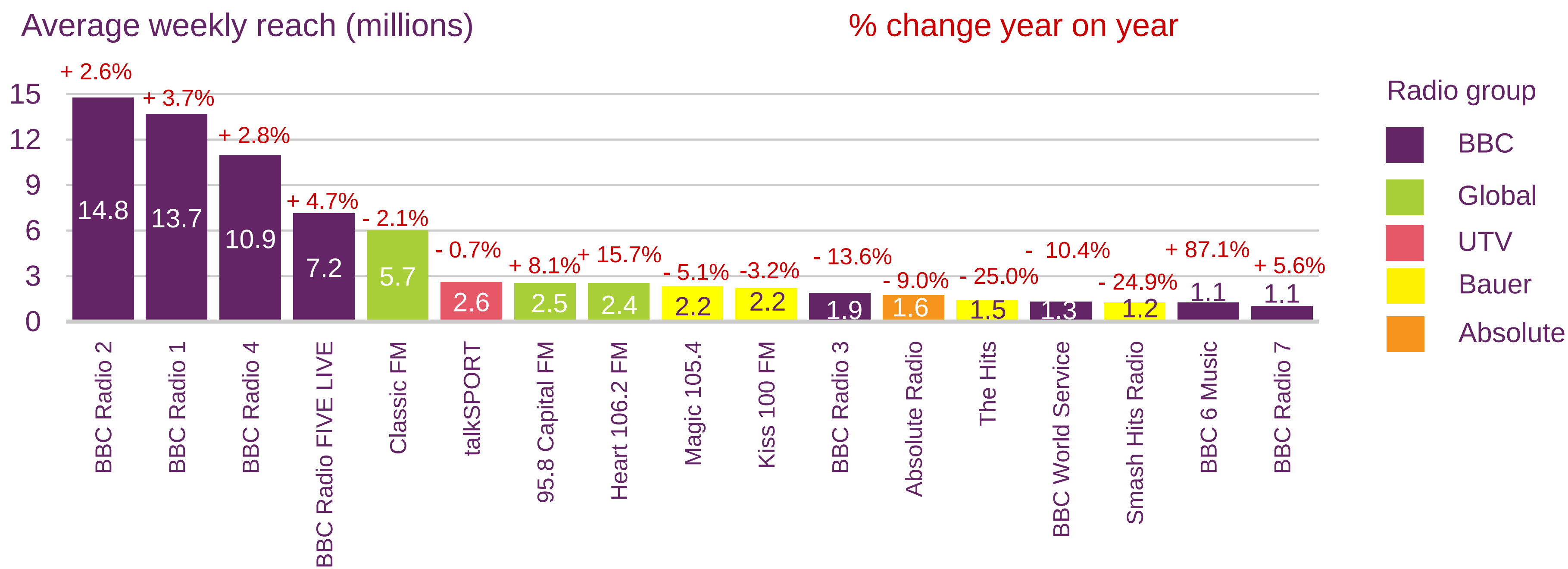
Changes in listening hours by sector, 2004 - 2009



Source: RAJAR, (all listeners aged 15+). Data based on calendar year 2004 versus 2009

Figure 3.31

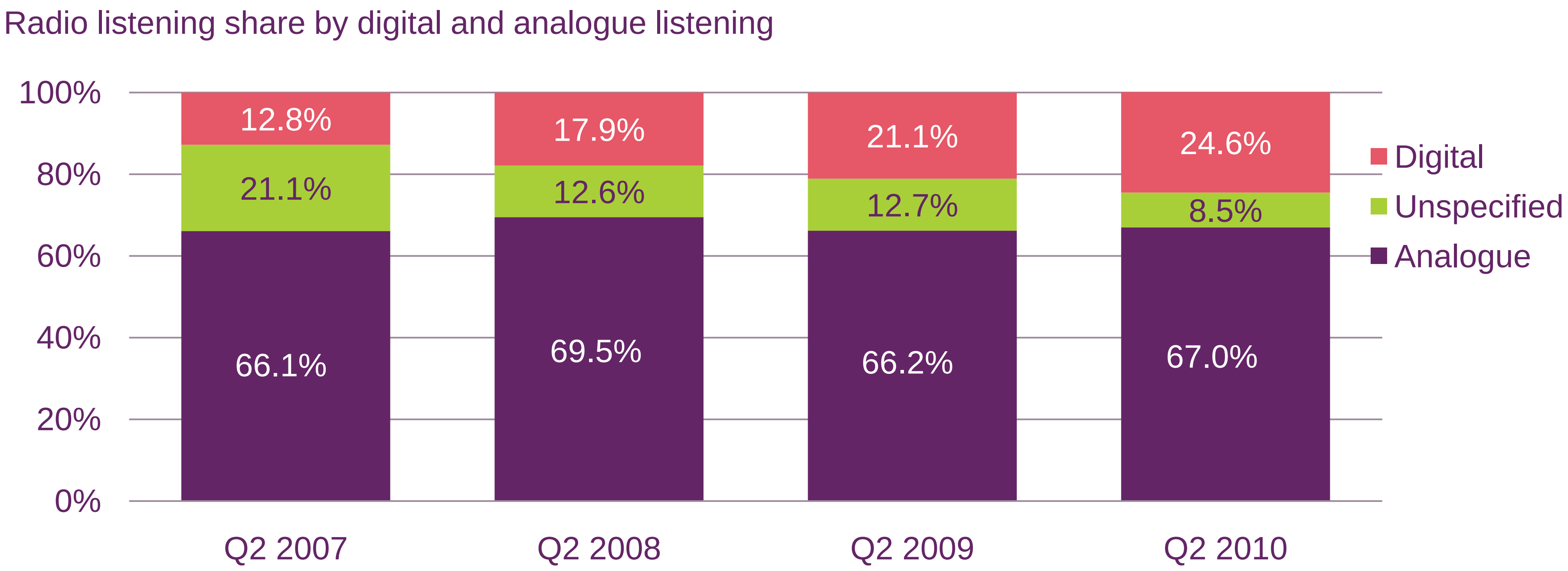
Most listened-to radio stations, Q2 2010



Source: RAJAR, (Q2 2010), (all listeners 4+), figures are rounded.

Figure 3.32

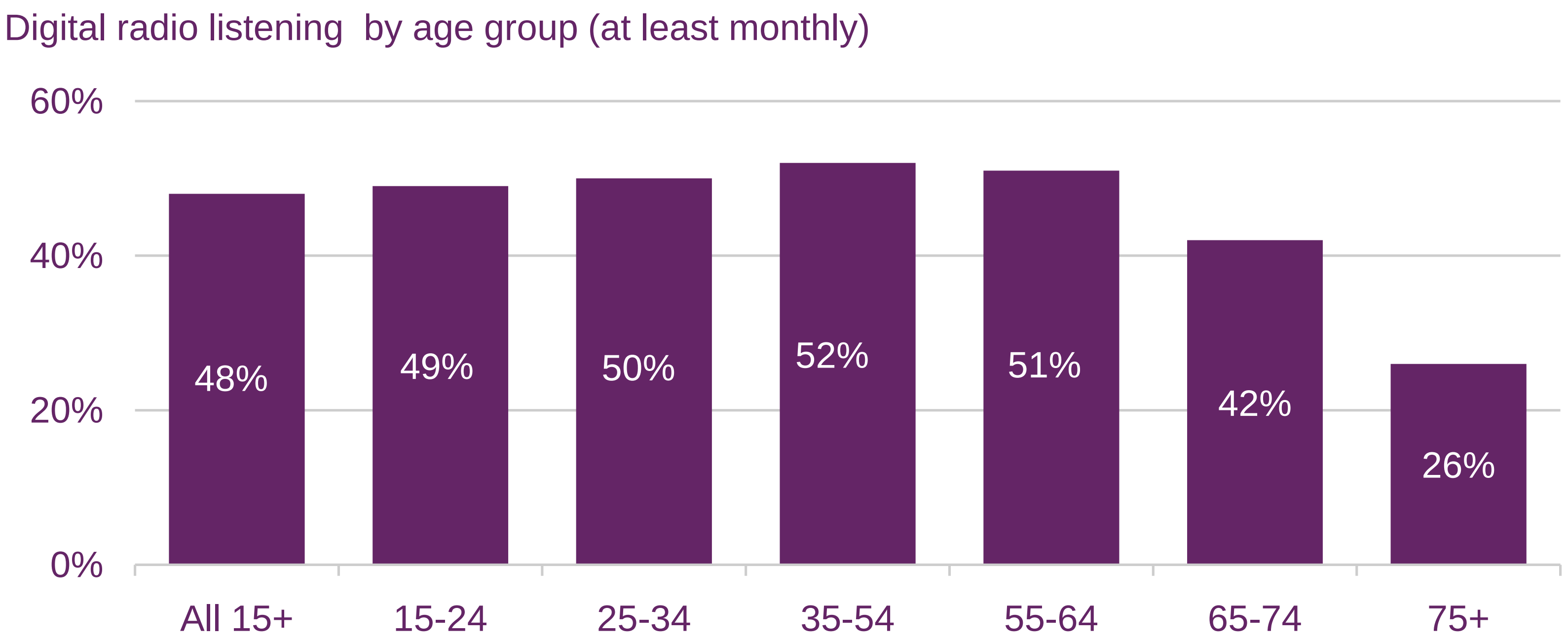
Share of listening hours across analogue and digital platforms



Source: RAJAR Ipsos MORI/ RSMB
Note: Unspecified relates to listening where the radio platform was not confirmed by the listener

Figure 3.33

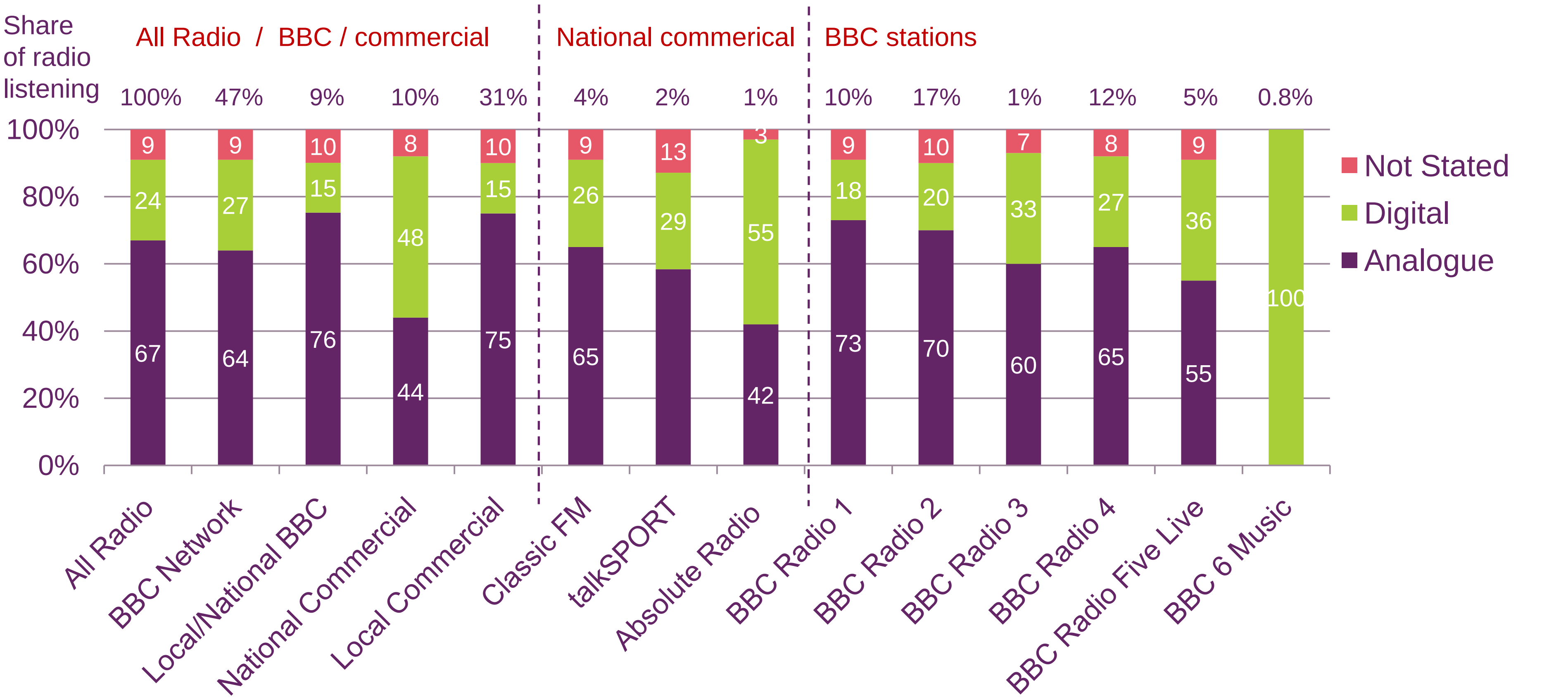
Digital radio listening by age group, (monthly)



Source: Ofcom research, Q1 2010
Base: All who listen to the radio (n=2483)
Q: Use digital radio at least monthly

Figure 3.34

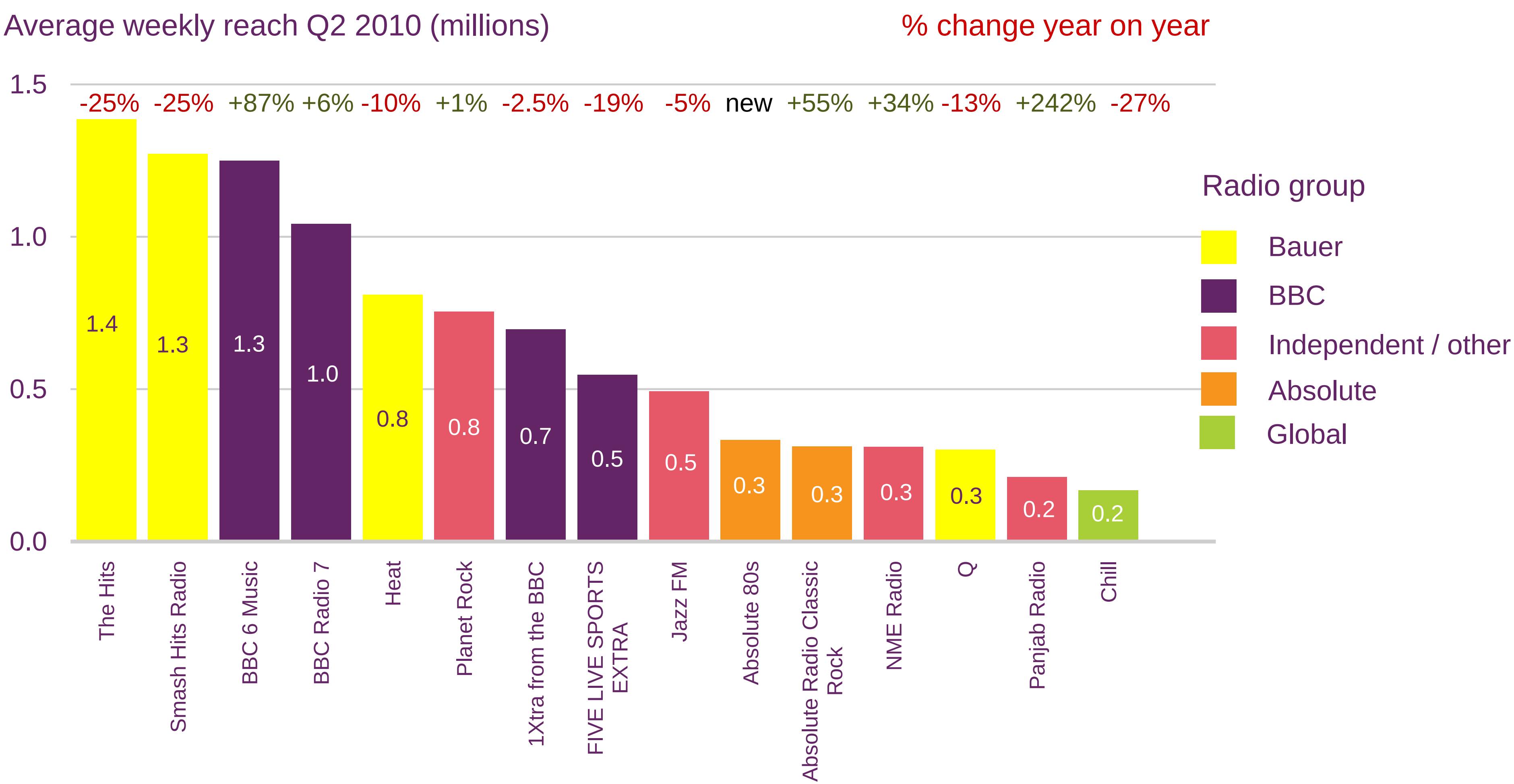
Audience profiles and platform split, by sector and station, Q1 2010



Source: RAJAR, Q1 2010, UK Adults aged 15+

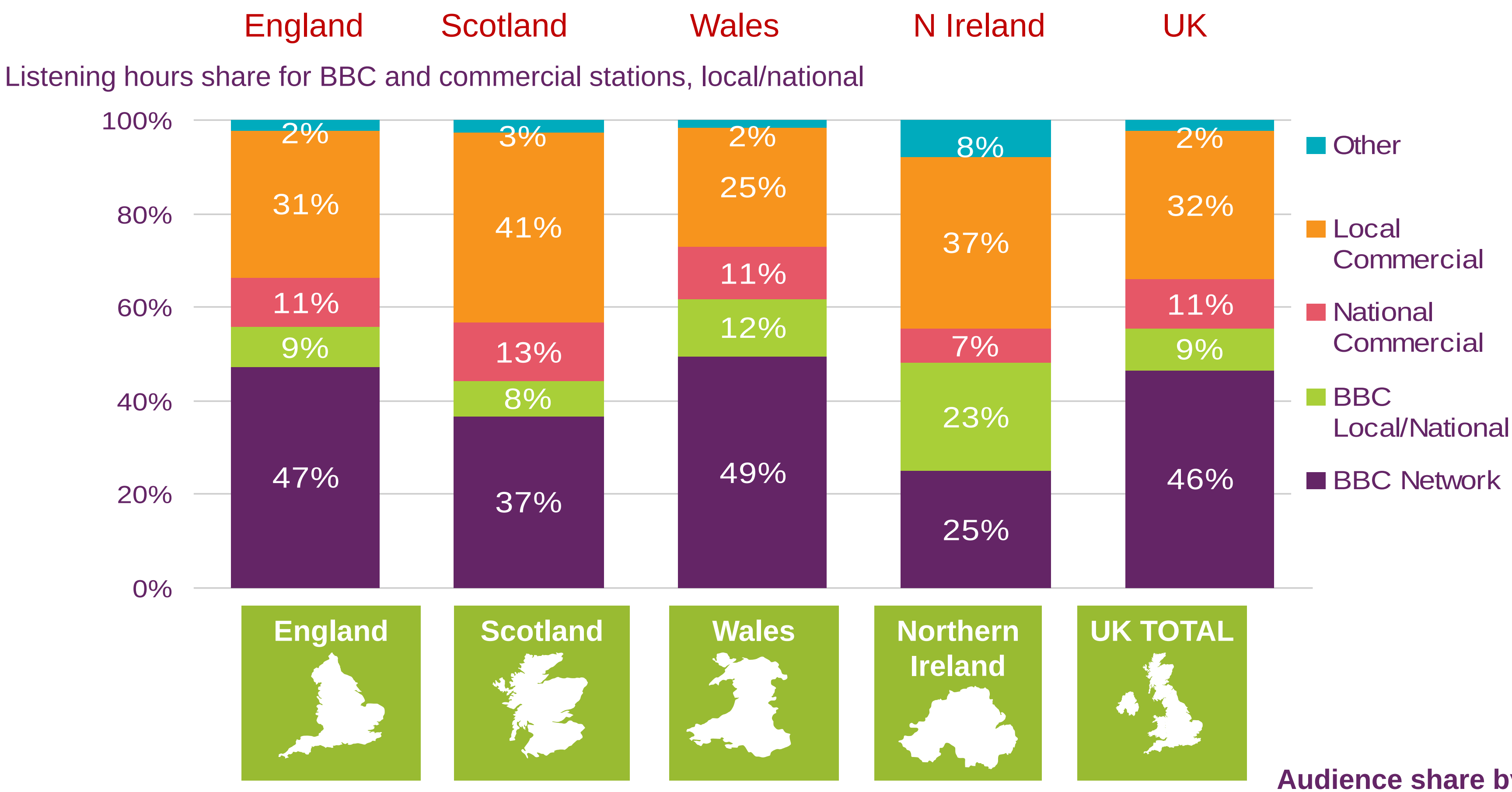
Figure 3.35

Most listened-to digital-only stations Q2 2010



Source: RAJAR, Q2 2010, (all listeners 4+), figures are rounded.

Figure 3.36 Share of listening hours, by nation



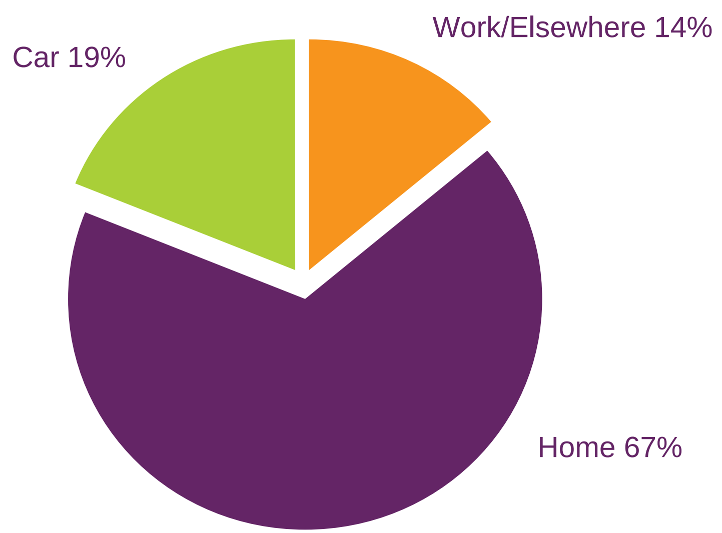
	England	Scotland	Wales	Northern Ireland	UK TOTAL
Average weekly listening	21.9 hours	21.0 hours	22.7 hours	22 hours	21.9 hours
Reach	90.1%	87.3%	90.5%	89.6%	89.9%

Audience share by category (Year to Q1 2010)
% share BBC & commercial, local & national

Source: RAJAR, All adults (15+), Apr '09-Mar '10 & Apr '08-Mar '09

Figure 3.37

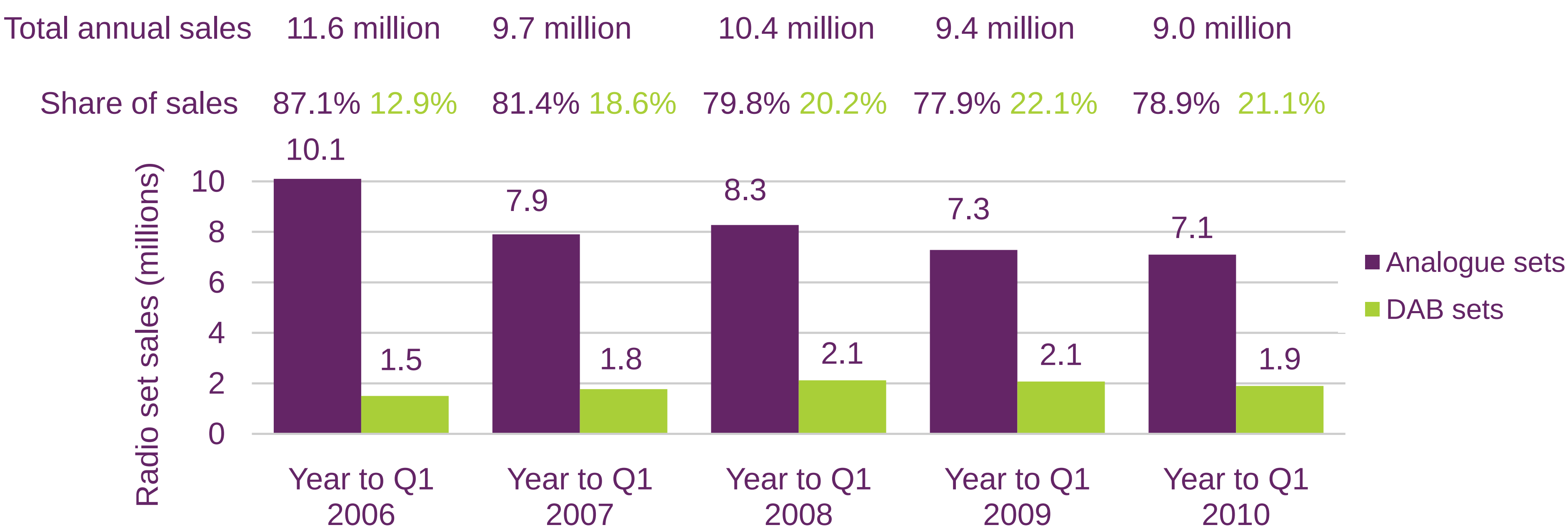
Location of listening – year to Q1 2010



Source: RAJAR / Octagon, All Adults (15+), Apr 2009 – Mar 2010

Figure 3.38

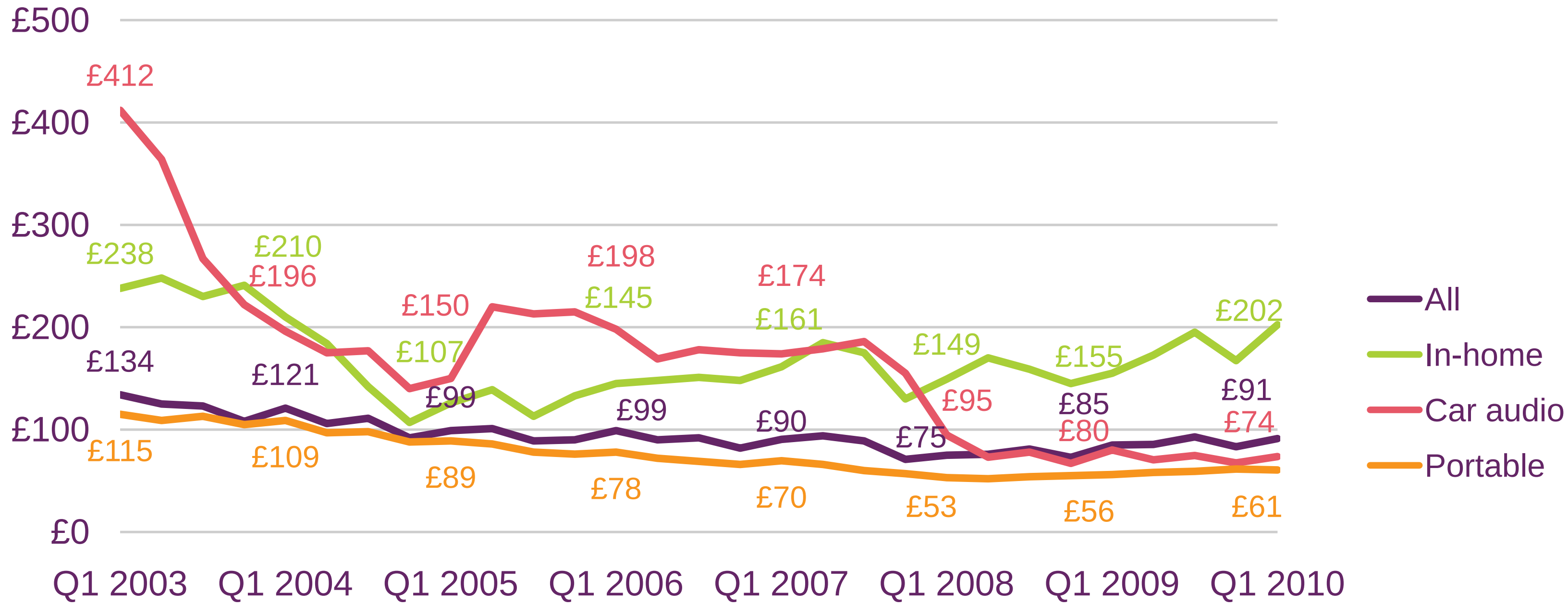
Number of analogue and digital radio sets sold



Source: GfK sales data, 2006-2010

Figure 3.39

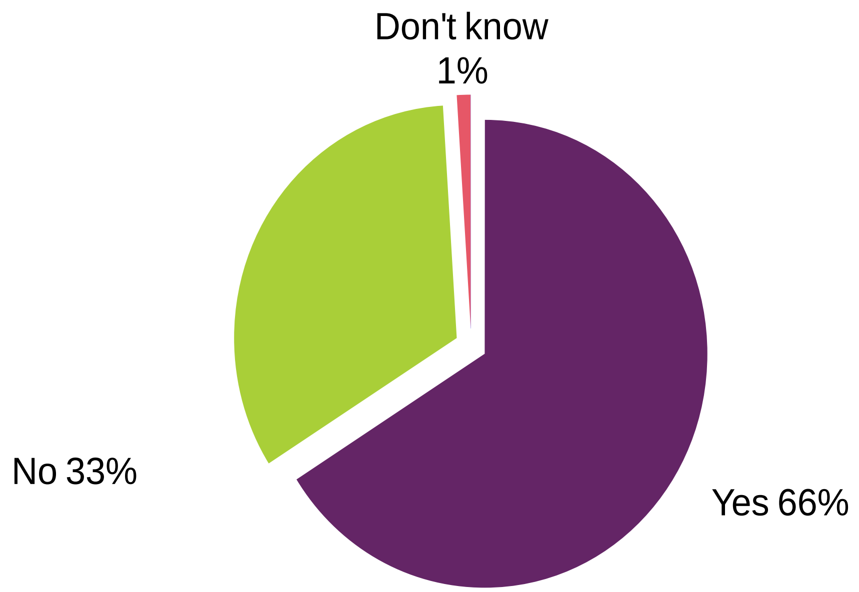
Average price paid for DAB digital radio receivers



Source: GfK sales data 2003-2010

Figure 3.40

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

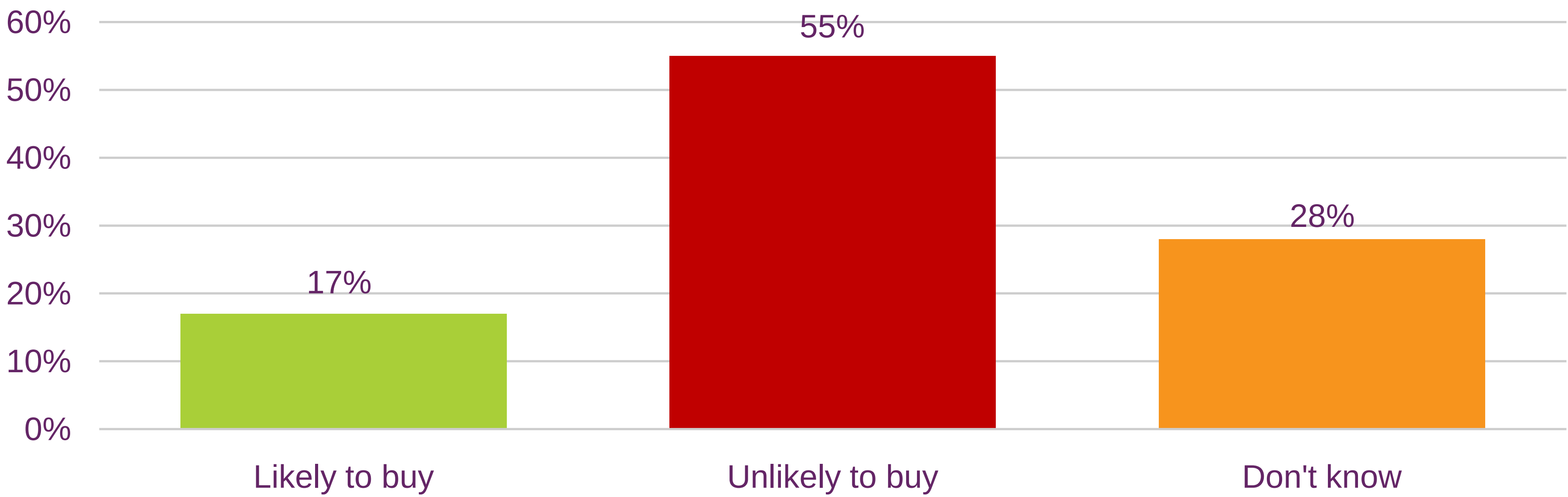


Source: Ofcom research May 2010

Figure 3.41

Likelihood to buy a DAB radio within the next 12 months

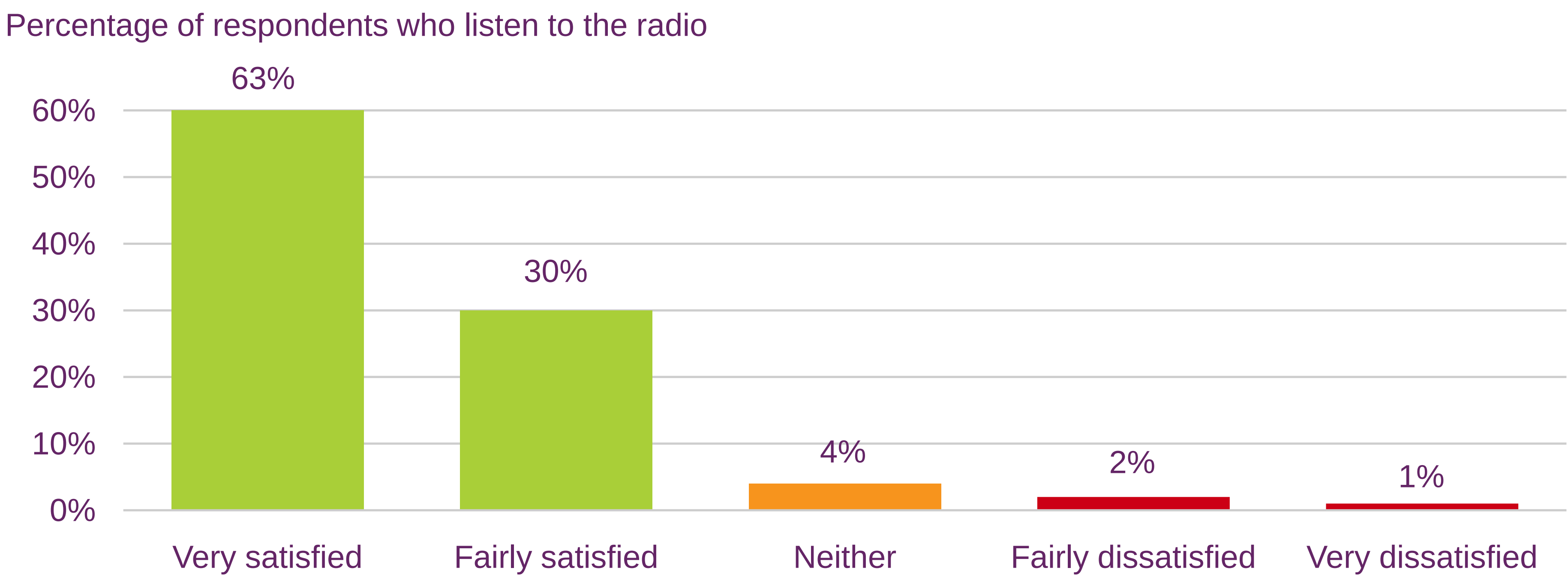
Percentage of respondents who listen to the radio but have no DAB set in the home



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

Figure 3.42

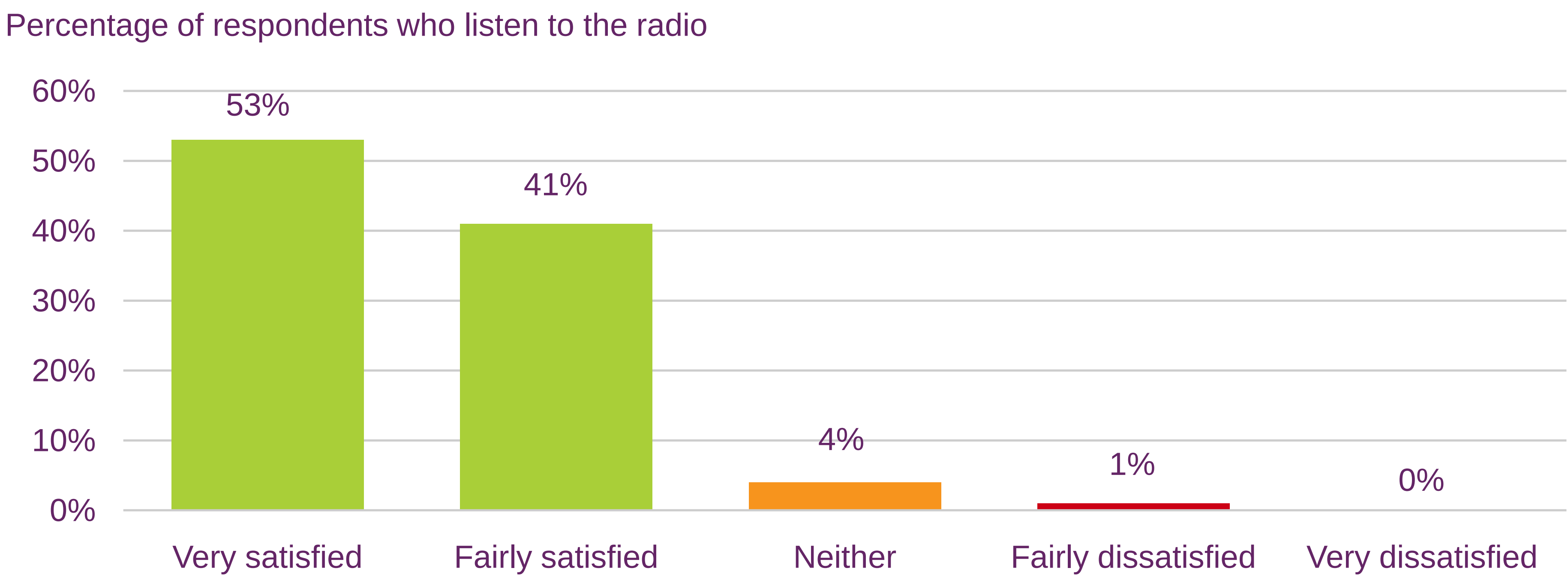
Satisfaction with choice of radio stations in area



Source: Ofcom research, Q1 2010
Base: All who listen to the radio (n=2483)
Q: How satisfied are you with the choice of radio stations available in your area?

Figure 3.43

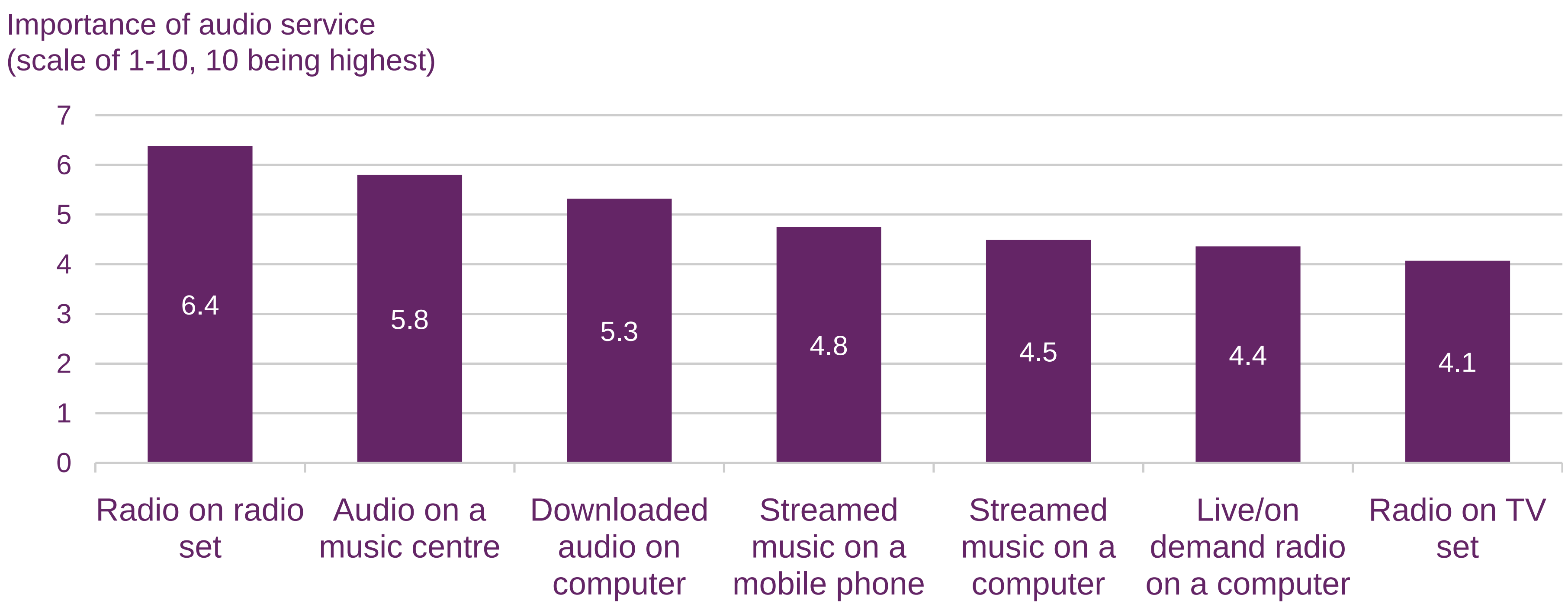
Satisfaction with radio content



Source: Ofcom research, Q1 2010
Base: All who listen to the radio (n=2483)
Q: How satisfied are you with the choice of radio stations available in your area?

Figure 3.44

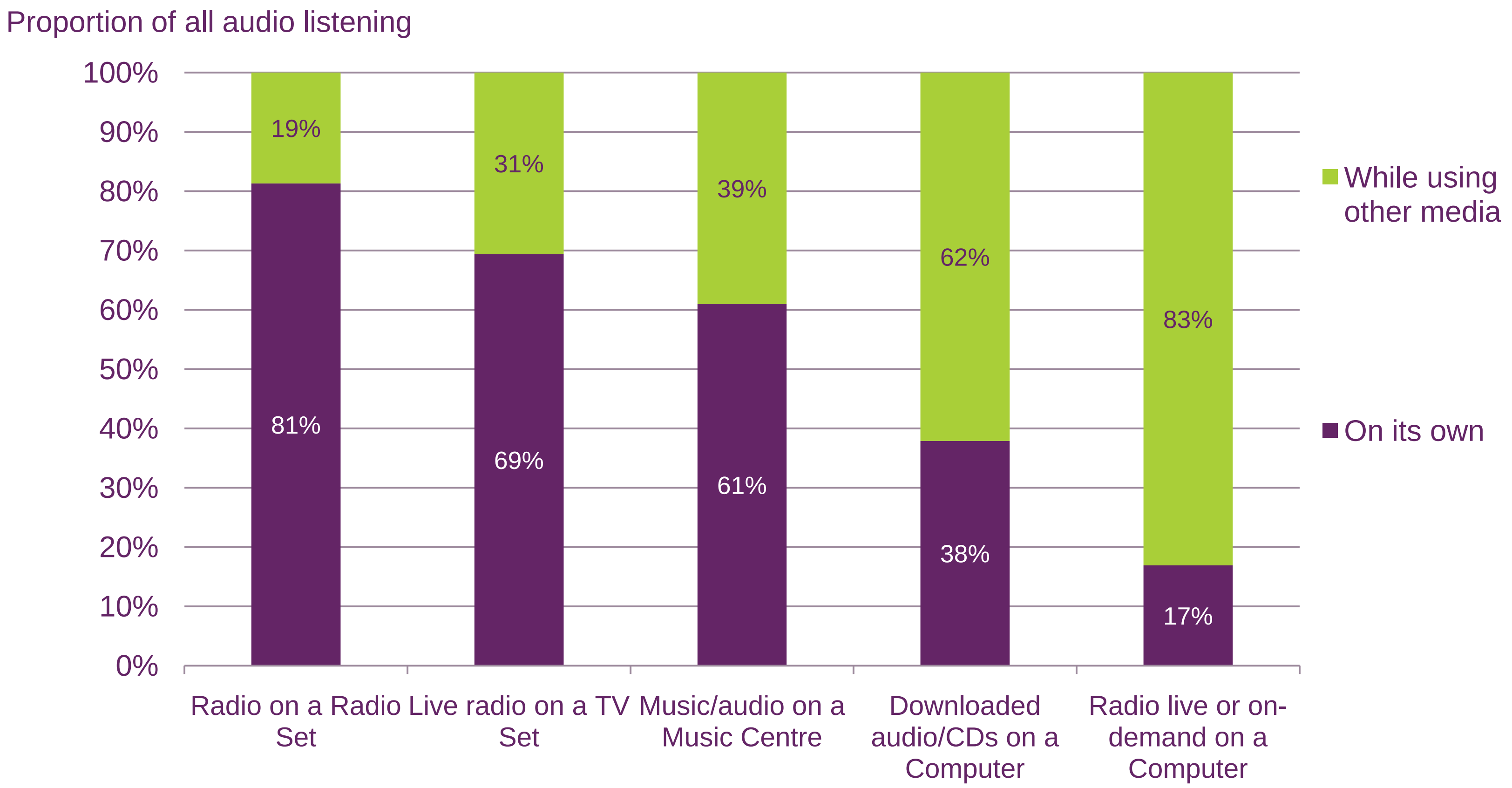
Importance of audio / radio activities to user



Source: Ofcom research June 2010
Additional questionnaire Q2f: "How important are each of these activities to you? Please use a scale from 1 to 10, where 1 means not at all important to you and 10 means very important to you."
Base: all who ever do each activity: Radio on TV (530); radio on radio set (1013); radio on computer (354); streamed music on a computer (219); downloaded audio on computer (466); downloaded audio on mobile phone (206); audio on a music centre (907)

Figure 3.45

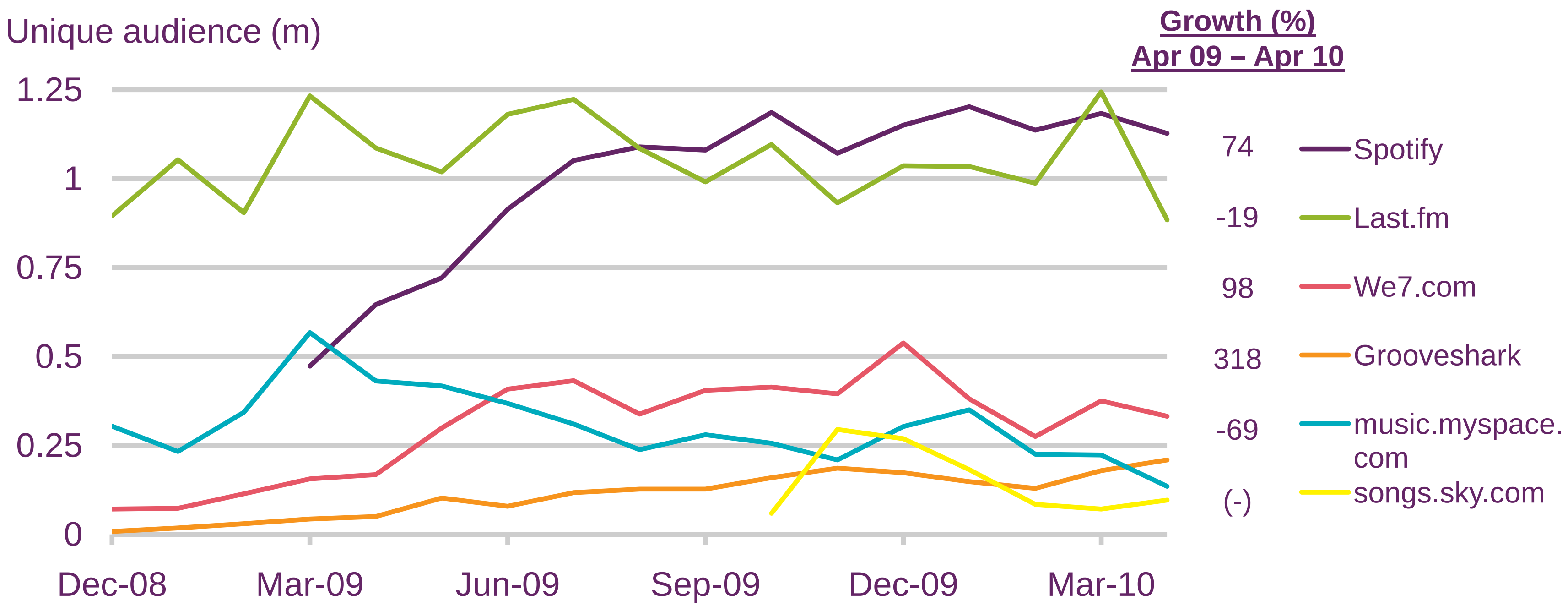
Proportion of time spent listening to audio, solus vs. simultaneous



Base = All respondent days: 7966

Figure 3.46

Unique audience to selected streaming sites



Source: UKOM/Nielsen. Month of April 2010, home and work panel. Applications included.

Figure 3.47

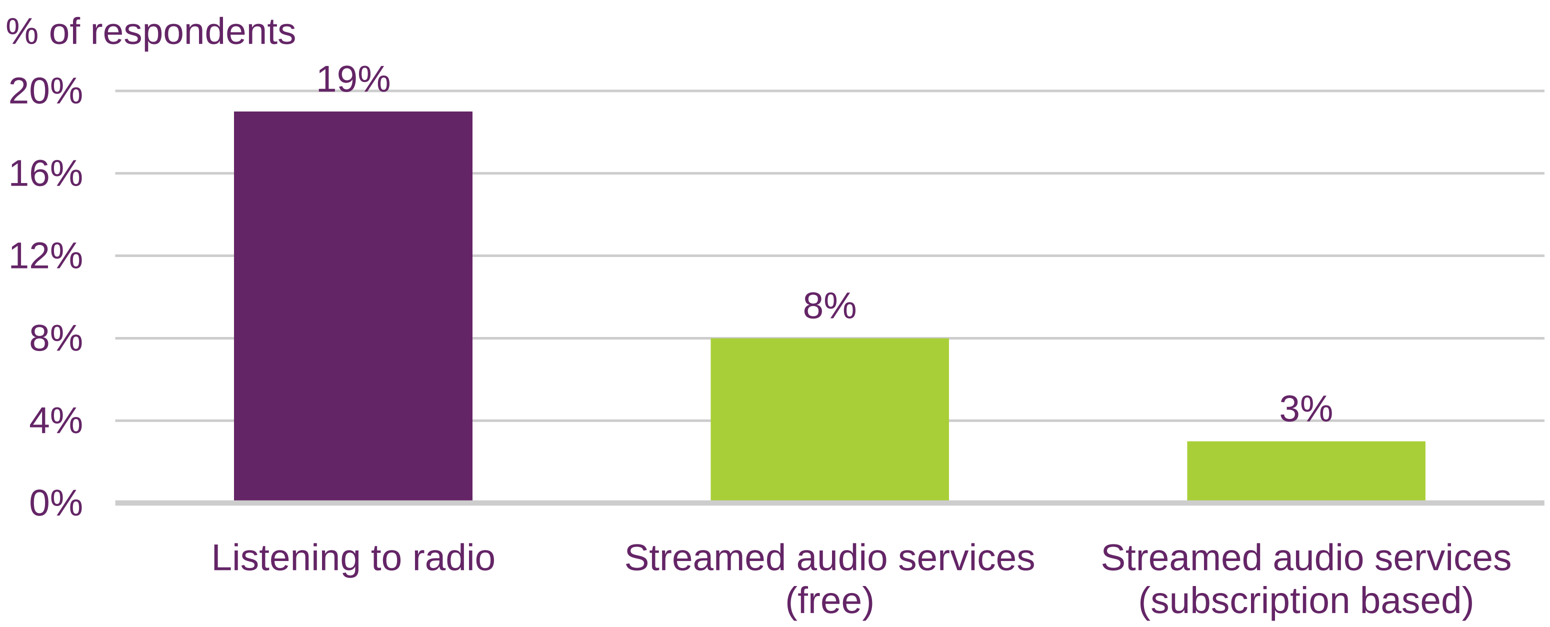
Selected online streaming services

Service	Business Model	Catalogue	Launch date
Spotify	Free ad-supported streaming application Premium monthly subscription for extra features, also available via mobile apps	8 million tracks	February 2009
Last.fm	Free ad-supported ‘radio-based’ streaming service Premium monthly subscription for extra features	6.5 million tracks	2002
Sky Songs	Subscription based only, paid each month for access to unlimited streaming and 5 downloads	5 million tracks	October 2009
Grooveshark	Ad-funded music streaming and recommendation service	7 million tracks	2007
We7	Ad-funded online streaming service, browser based and available via iPhone app	4 million tracks	October 2008
mflow	Free limited online streaming and pay per download	2 million tracks	April 2010

Source: Operators, June 2010

Figure 3.48

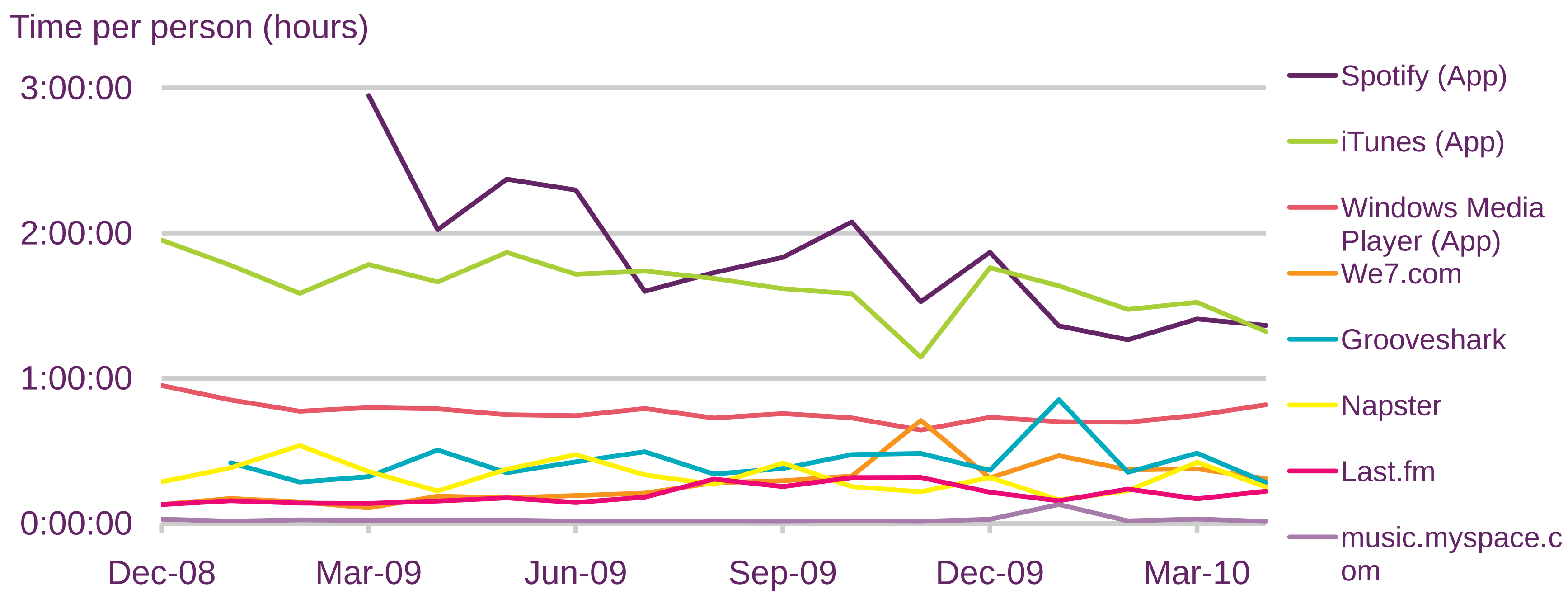
Audio internet usage



QE10A. Which, if any, of these do you or members of your household use the internet for whilst at home?
Source: Ofcom research, Q1 2010
Base: Those with access to the internet at home (n= 6163)

Figure 3.49

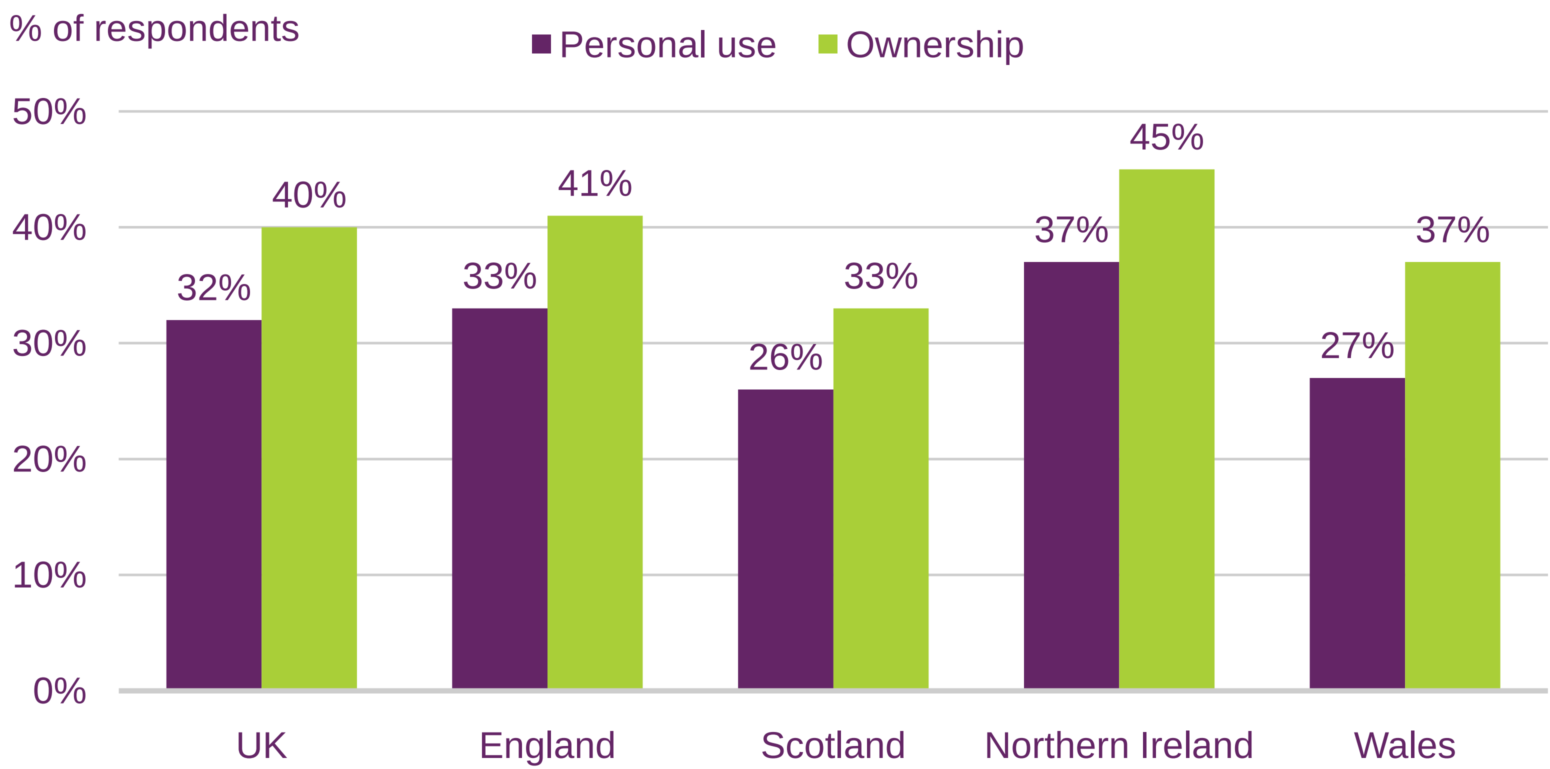
Time spent using selected music services and media players



Source: UKOM/Nielsen. Month of April 2010. Home and work panel. Applications included.

Figure 3.50

MP3 player/iPod ownership and personal use



QB1: Which of the following do you, or does anyone in your household, have in your home at the moment?
QB2. Do you personally use: MP3 player / IPod?
Source: Ofcom research, Quarter 1 2010
Base: All adults aged 15+ (n = 9013 UK, 1075 Wales, 5709 England, 1468 Scotland, 761 Northern Ireland, 810 Wales urban, 265 Wales rural, 348 South East Wales, 360 South West Wales, 367 North/ Mid Wales)