



The International Communications Market 2010

4 Radio & audio

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4.1 Radio and audio market summary

4.1.1 Key radio market indicators

This section summarises key data, including revenue and listening figures for the radio and audio markets for the 17 comparator countries (the UK, France, Germany, Italy, the US, Canada, Japan, Australia, Spain, the Netherlands, Sweden, Ireland, Poland, Brazil, Russia, India, and China). We also include some of the key findings of international research carried out in October 2010 on the increasing use of audio services online and via mobile devices.

This is followed by the radio industry section, which includes analysis of radio revenue data, and the final section examines radio and audio consumption trends.

Figure 4.1 Key radio market indicators: 2009

	UK	FRA	GER	ITA	USA	CAN	JPN	AUS	ESP	NED	SWE	IRL	POL	BRA	RUS	IND	CHN
Total industry revenue (£bn)	1.2	1.3	3.0	1.1	10.7	0.9	2.6	0.5	0.5	0.4	0.3	0.2	0.1	0.3	0.2	0.1	0.8
Revenue change (% YOY)	-7.1	-4.3	+1.9	-5.1	-15.7	-6.6	-3.9	-5.7	-17.5	-4.8	-1.7	-13.3	-22.9	+12.3	-35.7	+18.2	+7.2
Revenues per capita (£)	19	20	37	20	35	27	20	22	4	24	32	42	3	1.6	1.3	0.1	0.6
% income from public funding	64	63	80	57	0.5%	16	62	n/a	n/a	41	84	40	14	n/a	n/a	n/a	n/a
Listening (hours/head/week)	22.1	20.9	21.7	21.0	18.5	18.3	12.6	n/a	12.6	24	19	31	33	n/a	39	n/a	n/a
Public radio share (%)	55	22	58	19	5	13	8	n/a	6	32	65	33	25	n/a	24	n/a	n/a

Source: Ofcom, PricewaterhouseCoopers, EBU, Warc data.

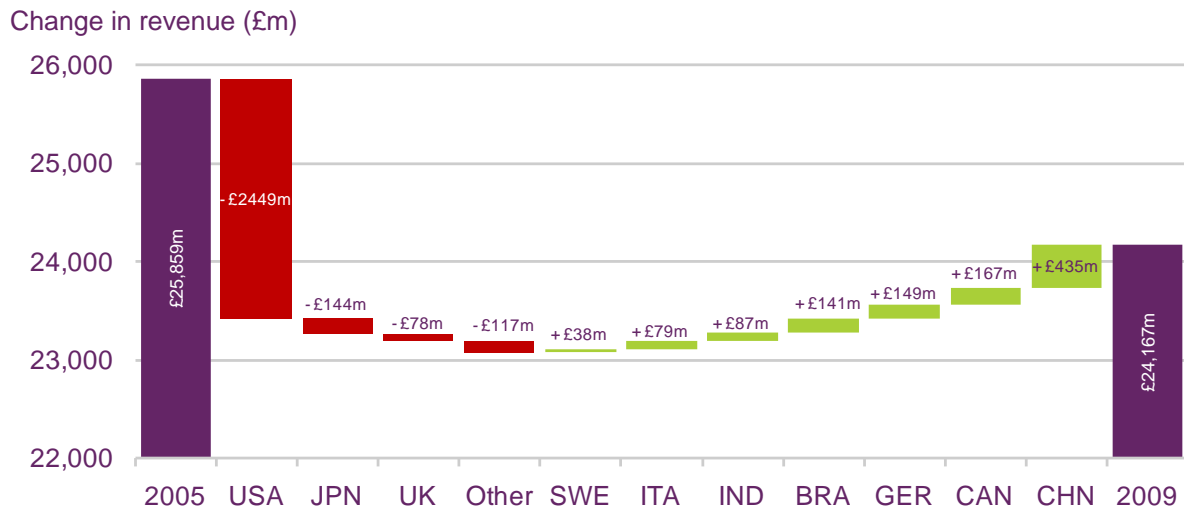
4.1.2 Radio revenues decline from 2005-2009

Radio revenues down by 6.5% overall in the four years 2005-2009, among 17 comparator countries

Broadcast radio revenue among the 17 comparator countries analysed in this report reached £24bn in 2009; down by 6.5% over four years, from £26bn in 2005. However, within this total, different patterns of performance can be observed due to the varied nature of radio markets around the world. With the countries analysed having differing market sizes, levels of commercial development, and revenue composition, resulting in varying levels of impact on total funding.

Despite the general fall, radio revenues showed an increase in some of the countries profiled over the period 2005-2009. China's market, funded by advertisements, grew the fastest, up by £435m. The Canadian market expanded by £167m (aided by the growing take-up of subscription radio), and in Germany sector revenues were up by £149m (here, additional public funding played an important role). The Brazilian and Indian markets also grew substantially (by £141m and £87m respectively).

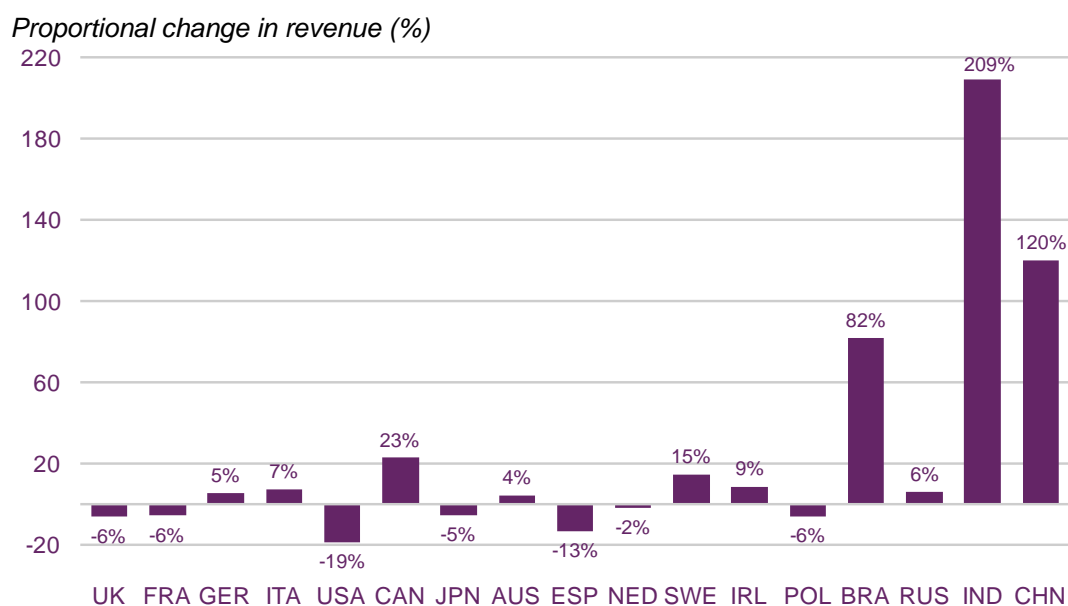
Figure 4.2 Absolute changes in radio revenue by country, 2005 – 2009



Source: Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of \$1.5643 to the GBP, representing the IMF average for 2009.

Proportionally, the developing markets of Brazil, India and China saw their markets grow the fastest over the past five years. India's grew by 209%; China's expanded by 120%, and Brazil's radio revenue rose by 82% over the same period. The Canadian and Swedish radio markets were also notable for double-digit growth (of 23% and 15% respectively). The UK market was one of six among the 17 whose radio market has contracted since 2005. The US market shrunk proportionally the furthest (by almost a fifth) while Spain's radio sector revenues fell by 13%. The UK market's reduction of 6% was in a single-digit category of contraction reductions that included France, Japan and Poland (each of which fell by between 5% and 6%).

Figure 4.3 Proportional changes in radio revenues, 2005 - 2009



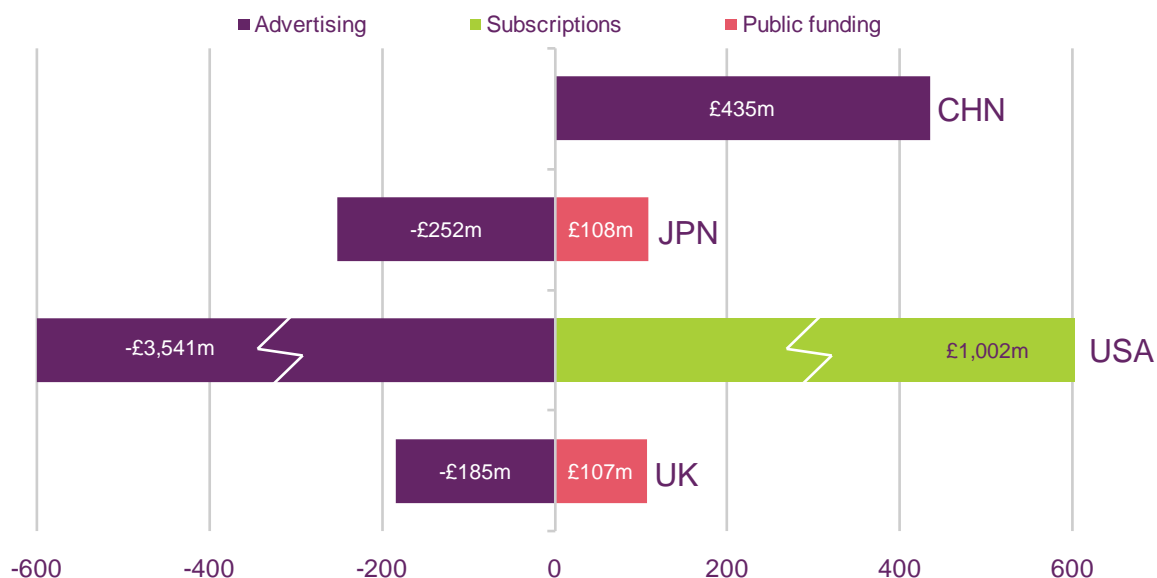
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Countries' radio revenue trends have been influenced by the dynamics of three particular sources of income – advertising, subscriptions and public funding. The swings have been substantial in some countries, and comparatively modest in others. This information is therefore depicted in two separate charts (Figure 4.4 and Figure 4.5) below.

The first chart sets out the more substantial changes in revenue by component. It shows that the US market has experienced a large reduction in advertising revenue since 2005 (down by £3.5bn). To a degree, this was offset by the growing popularity of Sirius/XM and the subscriber revenue that it generated (up by £1bn over five years). By contrast, revenue growth of 120% in China has been fuelled by the growing commercial radio advertising market. In Japan, and in the UK, falling advertising revenue has to a degree been offset by the growing contribution that licence fee income has made towards funding radio services.

Figure 4.4 The most substantial revenue swings, by component, 2005 - 2009

Proportionate change in revenue (£m)



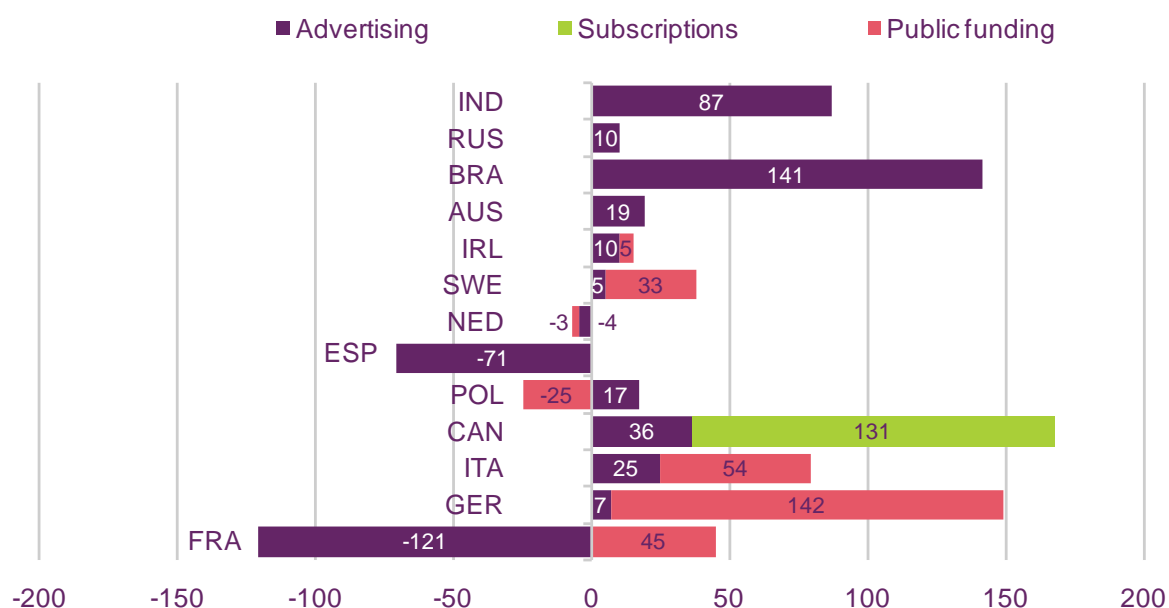
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Note: Ofcom has used an exchange rate of \$1.5643 to the GBP, representing the IMF average for 2009.

Among the 13 remaining comparator countries, the Indian and Brazilian radio advertising markets have managed to attract substantial additional advertising revenue since 2005. The Canadian market, as in the US, has benefited from the growing popularity of subscription radio, which generated an additional £131m between 2005 and 2009. In Germany, additional public funding totalling £142m helped to ensure that, overall, the German radio market's total income rose over the same period. In Italy, both advertising and public funding grew. Only the French and Spanish markets experienced substantial reductions in radio revenue during this period, both driven by falling advertising revenue (offset to a degree – although not fully – by additional public funding, in the case of France).

Figure 4.5 The smaller revenue swings, by component, 2005 – 2009

Proportionate change in revenue (£m)



Source: Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook. Interpretation and manipulation of data are solely Ofcom's responsibility.

Note: Ofcom has used an exchange rate of \$1.5643 to the GBP, representing the IMF average for 2009.

4.1.3 Audio services through the internet and mobile devices

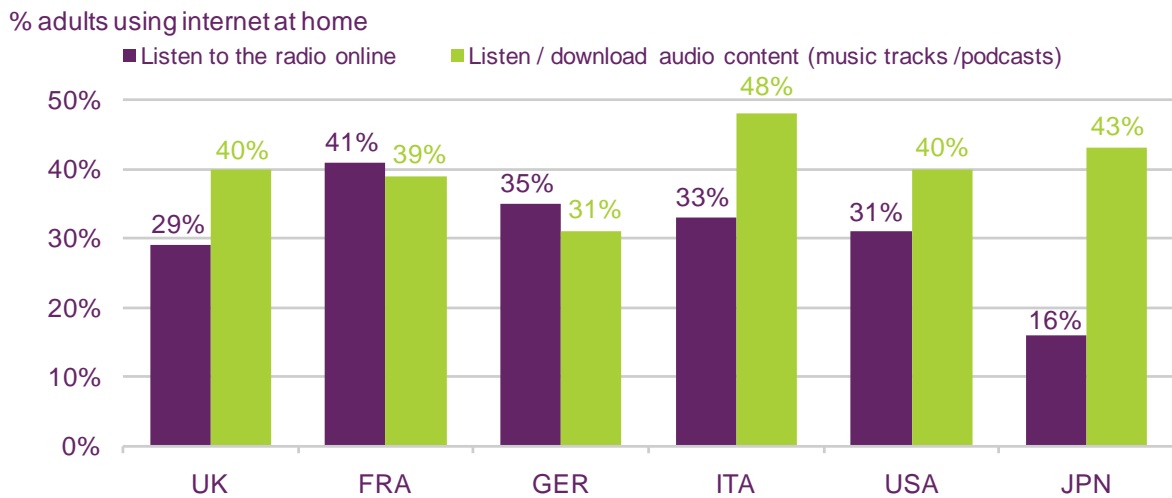
Consumers increasingly using the internet and mobile media devices to access radio and other audio content

The internet's role in providing consumers with new ways of accessing audio content has grown over the last few years particularly as broadband take-up has risen.

Using the internet to download or listen to audio content (such as music tracks or podcasts) was most popular in Italy. Almost half of respondents in Italy (48%) claimed that they used their home internet connection for this purpose. By comparison, the figure was lowest in Germany, where less than a third (31%) downloaded or listened to audio content. In the UK 40% said they had downloaded audio content online, similar to the average.

Listening to radio stations over the internet was most popular in France, at 41% and least popular in Japan at 16% (perhaps reflecting the generally lower use of radio among people in Japan). In the UK this was also slightly lower than the average, with almost a third (29%) saying they had listened to radio online.

Figure 4.6 Use of the internet to listen to the radio / download audio content (music tracks / podcasts)



Source: Ofcom consumer research, October 2010. Base sizes (all adults who use the internet): UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001.

Question: Which, if any, of the following activities do you use your home internet connection for? Listening to the radio / listening to or downloading audio content (e.g. music tracks or, podcasts).

People in Italy are most likely to claim they use their mobile handset to listen to audio

Mobile phone handsets often incorporate audio technologies such as analogue radio tuners and MP3 players which support the storage and playback of podcasts.

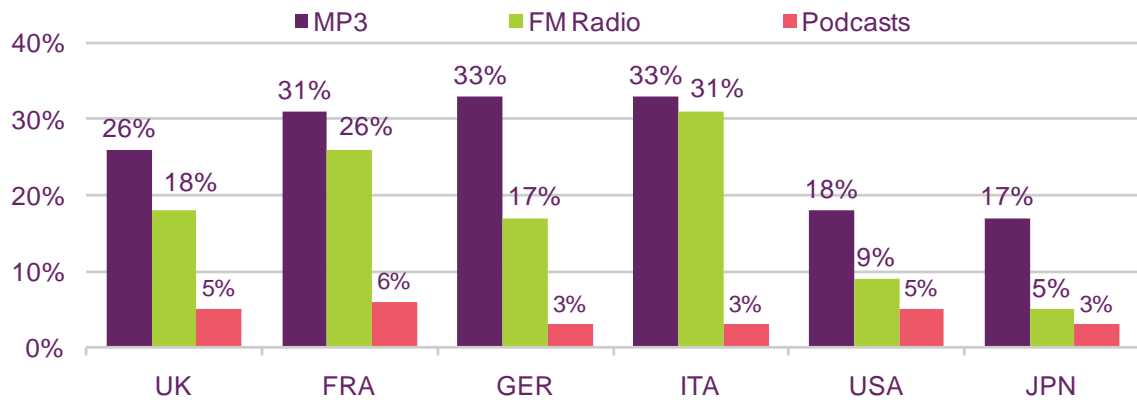
With mobile phone ownership high in Italy, many of the audio features available on handsets were also widely used. Listening to FM radio through a mobile handset was most popular in Italy at almost a third (31%) of respondents, compared to only 5% in Japan. The UK was close to the average with 18% listening to FM radio via their mobile.

Similarly, listening to MP3 tracks through a mobile was also highest in Italy (33%), this time matched by mobile users in Germany. People in Japan and the US were the least likely to listen to MP3 tracks on a mobile (17% and 18% of respondents respectively), compared to 26% in the UK.

Podcasting was generally less popular than other forms of audio listening over a mobile handset; people in France, the UK and the US were marginally more likely to claim that they used mobile handsets for podcasting (6% 5%, 5% respectively), but in the main this was a niche activity (3% in the remaining countries surveyed).

Figure 4.7 Mobile audio service use: listening to MP3 tracks, FM radio, podcasts

Proportion of mobile users (%)



Source: Ofcom consumer research, October 2010. Base sizes (all adults who use the internet): UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001.

Question: 'Which of the following activities do you use your mobile for, listening to: FM radio, MP3 player, podcasts?'

4.2 The radio industry

4.2.1 Introduction

This section examines the revenues generated by the commercial radio sectors in each country, along with the levels of public licence fee funding that are invested in radio services. The main findings include:

- Global radio revenue totalled £27.6bn in 2009, down £2.7bn on 2008. This was a decrease of 9% year on year and down 5% in nominal terms on the 2005 total of £29.1bn. Growing revenue in a number of countries, particularly the developing markets of Brazil, India and China, was offset by a fall in the largest commercial market, the US; UK radio income was down 7.1% on the year.
- The radio industries of the seven main comparator countries accounted for three-quarters (75%) of global radio revenues. The US radio market is still by far the largest, with annual revenue of nearly £10.7bn in 2009 (39% of the global total), equating to £35 per head of population. The UK was the fifth-largest market of the 17 comparator countries, with £1.2bn (£19 per head), equivalent to a 4% share of world radio revenue.
- Of the established larger radio industries, the Canadian market showed the most growth over the four years to 2009, with average annualised growth rate of 5.3% p.a. The developing markets of India (+32.6% per annum on average over four years), China (+21.8%), and Brazil (+16.1%) have grown the fastest. Of the European nations, Italy (+1.8%), Russia (+1.5%), and Germany (+1.3%) have also grown over this period, with the US market falling by 5.0% p.a. over the four years to 2009. The UK market was down 1.6% per year on average over the past four years.
- Global revenues from radio advertising were down by 14% year on year, while public funding rose by 1.9% over the period; and satellite-based subscription radio revenues also grew by 5.1%. Advertising revenue accounted for around two-thirds (65%) of the total radio income in 2009, down from almost three-quarters (72%) in 2005.
- The radio share of display advertising varies by country. This share was highest in Canada and the US, where radio accounted for 13% and 11% of total display advertising spend respectively. By comparison, UK radio advertising takes a 4% share of display advertising.

4.2.2 Global radio revenue

Radio revenue worldwide fell by 9% in 2009, down from £30.4bn in 2008 to £27.6bn in 2009.

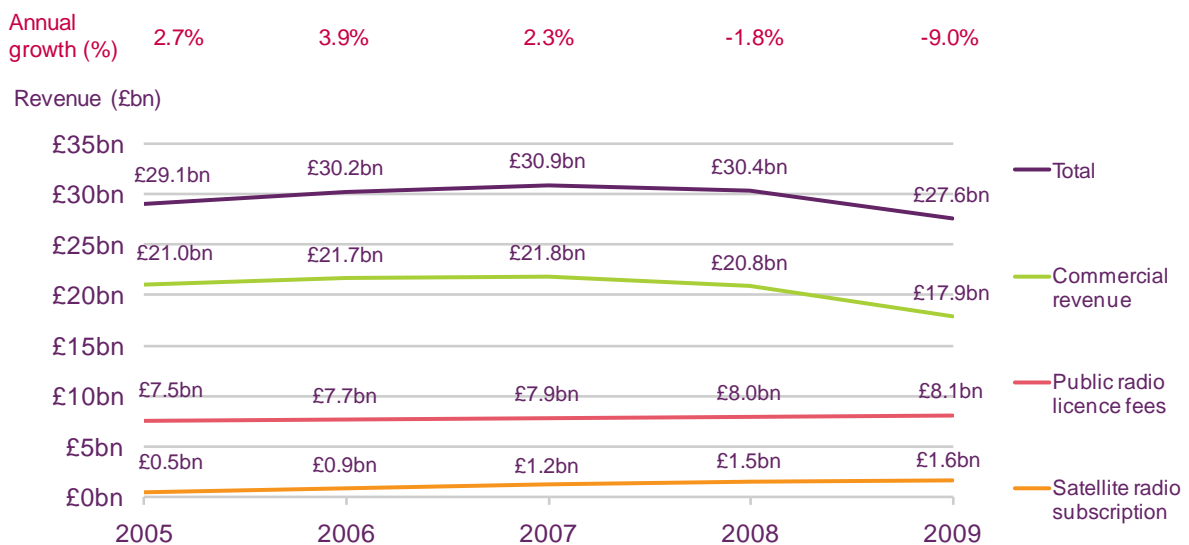
Global radio industry advertising revenues were down by 14% on the year; from just under £21bn in 2008 to under £18bn in 2009, the lowest level for at least five years. This followed a 4.5% fall in 2008.

Growth in some countries, particularly the developing markets in Brazil, India and China, was offset by a contraction in the largest radio market, the US. Of the other nations profiled here, only the German market experienced growth during 2009.

Advertising revenue (including advertising and sponsorship revenue) accounted for around two-thirds (65%) of total radio income in 2009, down from almost three-quarters (a 72% share) in 2005. This reduction was explained by falling advertising revenues, combined with a corresponding rise in public radio income from licence fees, and an increase in satellite radio subscriptions in the US and Canada. Year-on-year advertising revenues fell by 14% or £3.0bn in 2009, also down £3.2bn on the total in 2005. Revenues from satellite radio in North America increased over the year, up 5.1% in 2009. The vast majority of satellite revenues (98%) were from customer subscriptions, with the remaining 2% from advertising. Satellite revenues accounted for 5.9% of total radio revenues in 2009, up from 1.7% in 2004.

Public funding from licence fees accounted for the remaining 29.5% (£8.1bn) of all radio funding in 2009. This was up by £0.1bn, or 1.9% year-on-year, also up by £0.6bn from £7.5bn in 2005.

Figure 4.8 Global radio industry revenues, 2005 - 2009



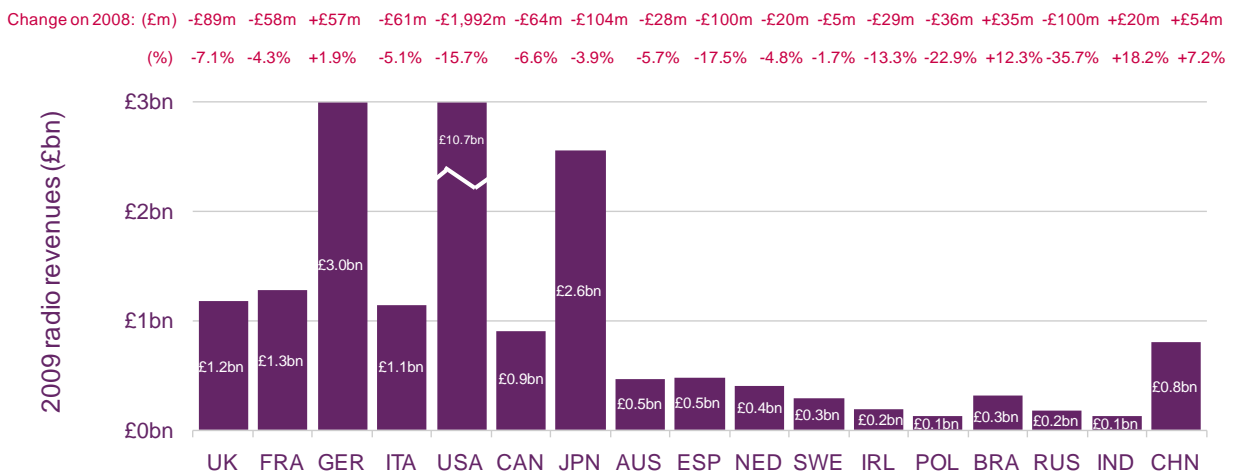
Source: Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of \$1.5643 to the GBP, representing the IMF average for 2009.

4.2.3 Revenues by country

Advertiser spend falls in US radio market, offsetting revenue growth in smaller markets

The largest commercial radio market, in the US, experienced a large fall in commercial revenue during 2009, down 15.7% from £12.7bn in 2008 to £10.7bn in 2009. With the US market accounting for around 39% of total global radio revenues, this fall was substantial enough to offset gains in some of the other radio markets around the world, which expanded from comparatively small bases. Developing markets such as India (up 18.2% year on year), Brazil (+12.3%), and China (+7.2%) all showed growth in 2009. Most European radio markets contracted in 2009, including the UK which was down 7.1%. The Russian market contracted by over one-third (35.7%), while the Polish, Spanish and Republic of Ireland markets also saw double-digit reductions (22.9%, -17.5%-13.3% respectively). Germany, the second largest radio market in the world, bucked the trend; expanding by 1.9%.

Figure 4.9 Radio industry revenue, 2009



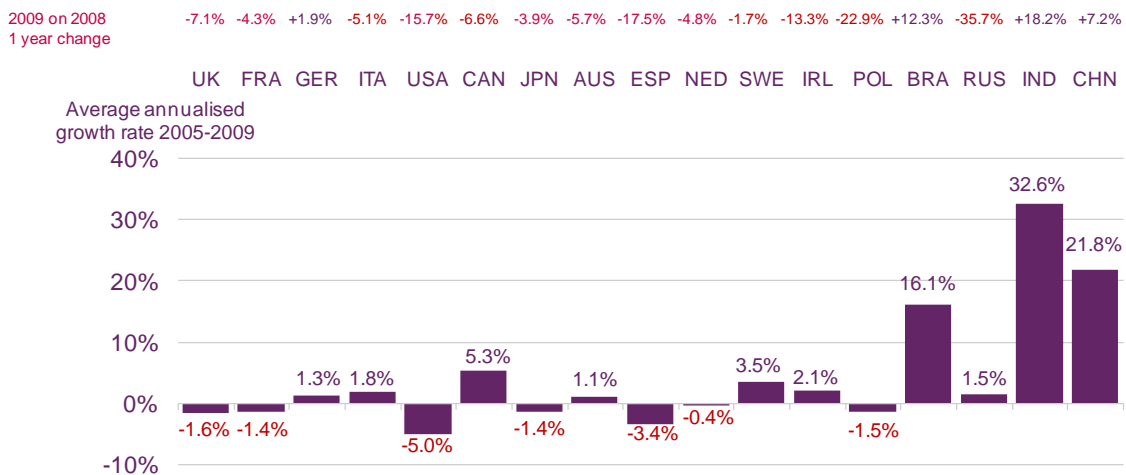
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Developing radio markets in Brazil, China, and India were among the fastest-growing over the past four years, alongside Canada

Over the four years to 2009, the radio markets in some of the BRIC nations have been the fastest growing of our comparator countries. The Indian radio market grew by 32.6% on average per year over this period. China's radio market expanded by 21.8% p.a. while Brazil grew by an average of 16.1% per year; the Russian radio market also grew, although more slowly (up by 1.5% per year on average over four years).

Of the other comparator countries, the Canadian market increased the most, up by 5.3% per year on average over four years, despite a 6.6% fall in 2009. Other growing markets included Sweden, Ireland, Italy, Germany, and Australia. The largest fall in revenues was experienced by the US commercial market, down by 5.0% per year on average since 2005. The radio markets in Spain, UK, France, Japan, Poland and the Netherlands also experienced reductions over the same period.

Figure 4.10 Radio industry revenue annualised growth, 2005 - 2009



Source: Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of \$1.5643 to the GBP, representing the IMF average for 2009.

Radio markets in Sweden and Germany receive the highest share of funding from licence fees

Of the 17 markets reviewed in this report, the majority of revenue in six countries – Sweden, Germany, the UK, France, Japan, and Italy - comes from public funding raised from licence fees.

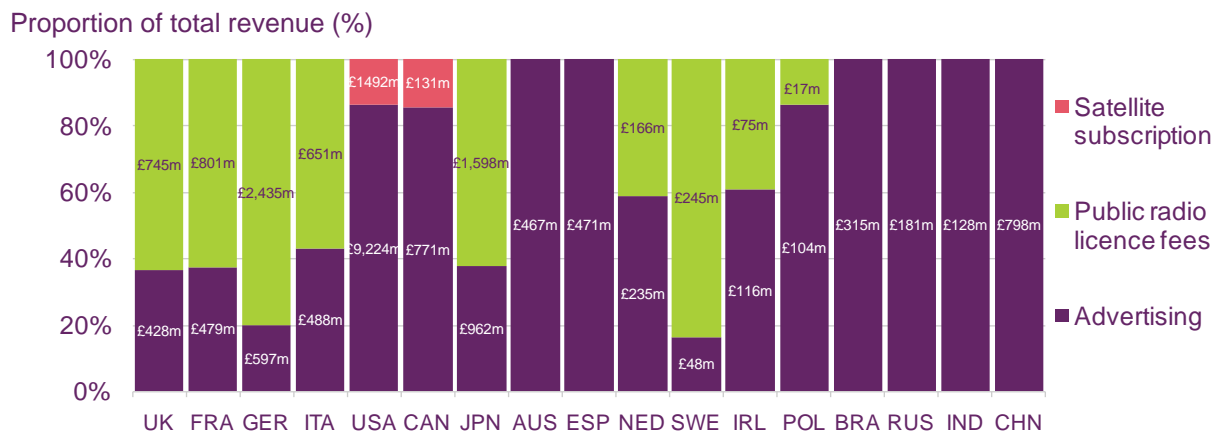
The public funding ratio was highest in Sweden, where 84% of radio income was from licence fee funding to support Swedish Radio's (SR) network of stations, which held a combined 65% share of listening in 2009. In Germany 80% of the market's income came from licence-fee funding, with the public broadcaster ARD attracting a 58% share of hours.

Radio markets in the UK (64%), France (63%), and Japan (62%) all received almost two-thirds of their funding from licence fees in 2009. The comparable listening shares varied, with the BBC the highest at 55%, while Radio France was less than half this at 22%; the share of NHK radio in Japan was lower still at only 8% of all listening hours. In Italy 57% of radio market funding came from licence fees and RAI's radio services held a 19% share of hours in 2009.

In some of the remaining comparator countries in this report radio programming is not always funded directly by licence fees but may receive some public / state support; for example, in the form of government grants to support public broadcasting. The contribution that public funding makes to these markets tends to be smaller than in those countries where a licence fee is levied. In the United States, for example, the Corporation of Public Broadcasting (CPB) allocated around £58m of federal funding to the production of public radio content in 2009, while National Public Radio (NPR) spent around £107m on public programming and distribution. This equates to around 1.5% of all US radio revenue in 2009; with the vast majority (almost £9.2bn or around 85% of the total) coming from advertisers, with satellite subscriptions accounting for the remaining 14% (£1.5bn, up by 2.4% in 2009).

In Canada, public funding accounted for around 18% of industry revenue, with CBC Radio Canada spending around £195m on radio services in 2009. Advertising revenue reached £771m (70%), while subscription revenue from satellite radio increased to £131m (12% of total revenues in 2009), up 31% from £100m in 2008.

Figure 4.11 Proportion of radio industry revenue, by source

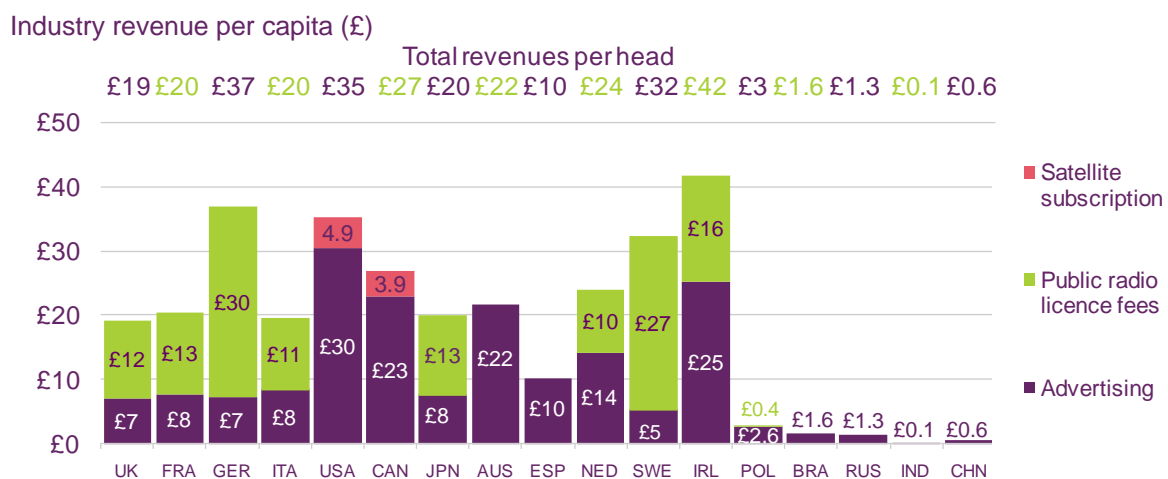


Source: Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of \$1.5643 to the GBP, representing the IMF average for 2009.

Radio markets in Ireland, the US, and Germany generate the highest revenues per head

The radio markets in Ireland, Germany, and the US generated high revenues per capita in 2009. The average of £42 per head in Ireland was the highest of the 17 countries profiled. Over 60% of radio revenue in Ireland was generated by commercial radio advertising, with the remaining 40% from licence fees. Of the other European nations, Germany (£37 per head) and Sweden (£32 per head) had high average incomes, although the component of public funding was much higher in each case, accounting for almost 84% in Sweden and 80% in Germany. The US radio market generated £35 per capita, mainly from commercial revenues from advertising and satellite radio subscriptions, with Canada having revenue of £27 per head. By contrast, income per head was much lower in the BRIC nations, in particular in India (£0.1 per person) and China (£0.6), partly due to the larger populations in these countries and the developing nature of the radio markets.

Figure 4.12 Radio industry revenues, per head



Source: Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of \$1.5643 to the GBP, representing the IMF average for 2009. Population figures used in this calculation can be found in the country profiles.

4.2.4 Radio's share of total advertising spend

Radio claims larger share of advertising in the North American markets

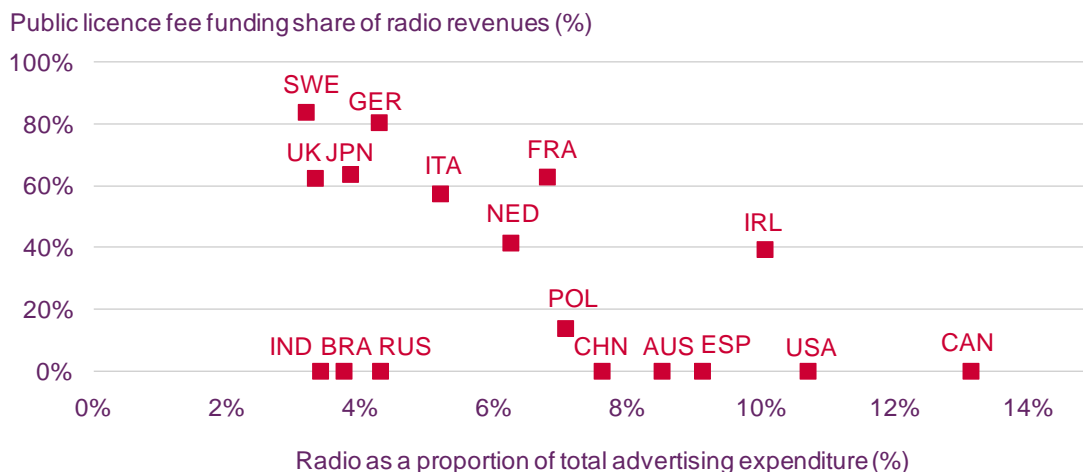
The share of total advertising spend commanded by radio markets varies significantly by country. Radio markets with higher levels of public licence fee funding (including a number of Western European markets and Japan) tend to have lower shares of total advertising spend, while the radio markets that feature higher ad shares usually having correspondingly lower levels of public funding. The exceptions to this trend are the developing markets of India, Brazil, and Russia.

The radio markets in Sweden and Germany attracted the highest level of licence fee investment in 2009, with public funding in Sweden equating to 84% of all radio income, with a similar level in Germany at 80%. The Swedish radio advertising market commanded a 3.2% share of total advertising expenditure in 2009, with the German market having a higher share at 4.3%. The UK radio market had a similar pattern to Japan, in terms of public funding (64% and 62% respectively) and ad market share (3.9% and 3.3%).

Some of the other countries illustrated in Figure 4.13 may also receive public funding from sources other than a licence fee; for example, government grants or support from other public bodies. The US, Canada, Australia and Spain all have a degree of publicly-funded radio programming.

The North American radio markets have the highest overall share of display advertising. In Canada, advertisers allocated the highest proportion of advertising spend to radio; with spend on radio accounting for 13% of total ad spend. This was closely followed by the US radio market, which had an 11% share of all advertising, up slightly (by 1-2%) on previous years. The reason for the higher ad share in the US and Canada may be partly due to the lower levels of public funding, but also reflects the established commercial radio market in North America, and the higher average number of commercial stations operating.

Figure 4.13 Radio advertising as a proportion of total advertising spend, and levels of public licence fee funding in 2009



Source: Radio as a proportion of total advertising spend sourced from Warc (www.warc.com). Ofcom analysis based on data taken from PricewaterhouseCoopers Global Entertainment and Media Outlook 2010-2014 @ www.pwc.com/outlook. Interpretation and manipulation of data are solely Ofcom's responsibility. Ofcom has used an exchange rate of \$1.5643 to the GBP, representing the IMF average for 2009.

4.2.5 Digital music

Audio content was one of the first content types to feel the effects of the new opportunities for content distribution and consumption that arrived with the internet. This was helped by the early agreement of the MP3 format, which standardised audio compression and coding technologies. Consumers can listen to radio services online, download single tracks or complete albums, stream music over their internet connection, and even create their own audio content. All these different ways of consuming music and audio online are also available on mobile devices as well as PCs and laptops.

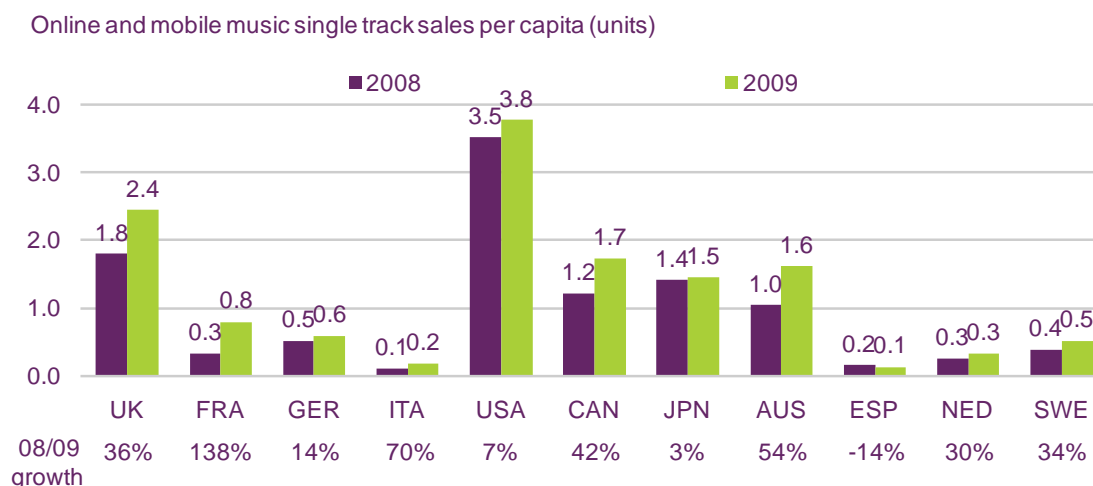
The entire music industry (including the recorded music industry, collecting and licensing societies, artists, publishers, music venues and promoters) has been affected in varying ways by the emergence of the internet as a major digital distribution channel. This section focuses in particular on recent international trends in recorded music sales and revenues, as this market is adjacent to broadcast radio and is illustrative of the changing patterns of consumer behaviour that have come about as a result of digital distribution techniques.

Digital music sales per capita are highest in the US and the UK

Per-capita sales of online and mobile single tracks in 2009 were highest in the US (3.8 tracks per head) and the UK (2.4 tracks per head). Average purchases exceeded one per person per year only in Canada (1.7), Australia (1.6) and Japan (1.5). The high music sales in the US are likely to be because the US is the largest recorded music market in the world, while strong sales in the UK may relate to its size as a large English-speaking market (it is the third-largest market in absolute terms, according to the IFPI). Four of the top five countries in terms of sales per head are English-speaking.

While per-capita digital music sales were relatively low in France (0.8 tracks per head), it experienced the highest growth between 2008 and 2009 (138%), significantly higher than any other market. In October 2010 the European Commission cleared France's plans for a 'Carte Musique'; designed to encourage young people to buy digital music. People aged 12-25 will be able to buy a pre-paid €50 music card for just €25, with the state making up the difference. They will be able to use the card to buy music from participating sites, which must accept certain restrictions (for example, on price) in return for participation. The French government estimates that the scheme will cost €25m over two years, if it reaches its target of one million cards. One week after the scheme launched, French culture minister Frédéric Mitterand announced in the French Council of Ministers that 10,000 cards had been sold.

Figure 4.14 Digital music sales, 2008 and 2009

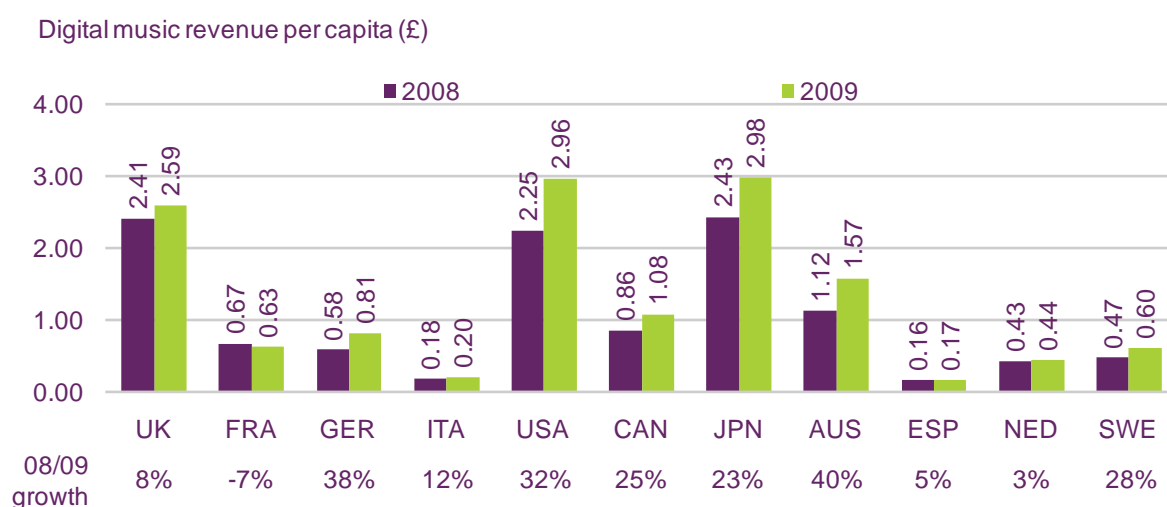


Source: Ofcom calculations based on IFPI data, 'Recording Industry in Numbers' report.

Growth in digital music revenues higher in the US and Japan

Direct comparisons of digital music revenues across our comparator countries are difficult, due to differences in the way data are collected in each territory. With this caveat in mind, digital music revenues were highest in Japan (£2.98 per head) and the US (£2.96 per head) in 2009. The UK followed in third place with revenues of £2.59 per capita. As a rule, growth in revenues per head was fastest outside Europe, with the UK (8%), France (-7%), Italy (12%), Spain (5%) and the Netherlands (3%) all seeing comparatively low growth. The figure for France was particularly surprising, since it experienced very high growth in digital music volumes during the same period.

Figure 4.15 Digital music revenues, 2008 and 2009



Source: Ofcom calculations based on IFPI data, 'Recording Industry in Numbers' report.

Note: Digital music revenue includes revenue from online single tracks, online albums and mobile single tracks except GER, USA, CAN, NED (online single track and online album only) and JPN (online single track and mobile single track only). Excludes streaming revenue.

4.3 Audio/radio listening

This section summarises listening patterns in the radio and audio markets, including the results of Ofcom's international consumer research (across six countries) which examined patterns of listening across digital platforms, along with other forms of radio and audio listening. The section also examines patterns of radio listening across the comparator countries, including time spent listening to radio, and the listening share of the public and commercial operators.

The key points in this section include:

- The average time spent listening to radio was highest in Russia and Poland, with individuals spending 5.6 and 4.7 hours per day respectively listening to the radio. By comparison, listening in Spain and Japan was lowest among our comparator countries, at 1.8 hours per day in both cases; UK listening was above the average at 3.2 hours per person per day.
- Public service radio stations' share of listening varies across our comparator countries. It was highest in Sweden, where Swedish Radio (SR) commands a 65% share of all listening. In the UK, the BBC attracted a 55% share in 2009 while ARD's radio network in Germany enjoyed a 58% share. In Spain, national public network, RNE (Radio Nacional de Espana) accounted for 6% of all listener hours in 2009.
- Of the six main comparator countries surveyed, claimed listening to radio on a weekly basis was highest in France and Germany at over three-quarters (77%) of respondents. People in Japan were least likely to listen to the radio; just over a third (35%) of respondents claimed to use radio on a weekly basis. The UK figure was 72%.
- Ownership and use of personal media players (such as MP3/MP4 and iPods) was highest in Italy, with 64% claiming to own and use a personal music player. The UK figure was second-highest at 52%.
- Digital radio take-up in the UK was the highest among the countries we surveyed. Almost a third (31%) claimed to own and use a digital radio. Take-up was lower in Japan (3%) and the US (7%). With different interpretations of the term 'digital radio' across nations, care must be taken in interpreting these results.
- Downloading or listening to audio content such as music tracks and podcasts was most popular in Italy, with 48% claiming to download or listen to music via websites. The figure was lowest in Germany (31%), and in the UK stood at 40%.
- Listening to radio stations online was most popular among people in France, at 41%, and lowest in Japan at 16%. The UK figure was slightly lower than average, at 29%.
- People in the US were the most likely to claim to listen to radio or music while also watching television (37% and 38% respectively). The figures were lower in the UK, at 28% for concurrent radio/TV consumption and 30% for music/TV. Japan showed a mixed pattern, with 20% using radio and TV concurrently but 36% music and TV.
- Listening to FM radio through a mobile phone was most popular in Italy; almost a third (31%) of respondents there claimed to listen to radio on their mobiles, compared to only 5% in Japan, and 18% in the UK.

- Similarly, listening to MP3 tracks via a mobile was also highest in Italy (33%) and in Germany (33%). It was least popular in Japan (17%) and the US (18%) and 26% in the UK.

4.3.1 Use of radio and other audio content

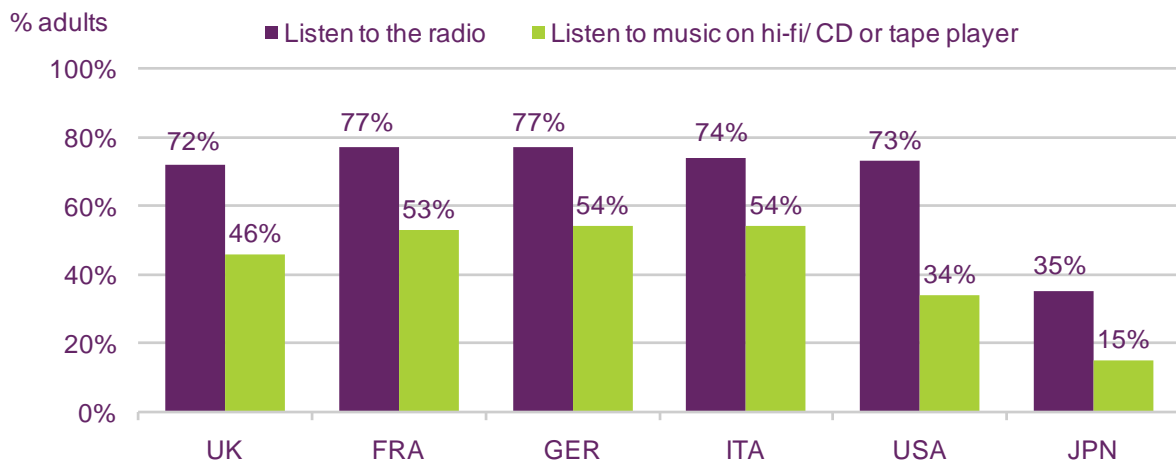
Ofcom commissioned an international quantitative online survey of consumers in six of our comparator countries (the UK, France, Germany, Italy, the US and Japan) to examine the adoption of new media and its effect on media consumption habits.

Weekly radio listening highest in France and Germany (77%)

Weekly radio listening was most popular in France and Germany, at over three-quarters (77%) of respondents. Radio listening was least prevalent among people in Japan, with just over a third (35%) of respondents claiming to use radio services on a weekly basis. By comparison, the UK figure stood at 72%.

Of the other forms of music listening, such as via hi-fi or CD players, use was highest in Germany, Italy, and France, at just over half of adults, (53-54%). It was lowest in Japan with only 15% of respondents claiming to use hi-fi or CD players on a weekly basis. In the UK less than half (46%) claimed to use these music formats on a weekly basis. These results could also indicate the effect of growing take-up of mobile media devices such as digital personal music players (i.e. MP3/MP4, and mobile handsets).

Figure 4.16 Adults regularly listening to the radio / music on a hi-fi



Source: Ofcom consumer research, October 2010. Base sizes (all adults who use the internet): UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001.
Question: Which of the following do you regularly do (at least once a week): Listen to the radio/music on a hi fi.

Listeners in Italy most likely to claim ownership and use of FM radio and portable media players; while the UK has the highest ownership and use of digital radio

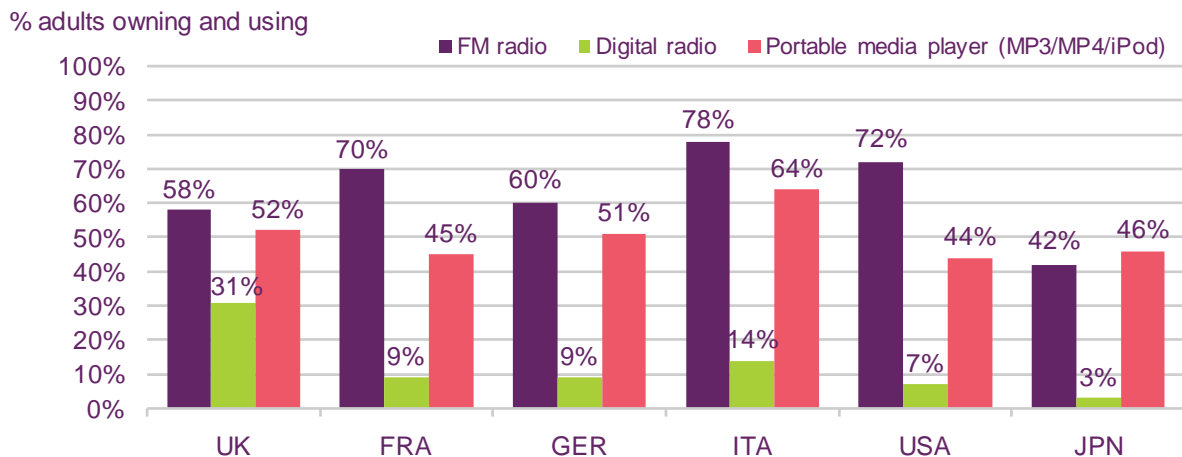
Among six main comparator countries, listening to FM radio was highest in Italy, with 78% claiming to own and use an FM radio. By contrast, use of FM radio was lowest in Japan at 42%. The UK was below average at 58%, possibly due to the increasing use of alternative digital audio platforms.

Use of personal media players (such as MP3/MP4 and iPods) was also highest in Italy, with 64% personally owning and using them. Media players were least popular in the US (44% claimed ownership/use), similar to France (45%) and Japan (46%).

Just over half of all people in the UK (52%) owned and used a media player, while listeners in the UK were the most likely (at 31%) to claim access to, and use of, a digital radio.

Listeners across the different countries may have different perceptions of what a digital radio is, particularly in countries where digital radio services have yet to launch. In some cases the respondents may have included radios which incorporate a digital display. As a result, the digital radio data depicted in Figure 4.17 should be treated with caution.

Figure 4.17 Adults owning and personally using: FM radio, digital radio, portable media player (MP3/MP4/iPod)



Source: Ofcom consumer research, October 2010. Base sizes (all adults who use the internet):

UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001.

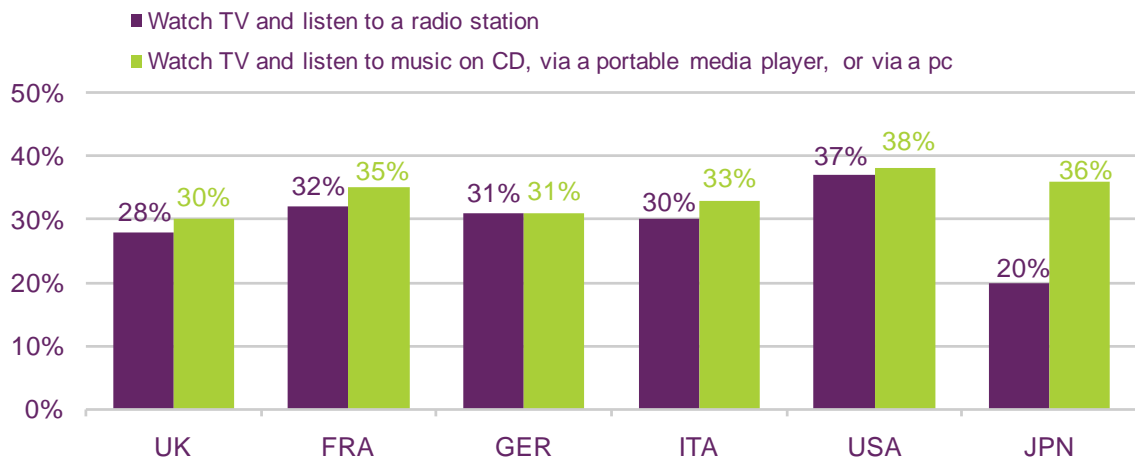
Question: Which of the following do you own and personally use? FM radio, digital radio, portable media player (MP3/MP4/iPod).

Audio / radio listening while watching TV more prevalent in the US

The increasing availability of multimedia devices in the home has seen a growing trend among consumers towards the concurrent use of two or more media – where people use some combination of TV, radio, telecoms, and the internet at the same time.

Concurrent use of audio devices while watching TV was most popular in the US, with over a third of respondents saying that they had at some time listened to a radio station or music player such as a hi-fi while having the TV on at the same time (37% for TV/radio and 38% for TV/listening to music players). The comparable figures were lower in the UK (28% and 30% respectively). In Japan only a fifth said they had listened to the radio while watching TV (perhaps reflecting the fact that radio is less popular in Japan) but over a third (36%) had listened to audio via a music player such as hi-fi.

Figure 4.18 Do you ever watch TV and listen to a radio station / listen to music?



Source: Ofcom consumer research, October 2010. Base sizes (all adults who use the internet): UK=1016, France=1017, Germany=1014, Italy=1002, USA=1017, Japan=1001.
 Question: Do you ever watch TV at home and do these other things: listen to a radio station or music on CD, an MP3 player / iPod, or through your computer, (at least sometimes)?

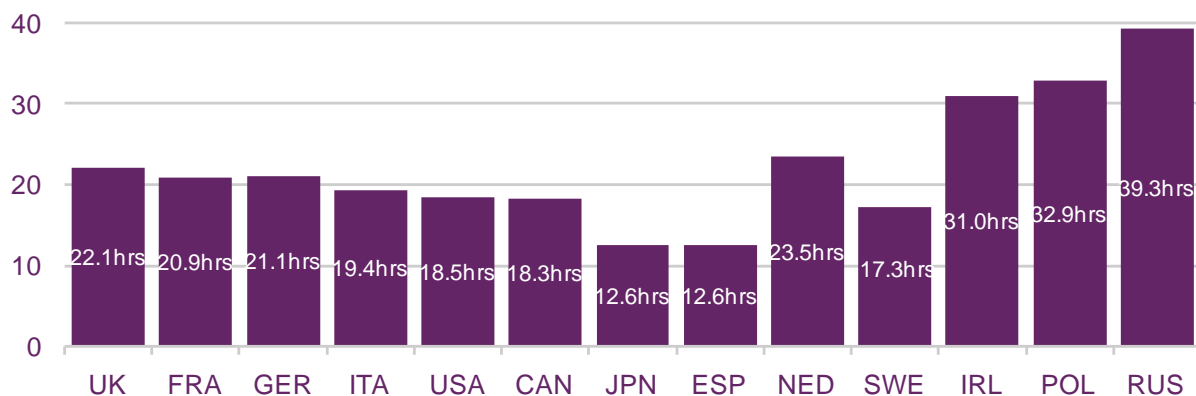
4.3.2 Radio listening hours

Time spent listening to radio highest in Russia and Poland

Patterns of radio listening vary significantly from country to country. It is highest in Russia at 39 hours per week (or 5.6 hours per day) followed by Poland (33 hours per week) and the Republic of Ireland (31 hours). People spend less time listening to the radio in Spain and Japan, both averaging 12.6 hours per week. In the larger Western European nations, listening typically averages around 21 hours per week, while in North America the average is slightly lower, at around 18 hours per week in the US and Canada.

Figure 4.19 Weekly listening hours: 2009

Average weekly hours, per head



Source: EBU, Ofcom, 2009.
 Note: Age ranges covered vary across countries

4.3.3 PSB radio's share of listening

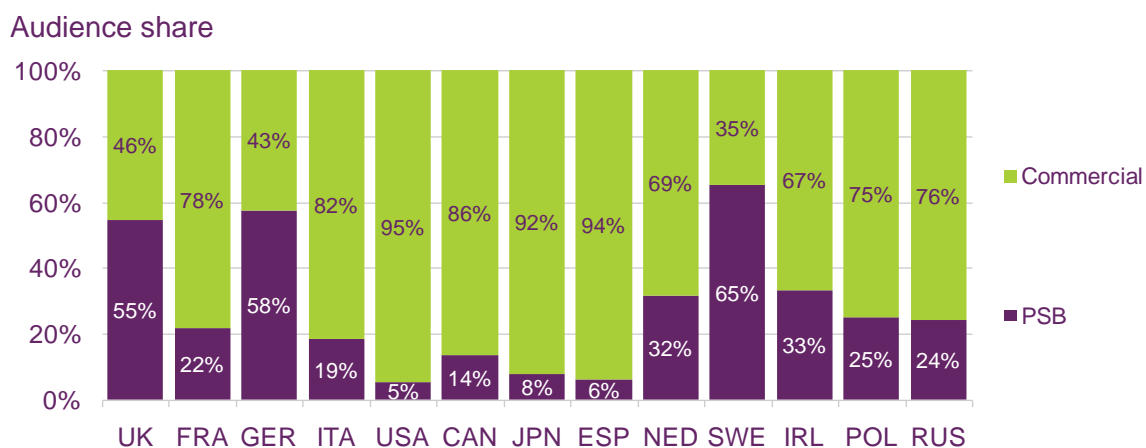
Public radio's share highest in Sweden, Germany, and the UK

Public radio's share was highest in Sweden, where Swedish Radio (SR) has a long-standing presence, with commercial radio licensing commencing in 1993. SR's total share in 2009 stood at 65%, ahead of the BBC stations' share in the UK at 55% and ARD's radio network in Germany, at 58%. By comparison, Spain's national public network, RNE (Radio Nacional de Espana), commanded only 6% of listener hours. In Canada, CBC's stations attracted a share of almost 14% of all listener hours in 2009/10, while French stations from Radio-Canada (SRC) had a share of 19% in French-speaking areas.

In the US there are a substantial number of non-profit stations as well as commercial stations that carry public radio programming. According to media research from Arbitron, public radio programming reaches around 11% of the US population aged over 12 overall. On average these consumers listen to around 8 hours per week of public programming. This therefore equates to an approximate 5% share of all radio listening hours in the US.

The National Public Radio (NPR) organisation provides public radio programme content for around 800 stations in the US, reaching an estimated audience of 27.5 million per week. Overall, there are an estimated 1,700 public radio stations operating in the US, equivalent to around 12% of US stations.

Figure 4.20 Share of PSB listening, 2009



Source: EBU, Ofcom, 2009/10.