3. Radio and audio

Figure 3.1

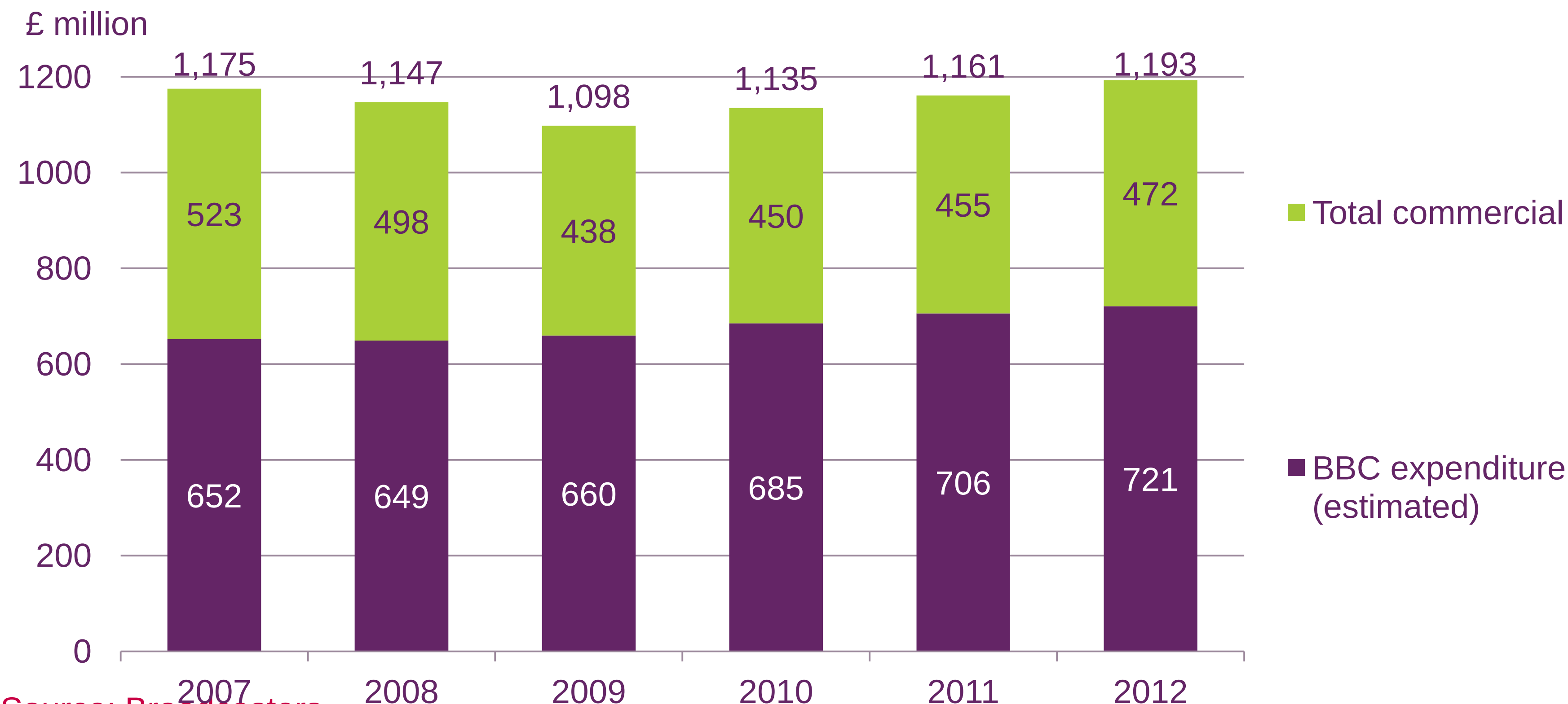
UK radio industry key metrics

UK radio industry	2007	2008	2009	2010	2011	2012
Weekly reach of radio (% of population)	89.8%	89.5%	89.8%	90.6%	90.8%	89.6%
Average weekly hours per head	20.6	20.1	19.8	20.1	20.4	19.9
BBC share of listening	55.0%	55.7%	55.3%	55.2%	54.7%	54.8%
Total industry revenue	£1,175m	£1,147m	£1,098m	£1,135m	£1,161m	£1,193m
Commercial revenue	£523m	£498m	£438m	£450m	£455m	£472m
BBC expenditure	£652m	£649m	£660m	£685m	£706m	£721m
Community radio revenue	-	£7.5m	£9.0m	£10.0m	£10.5m	£10.8m
Radio share of advertising spend	2.9%	2.8%	2.8%	2.7%	2.7%	2.6%
DAB digital radio take-up (households)	27.3%	32.1%	34.5%	38.2%	42.6%	44.0%

Source: RAJAR (all adults age 15+), Ofcom calculations based on figures in BBC Annual Report and Accounts 2012-13 note 2c (www.bbc.co.uk/annualreport), AA/Warc, broadcasters. Revenue figures are nominal.

Figure 3.2

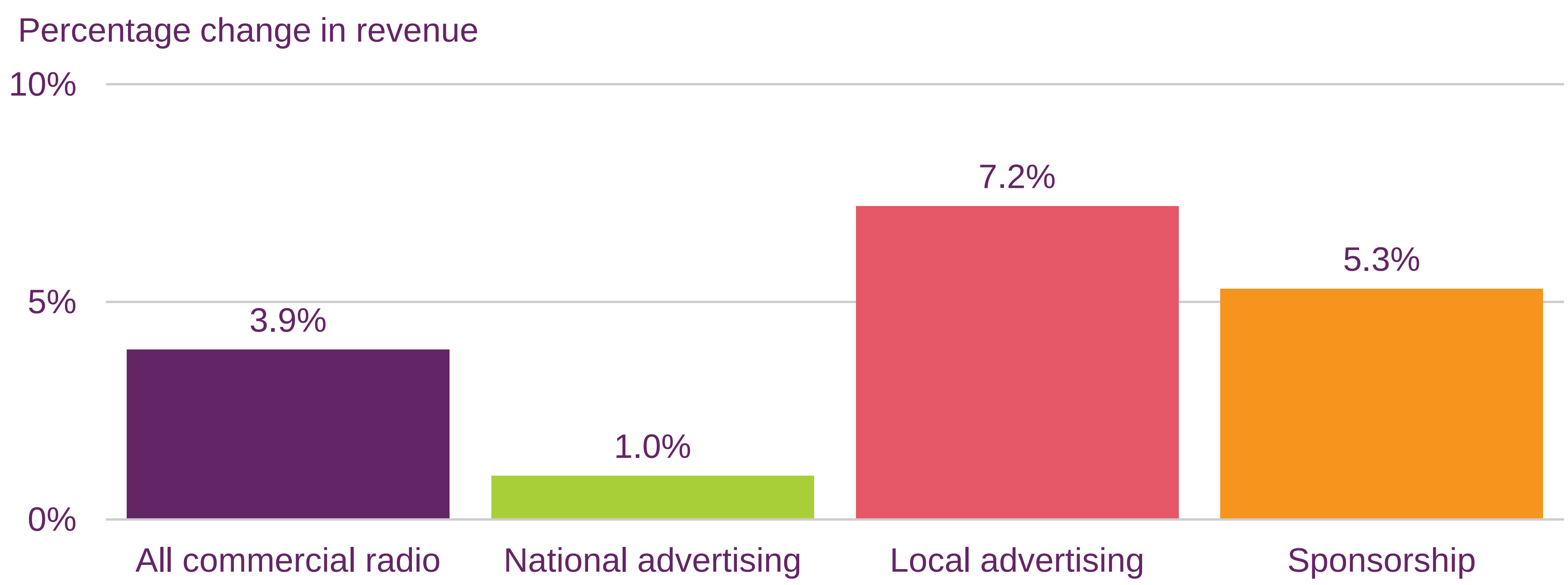
Radio industry revenue and spending 2006-2012



Source: Broadcasters
Note: BBC expenditure figures are estimated by Ofcom based on figures in Note 2c of the BBC Annual Report (www.bbc.co.uk/annualreport); figures in the chart are rounded and are nominal.
Does not include community radio revenue.

Figure 3.3

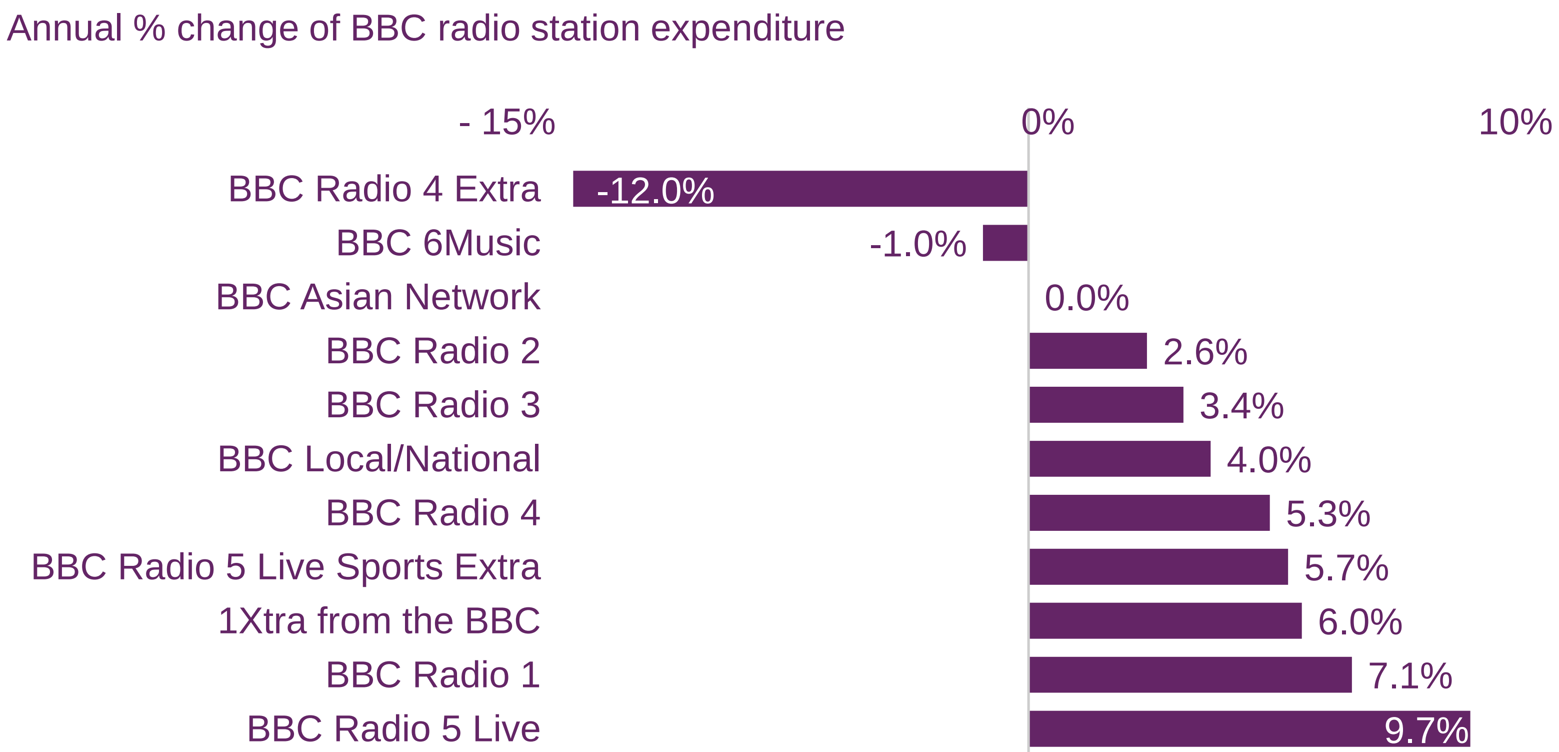
Commercial revenue percentage change 2011-2012



Source: Ofcom / operator data 2011-2012

Figure 3.4

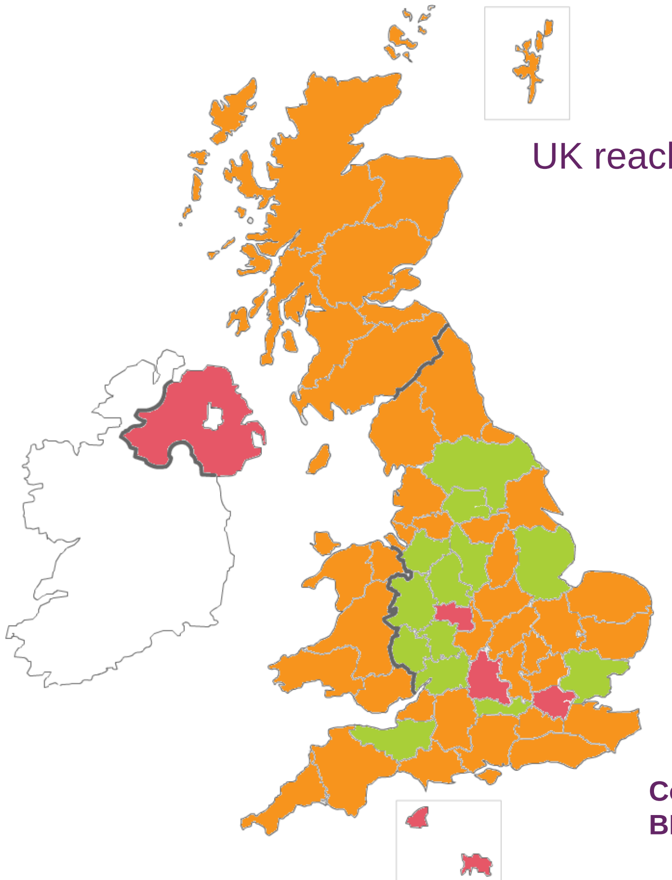
BBC station expenditure percentage change 2011-12 to 2012-13



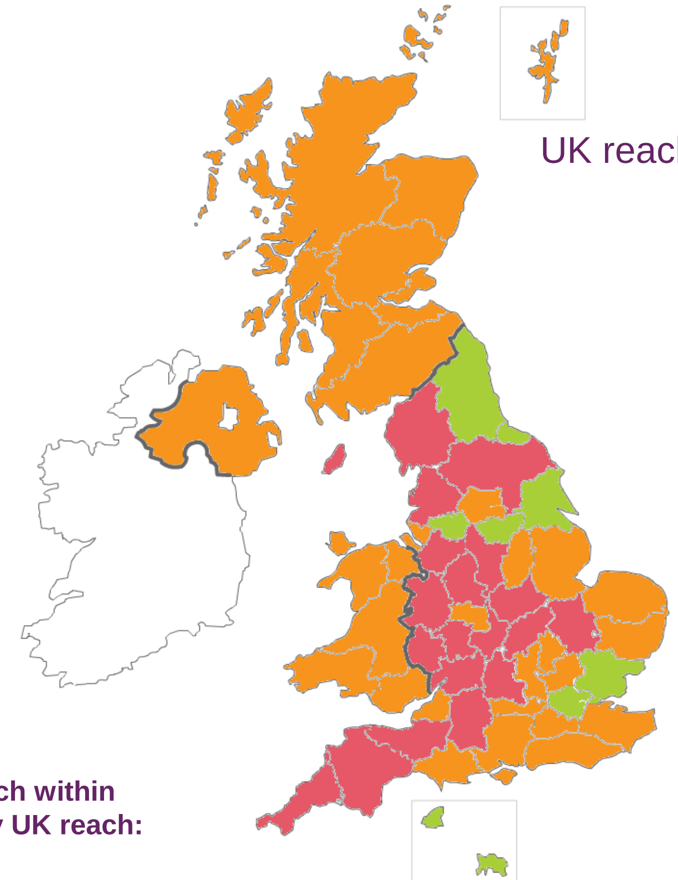
Source: BBC Annual Report 2012-13. Note that these are financial year figures, excluding BBC-wide overheads, and are therefore not directly comparable to those set out in Section 3.2.2. Figures are nominal. It should be noted that the percentage changes are based on operating expenditure for individual stations based on financial years and they do not include BBC-wide overheads; as such they are not comparable with the calendar year figures that are set out in Section 3.2.2.

Figure 3.5

National commercial radio reach



Local commercial radio reach



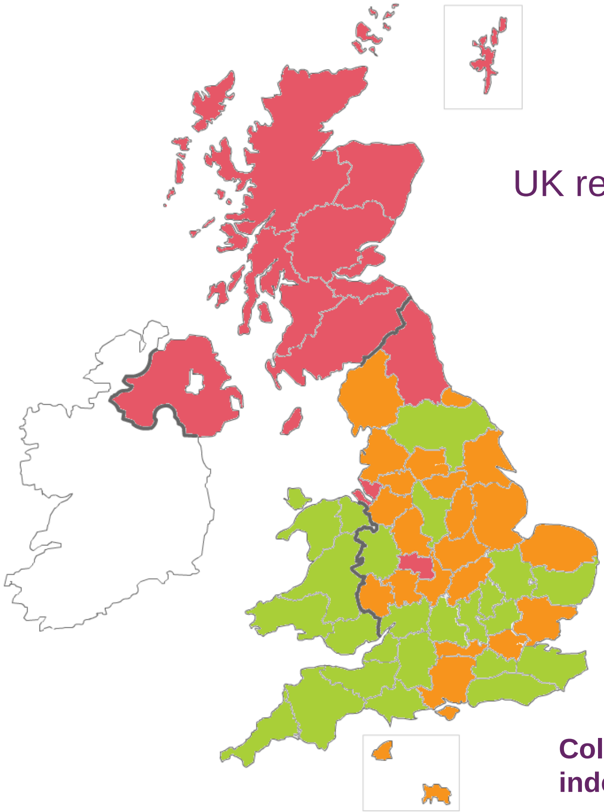
Colours indicate reach within BBC TSA indexed by UK reach:

- >110
- 100 +/-10
- <90

Source: RAJAR, year ending Q1 2013
(N.B. Figures within the BBC Solent TSA are for year ending Q3 2012

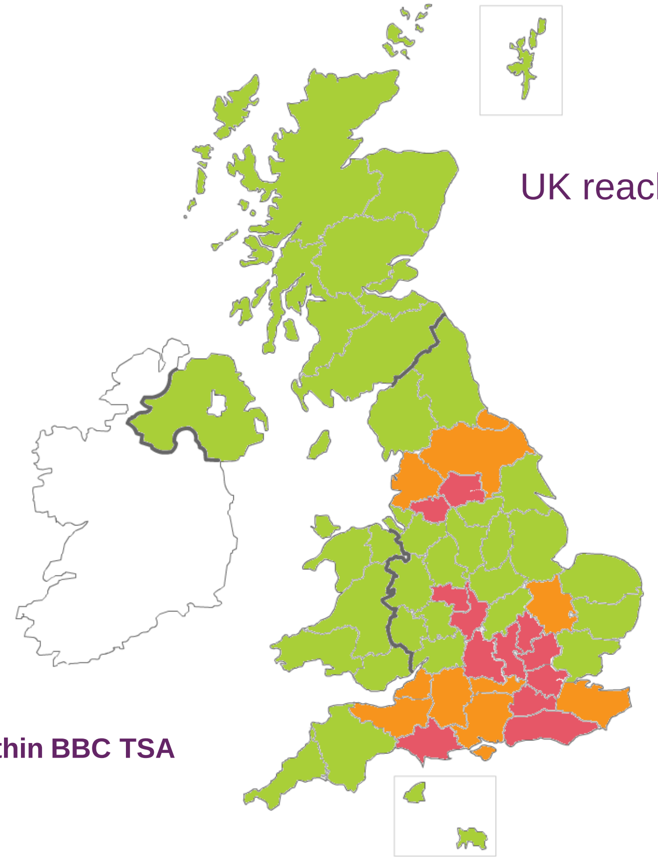
Figure 3.6

BBC network radio reach



UK reach = 60.5%

BBC local radio reach



UK reach = 17.6%

Colours indicate reach within BBC TSA indexed by UK reach:

- >110
- 100 +/-10
- <90

UK reach = 31.0%

Source: RAJAR, year ending Q1 2013
(N.B. Figures within the BBC Solent TSA are for year ending Q3 2012

Figure 3.7

Cardiff			Pop. 1,002,300
Share	**Rank** (last year)	**Station**	**Operator**
18.9	**1** (1)	**Radio 2**	BBC
11.3	**2** (3)	**Real**	R & S Ltd
10.4	**3** (5)	**Radio 1**	BBC
10.1	**4** (4)	**Radio Wales**	BBC
9.7	**5** (2)	**Radio 4**	BBC
5.9	**6** (6)	**Capital**	Global Radio
4.4	**7** (9)	**Radio 5 Live**	BBC
4.2	**8** (10)	**Gold**	Global Radio
4.1	**9** (8)	**Kiss**	Bauer Radio
2.9	**10** (7)	**Classic FM**	Global Radio
Market Share: BBC 57.9% Commercial Radio 38.9%			

Birmingham			Pop. 2,134,800
Share	**Rank** (last year)	**Station**	**Operator**
13.4	**1** (1)	**Radio 2**	BBC
10.0	**2** (2)	**Heart**	Global Radio
9.8	**3** (4)	**Radio 4**	BBC
8.4	**4** (6)	**Smooth**	R&S Ltd
6.7	**5** (5)	**Radio 1**	BBC
7.3	**6** (3)	**Capital**	Global Radio
6.0	**7** (10)	**Free Radio FM**	Orion
5.4	**8** (7)	**BBC WM**	BBC
4.1	**9** (8)	**Radio 5 Live**	BBC
3.3	**10** (9)	**Classic FM**	Global Radio
Market Share: BBC 42.5% Commercial Radio 49.7%			

See also London overleaf

Figure 3.7

London			Pop. 11,249,500
Share	**Rank** (last year)	**Station**	**Operator**
16.3	**1** (1)	**Radio 4**	BBC
11.9	**2** (2)	**Radio 2**	BBC
5.8	**3** (3)	**Magic 105.4**	Bauer Radio
5.4	**4** (5)	**Radio 1**	BBC
4.8	**5** (4)	**Capital**	Global Radio
4.7	**6** (7)	**Kiss 100 FM**	Bauer Radio
4.4	**7** (6)	**Heart**	Global Radio
4.3	**8** (8)	**Radio 5 Live**	BBC
4.2	**9** (9)	**LBC 97.3**	Global Radio
4.0	**10** (10)	**Classic FM**	Global Radio

Market Share: BBC 47.2% Commercial Radio 49.0%

Figure 3.8

Belfast Pop. 986,600

Share	Rank (last year)	Station	Operator
22.5	**1** (1)	**Radio Ulster**	BBC
19.0	**2** (2)	**Cool FM**	Bauer Radio
11.1	**3** (3)	**U105**	UTV Radio
6.1	**4** (4)	**Radio 1**	BBC
5.3	**5** (5)	**Radio 2**	BBC
5.3	**6** (6)	**Downtown R.**	Bauer Radio
4.3	**7** (9)	**Radio 5 Live**	BBC
3.9	**8** (7)	**Radio 4**	BBC
3.7	**9** (8)	**Citybeat**	CN Group
3.2	**10** (10)	**Classic FM**	Global Radio

Market Share: BBC 44.3% Commercial Radio 49.0%

Edinburgh Pop. 1,119,200

Share	Rank (last year)	Station	Operator
17.9	**1** (1)	**ForthOne**	Bauer Radio
13.8	**2** (2)	**Radio 2**	BBC
9.1	**3** (3)	**Real**	R & S Ltd
7.7	**4** (4)	**Radio 4**	BBC
7.0	**5** (5)	**R.Scotland**	BBC
6.9	**6** (6)	**Capital**	Global Radio
5.1	**7** (7)	**Radio 1**	BBC
4.0	**8** (8)	**Classic FM**	Global Radio
3.7	**9** (9)	**Kingdom FM**	Kingdom FM
3.6	**10** (10)	**Forth2**	Bauer Radio

Market Share: BBC 41.0% Commercial Radio 57.4%

See also Glasgow overleaf

Figure 3.8

Glasgow		Pop. 1,853200	
Share	**Rank** (last year)	**Station**	**Operator**
15.0	**1** (1)	**Clyde 1**	Bauer Radio
10.9	**2** (3)	**Radio 2**	BBC
9.7	**3** (2)	**Real**	R& S Ltd
8.1	**4** (4)	**R. Scotland**	BBC
7.0	**5** (7)	**Radio 4**	BBC
6.8	**6** (5)	**Smooth**	R & S Ltd
5.9	**7** (6)	**Capital**	Global Radio
5.4	**8** (8)	**Radio 1**	BBC
4.7	**9** (9)	**Clyde 2**	Bauer Radio
3.2	**10** (10)	**Radio 5 Live**	BBC

Market Share: BBC 38.0% Commercial Radio 60.2%

Figure 3.9

Leeds			Pop. 688,900
Share	Rank (last year)	Station	Operator
17.3	**1** (1)	**Radio 2**	BBC
11.5	**2** (3)	**Radio 4**	BBC
9.5	**3** (4)	**Capital**	Global Radio
7.2	**4** (2)	**Radio 1**	BBC
6.5	**5** (5)	**Radio Aire**	Bauer Radio
6.2	**6** (8)	**Magic 828**	Bauer Radio
5.5	**7** (9)	**Radio 5 Live**	BBC
4.9	**8** (6)	**Radio Leeds**	BBC
4.3	**9** (7)	**Real**	R & S Ltd
3.2	**10** (10)	**Classic FM**	Global Radio

Market Share: BBC 54.1% Commercial Radio 43.2%

Manchester			Pop. 2,446,600
Share	Rank (last year)	Station	Operator
14.8	**1** (1)	**Radio 2**	BBC
9.5	**2** (2)	**Radio 4**	BBC
7.9	**3** (3)	**Key 103**	Bauer Radio
6.9	**4** (4)	**Radio 1**	BBC
6.4	**6** (6)	**Capital**	Global Radio
6.4	**5** (7)	**Radio 5 Live**	BBC
6.4	**7** (5)	**Smooth**	R & Ltd
3.5	**8** (8)	**Classic FM**	Global Radio
3.2	**9** (9)	**R. Manchester**	BBC
2.9	**10** (10)	**Real XS**	R & S Ltd

Market Share: BBC 47.1% Commercial Radio 47.7%

See also Newcastle overleaf

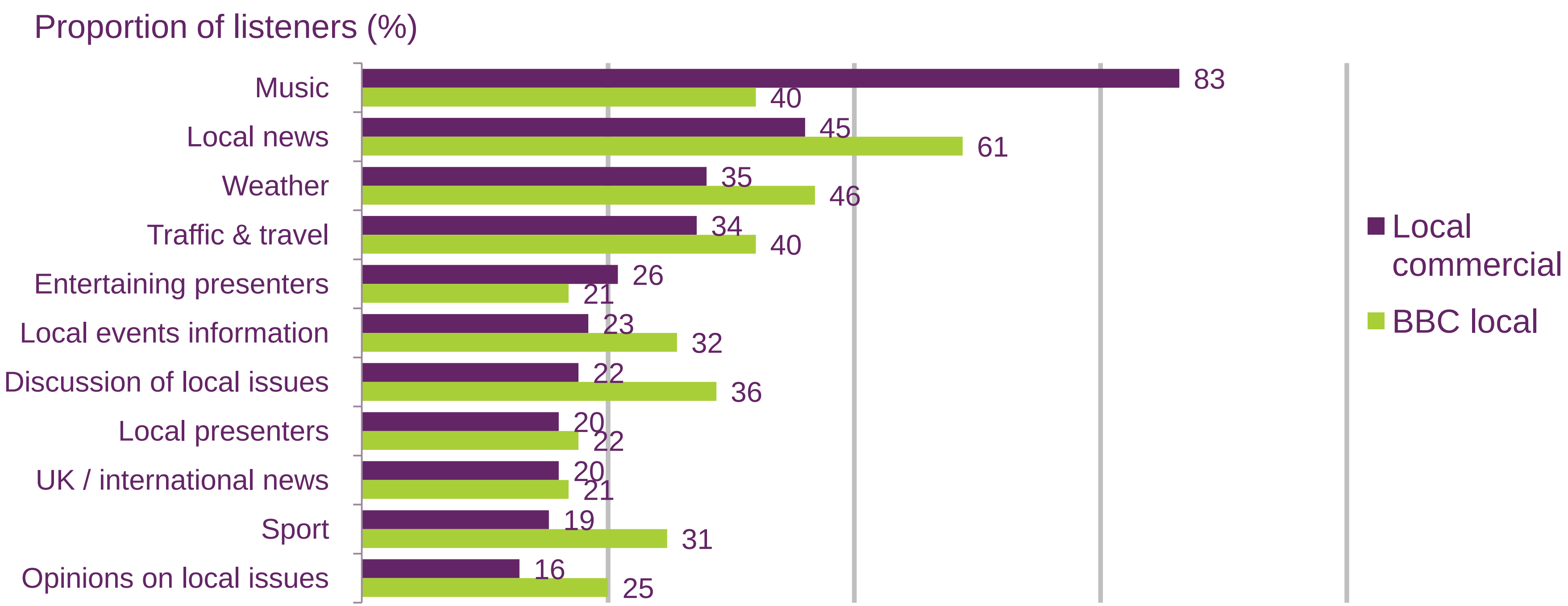
Figure 3.9

Newcastle		Pop: 1,508,300	
Share	**Rank** (last year)	**Station**	**Operator**
13.3	**1** (1)	**Radio 2**	BBC
10.8	**2** (3)	**Metro Radio**	Bauer Radio
8.9	**3** (5)	**R. Newcastle**	BBC
7.8	**4** (4)	**Radio 4**	BBC
7.2	**5** (6)	**Smooth**	R&S Ltd
7.1	**6** (2)	**Capital**	Global Radio
6.3	**7** (7)	**Radio 1**	BBC
5.8	**8** (8)	**Magic 1152**	Bauer Radio
4.8	**9** (9)	**Real**	R&S Ltd
3.7	**10** (10)	**Radio 5 Live**	BBC

Market Share: BBC 43.8% Commercial Radio 53.4%

Figure 3.10 Key factors in local radio listening

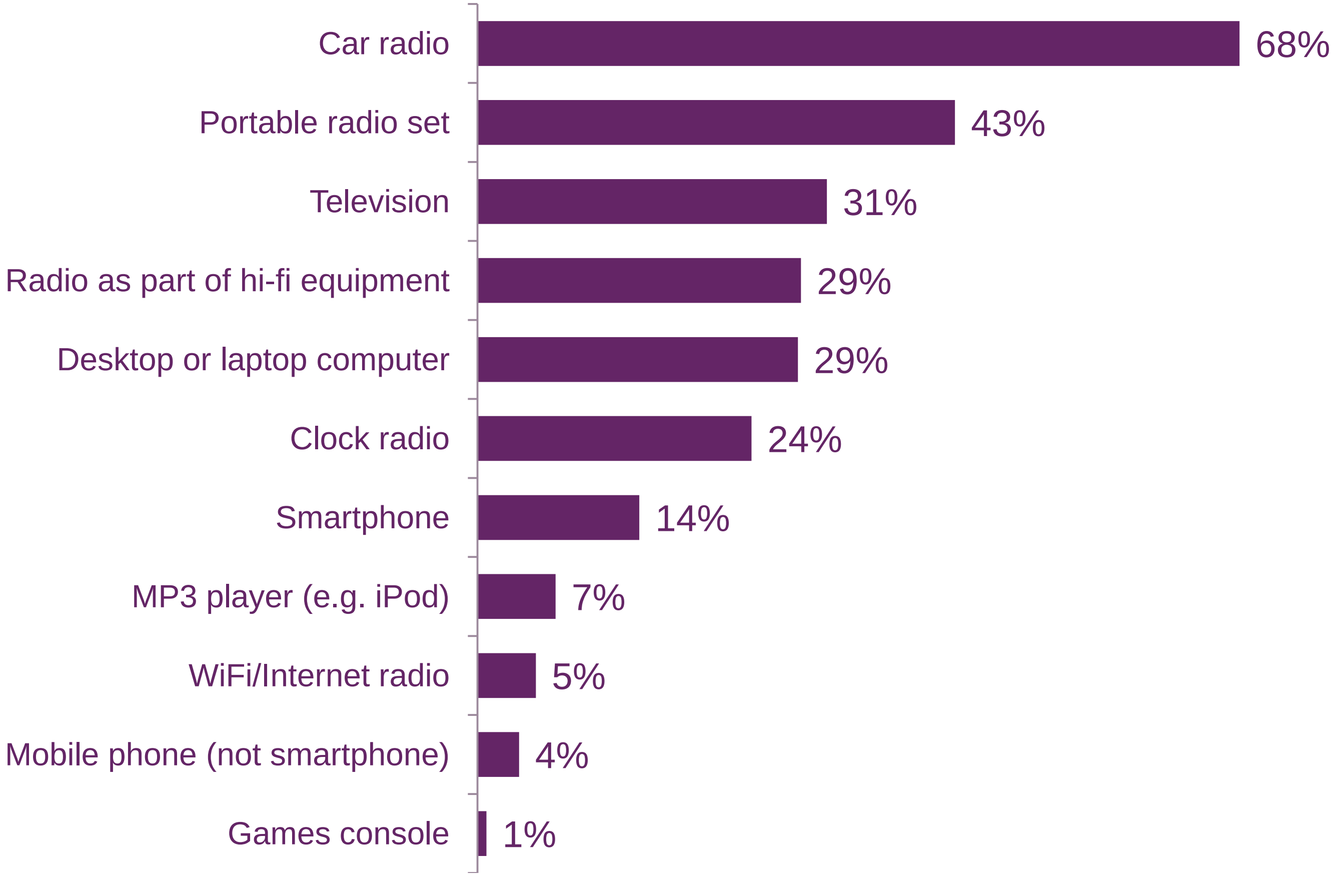
Content valued by listeners to local radio



Source: Ipsos-MORI
Q9: Which, if any, of the following do you particularly value on <local radio station>?
Base: All who listen each month (first or second most often): local commercial radio (1972); BBC local radio (1100)

Figure 3.11

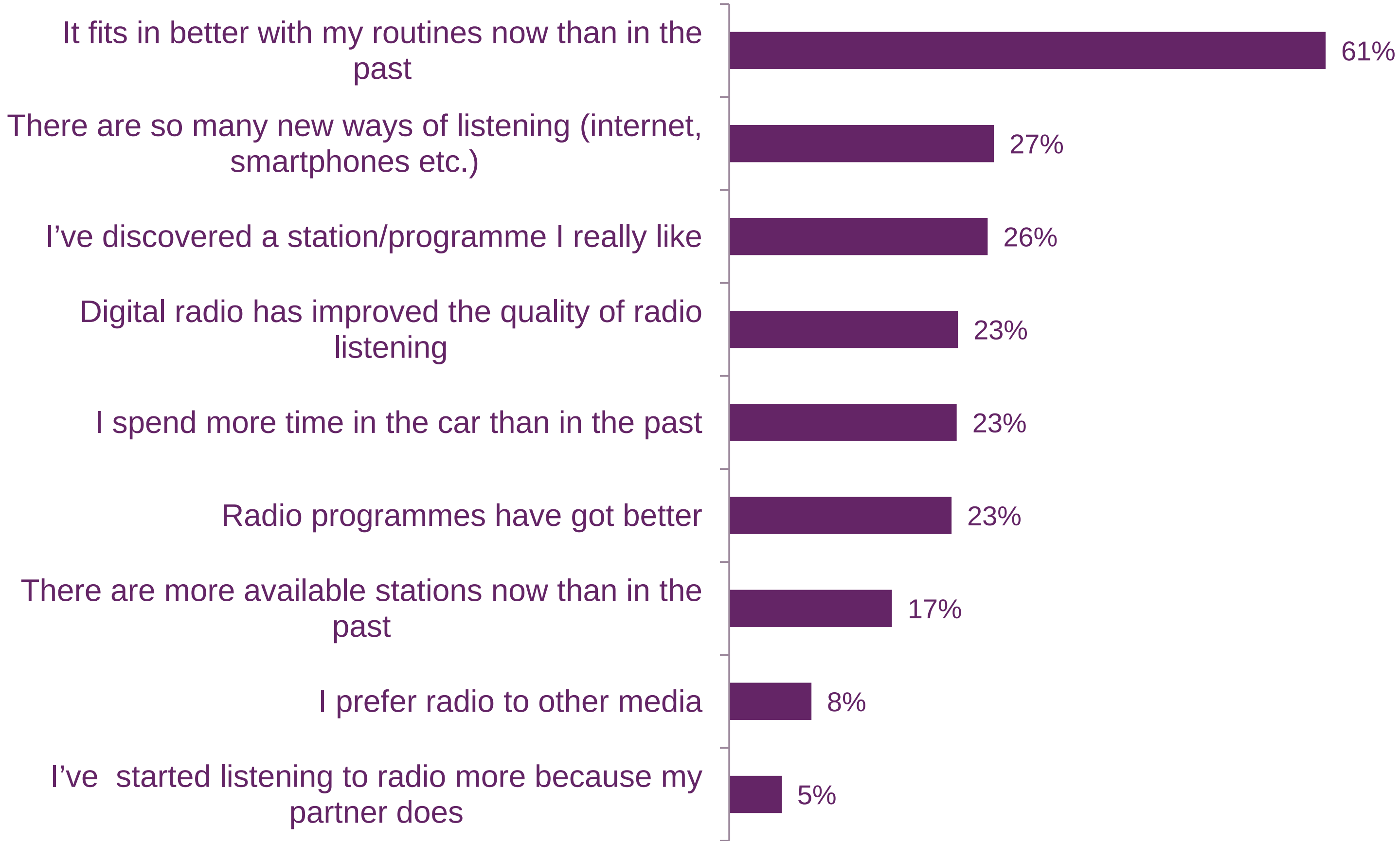
Devices used to listen to the radio



Source: YouGov research, May 2013
Base: All adults aged 16+ who regularly listen to the radio (n = 866)
Q15. Which of the following devices do you currently listen to the radio on? Please choose all that apply.

Figure 3.12

Reasons for listening to radio more now compared to five years ago

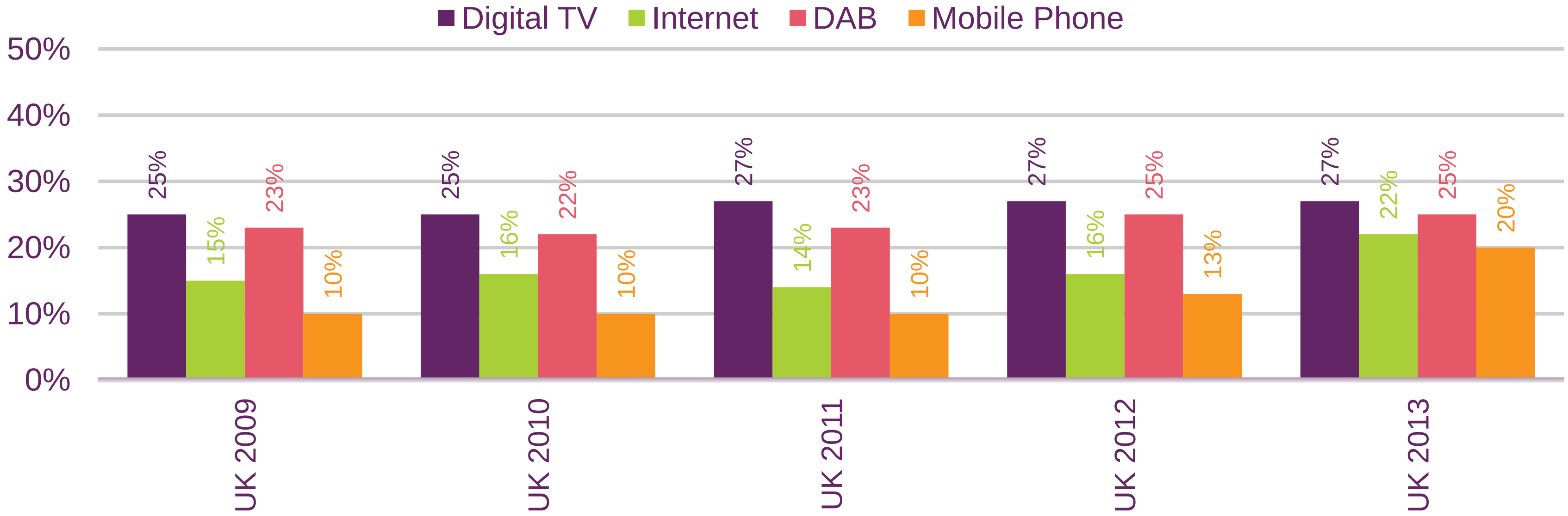


Source: YouGov research, May 2013. Base: All adults aged 16+ who say they listen to the radio more compared to five years ago(n = 242). Q27. You have said you listen to the radio more now than in the past. Which, if any, of the following would you say are the reasons why your radio listening has gone up? Please choose all that apply.

Figure 3.13

Listening to radio via internet, digital television, DAB set and mobile phone

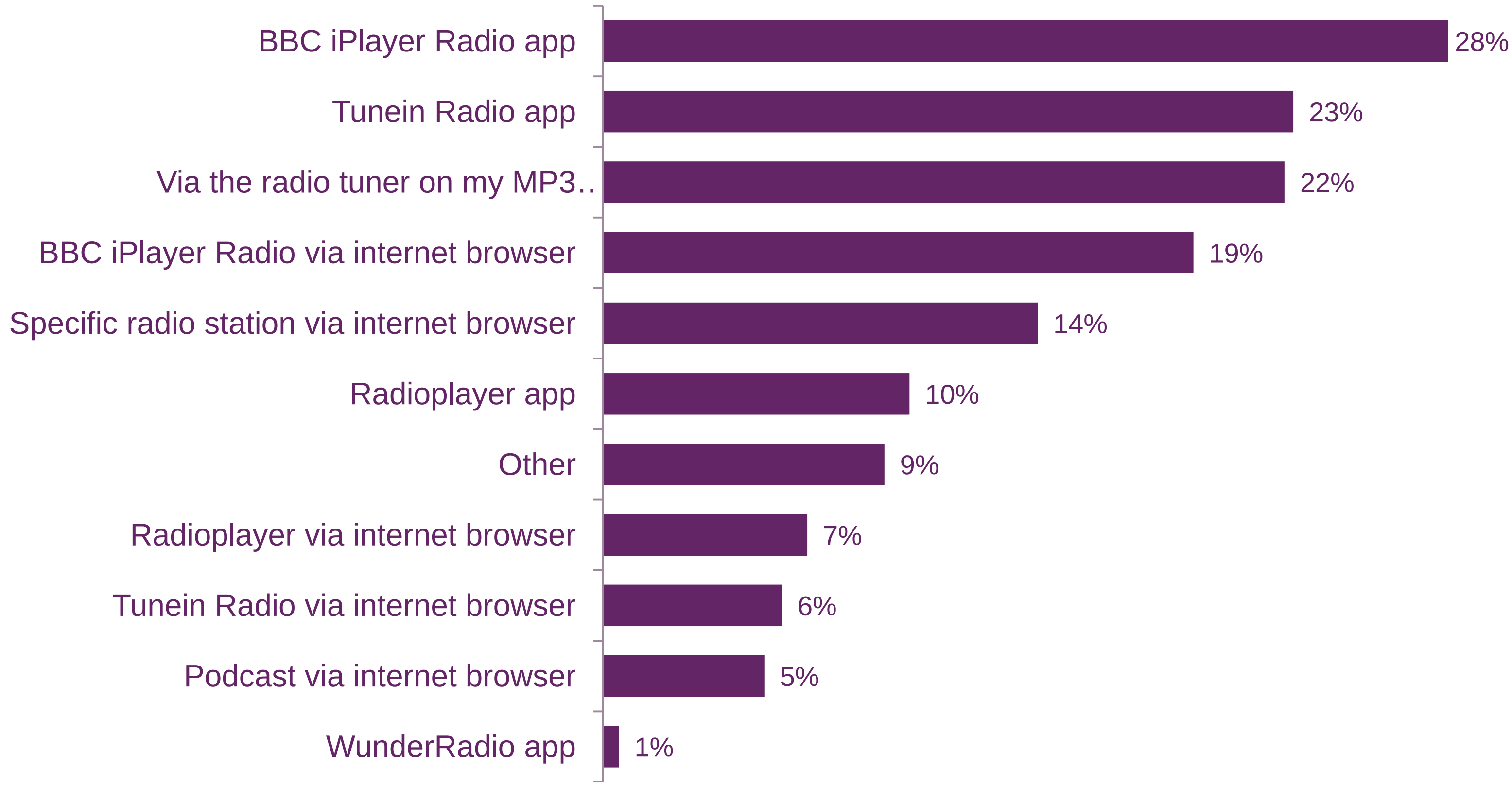
Proportion of respondents (%) who have listened to radio via digital television, internet, DAB set or mobile phone



Source: Ofcom research, Quarter 1 2013
Base: All adults aged 16+ (n = 6090 UK 2009, 9013 UK 2010, 3474 UK 2011, 3772 UK 2012, 3750 UK 2013) QP3. How often, if at all, do you access the radio via – Digital radio via: TV, Internet, DAB radio, mobile phone? *NB 2013 measures for internet combine responses across radio listeners and internet users, 2013 measures for mobile phone combine responses across radio listeners and mobile phone users

Figure 3.14

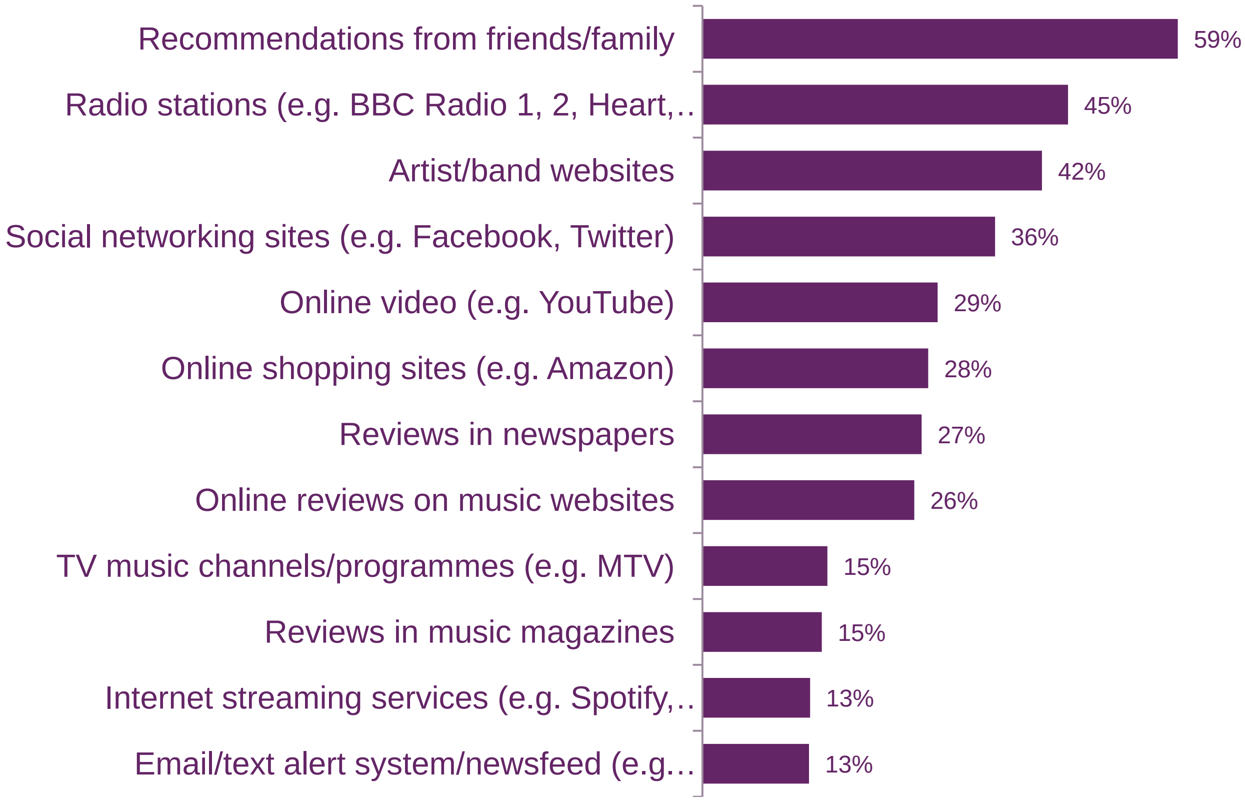
Ways used to listen to the radio through a mobile device



Source: YouGov research, May 2013
Base: All adults aged 16+ who regularly listen to the radio via Mobile phone, Smartphone, Tablet computer MP3 player (e.g. iPod) (n = 205)
Q16. Which of the following do you use to listen to the radio on your mobile device? Please choose all that apply. .

Figure 3.15

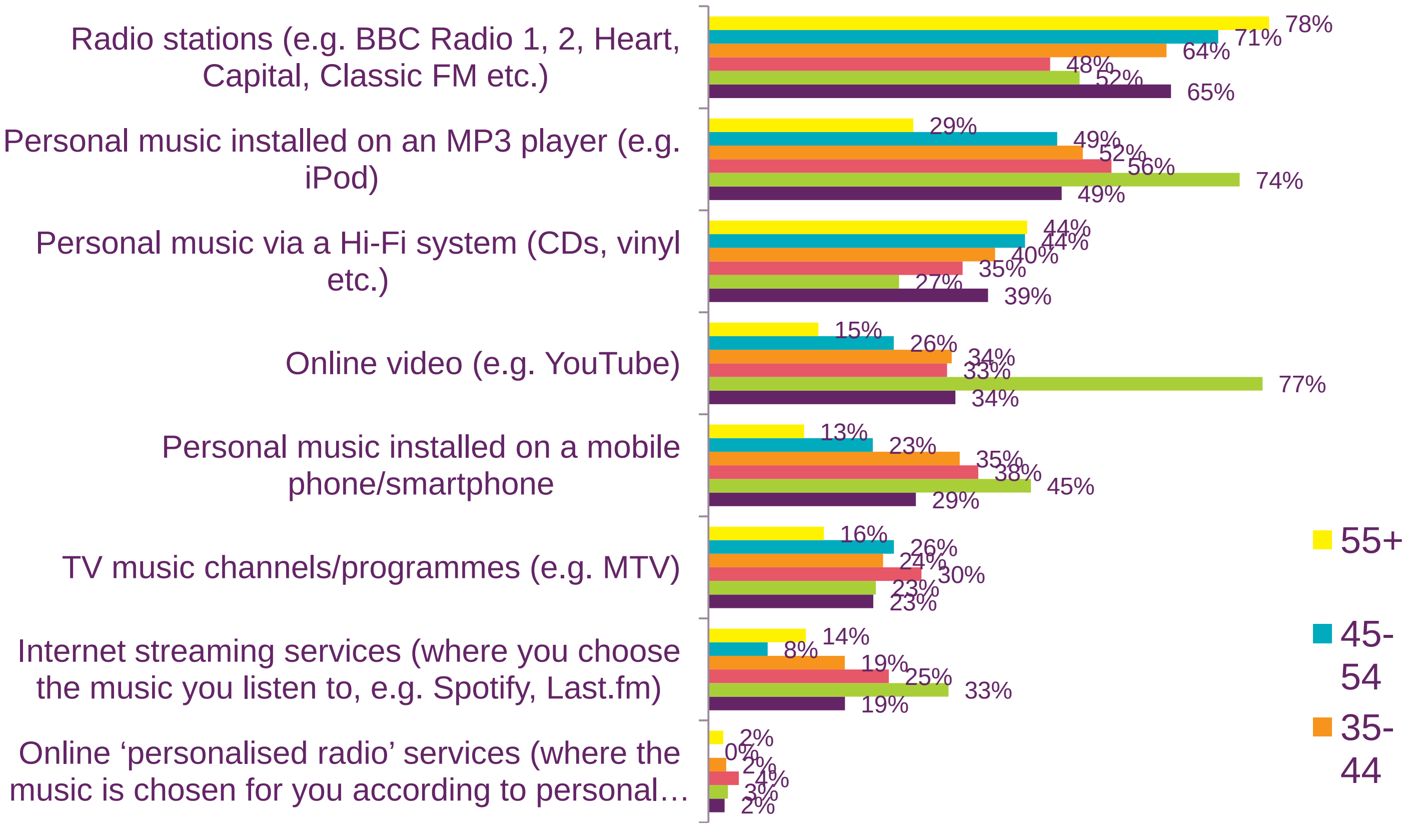
Discovering new music or information about live events



Source: YouGov research, May 2013
Base: All adults aged 16+ who say they buy new music or attend concerts on a regular basis(n= 178)
Q38. In terms of how you find out about the new music you buy or concerts you attend, which of the following sources do you regularly use? Please choose all that apply.

Figure 3.16

Methods used to listen to music



Source: YouGov research, May 2013
Base: All adults aged 16+ who say they listen music regularly (n= 640)
Q36. Thinking about how you listen to music, which of the following do you use regularly? Please choose all that apply.

Figure 3.17

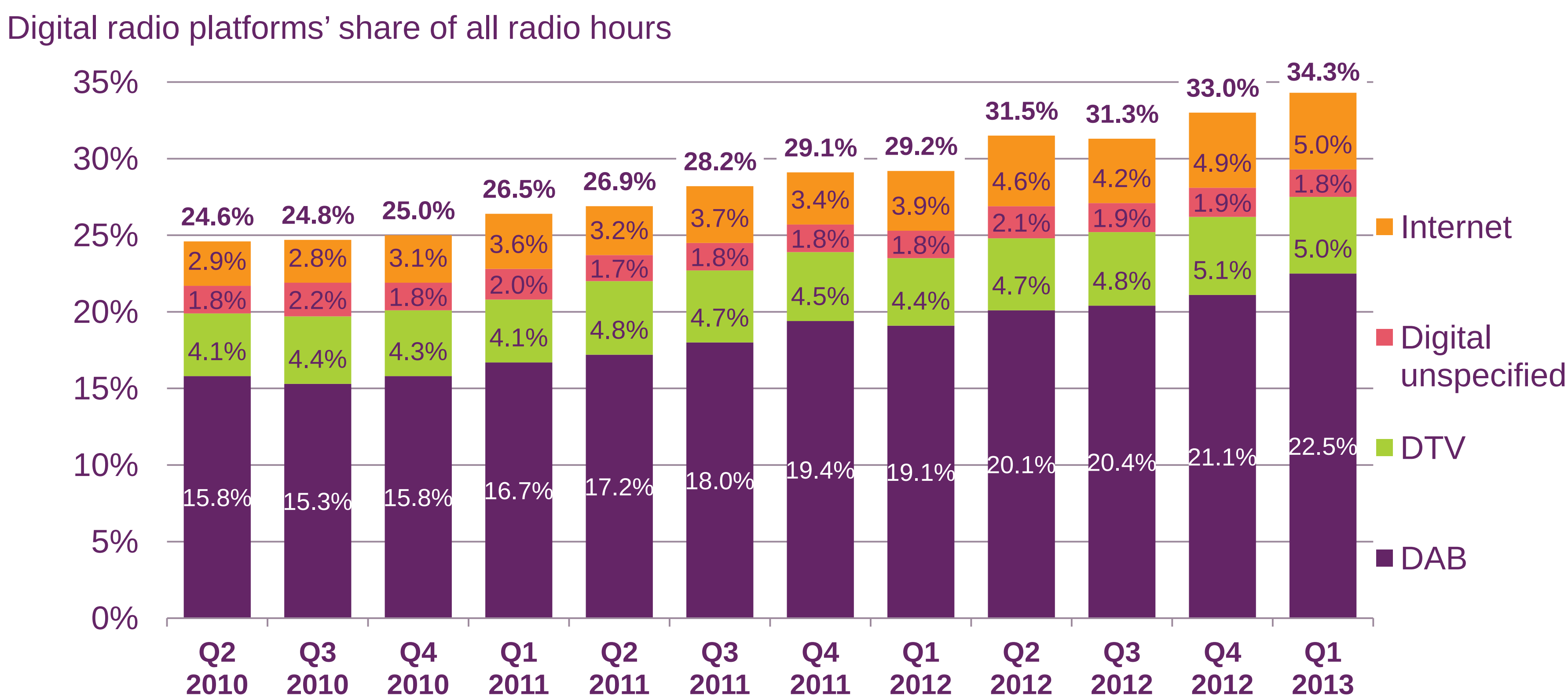
Music services accessed in the last three months

	Adults aged 16+	Children aged 8-15
YouTube	40%	55%
iTunes	29%	37%
Spotify	11%	12%
Amazon Cloud player	5%	3%
LastFM	4%	1%
Google Play	4%	6%
SoundCloud	3%	2%
MySpace	2%	2%
Vevo	2%	3%
Nokia Music	1%	1%

Source: YouGov research, March 2013
Base: All adults aged 16+ (n=2,069), children aged 8-15 years (542)
Q7. Which of the following music services have you accessed in the last 3 months? Please tick all that apply.

Figure 3.18

Digital radio's share of radio listening, Q1 2013

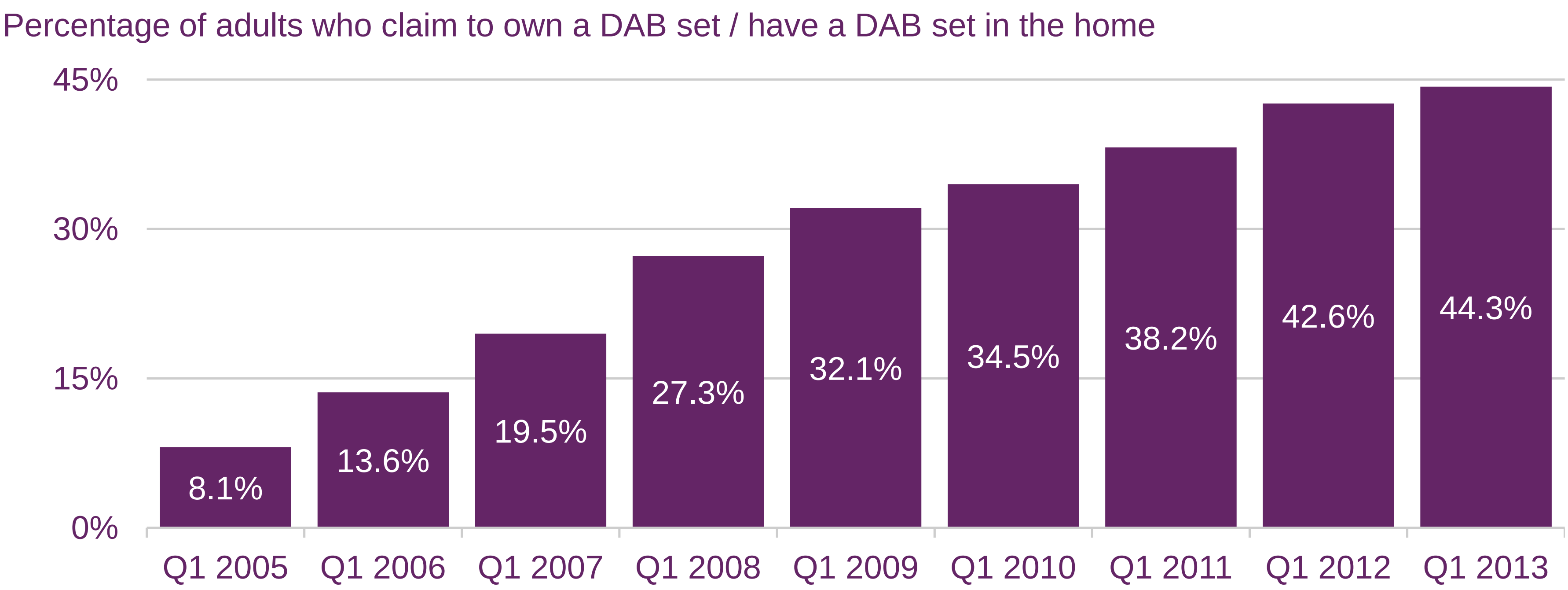


Source: RAJAR

Note: 'Digital unspecified' relates to listening to digital-only stations where the survey respondent has not specified the listening platform used. From Q1 2012 'Internet' has been reclassified as 'Online/Apps'

Figure 3.19

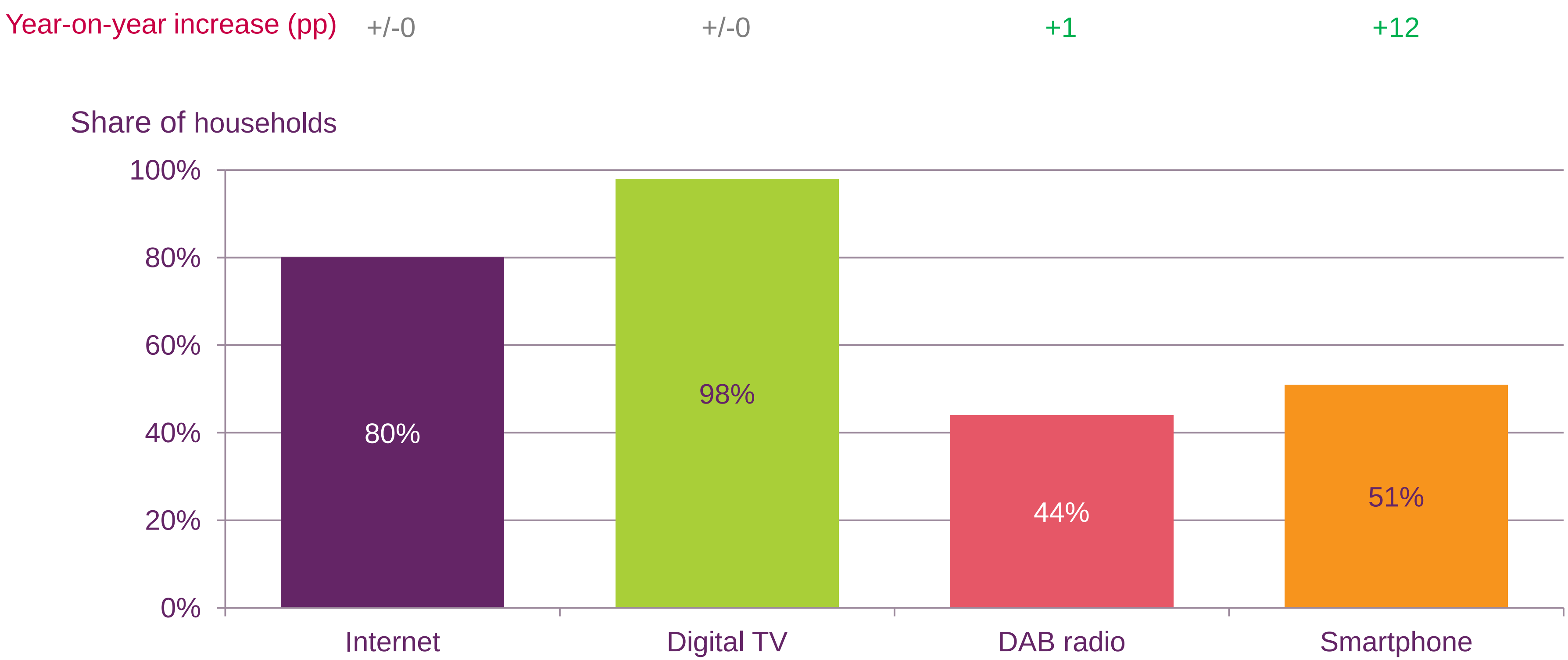
Ownership of DAB sets: Q1 2013



Source: RAJAR / Ipsos MORI / RSMB Q1 2005-2013.

Figure 3.20

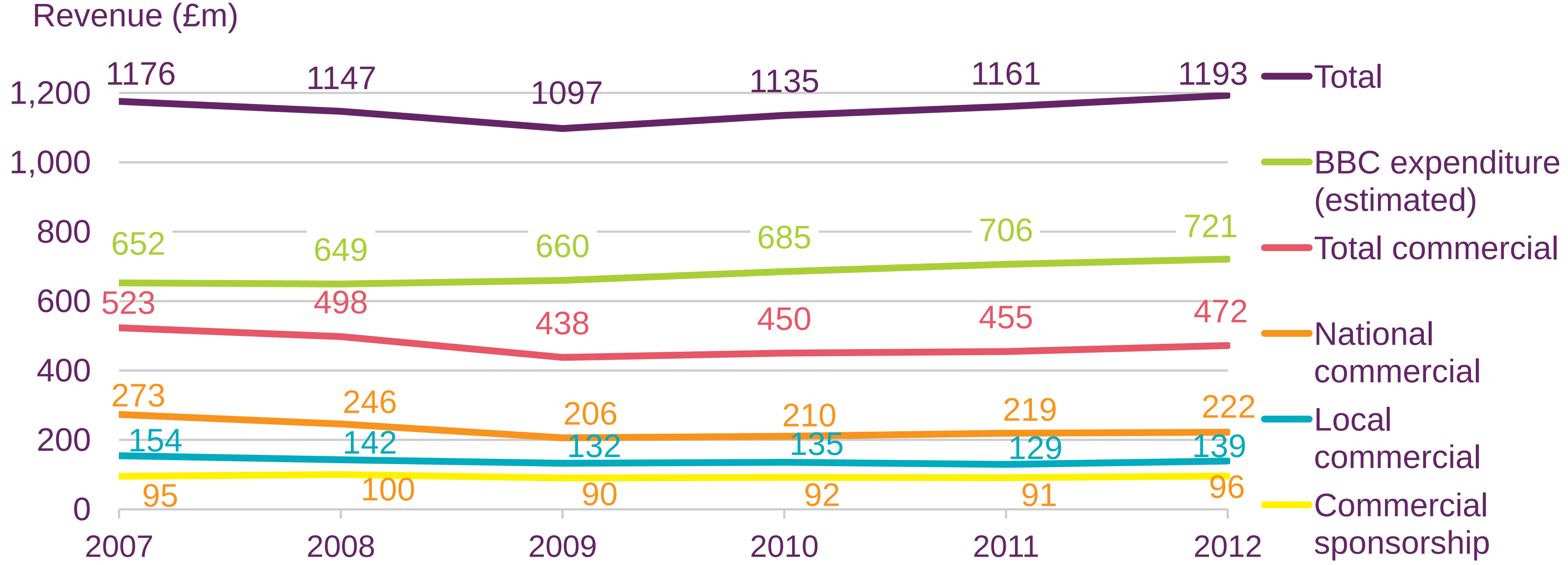
Take-up of equipment capable of receiving digital radio: Q1 2013



Source: Research from: Ofcom, RAJAR Q1 2013

Figure 3.21

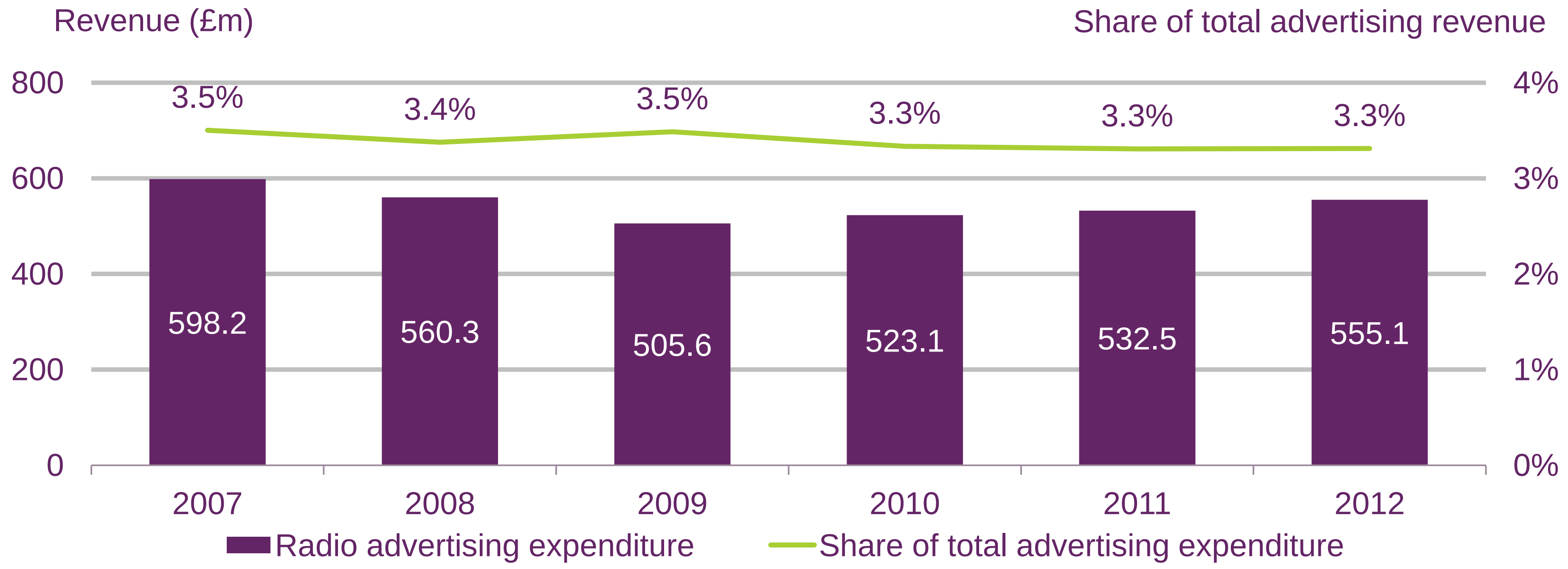
UK commercial radio revenue and BBC radio spending: 2007-2012



Source: Ofcom / operator data / BBC Annual Report 2007-2012
Note: BBC expenditure figures are estimated by Ofcom based on figures in Note 2c of the BBC Annual Report (www.bbc.co.uk/annualreport); figures in the chart are rounded and are nominal.

Figure 3.22

UK radio ad-spend and share of total display advertising: 2007-2012



Source: AA/Warc Advertising Expenditure report. Figures are nominal.

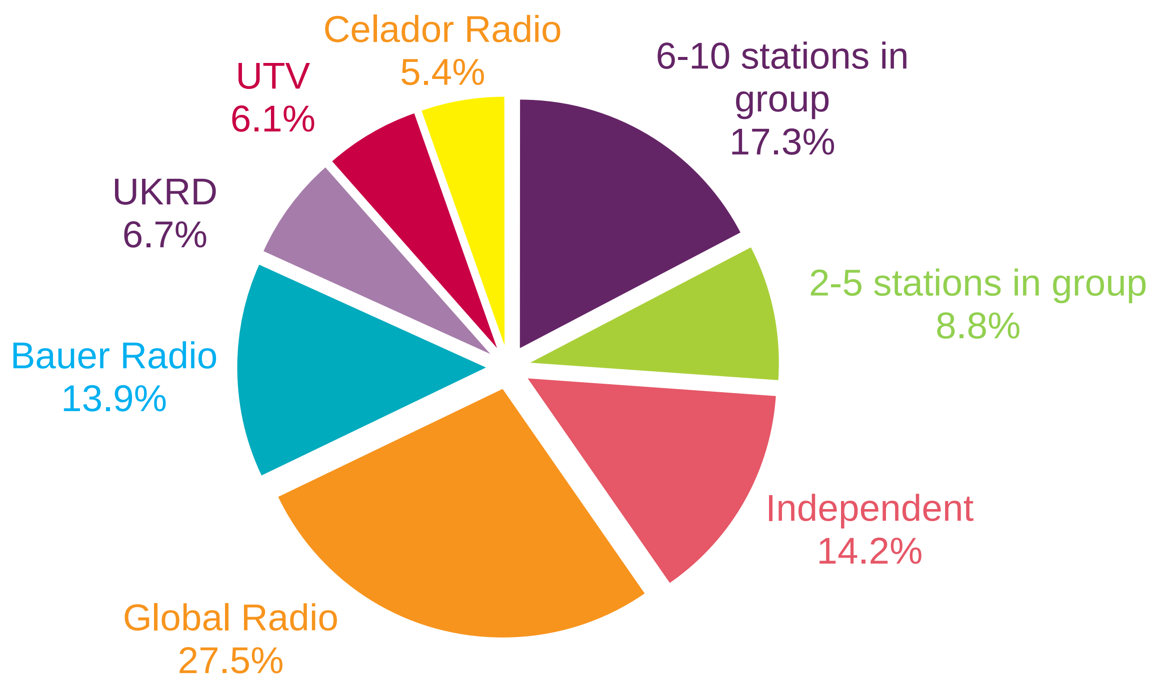
Figure 3.23

Commercial radio revenue per listener

Source: Broadcaster returns and RAJAR, 2007-2012. Figures are nominal.

Figure 3.24

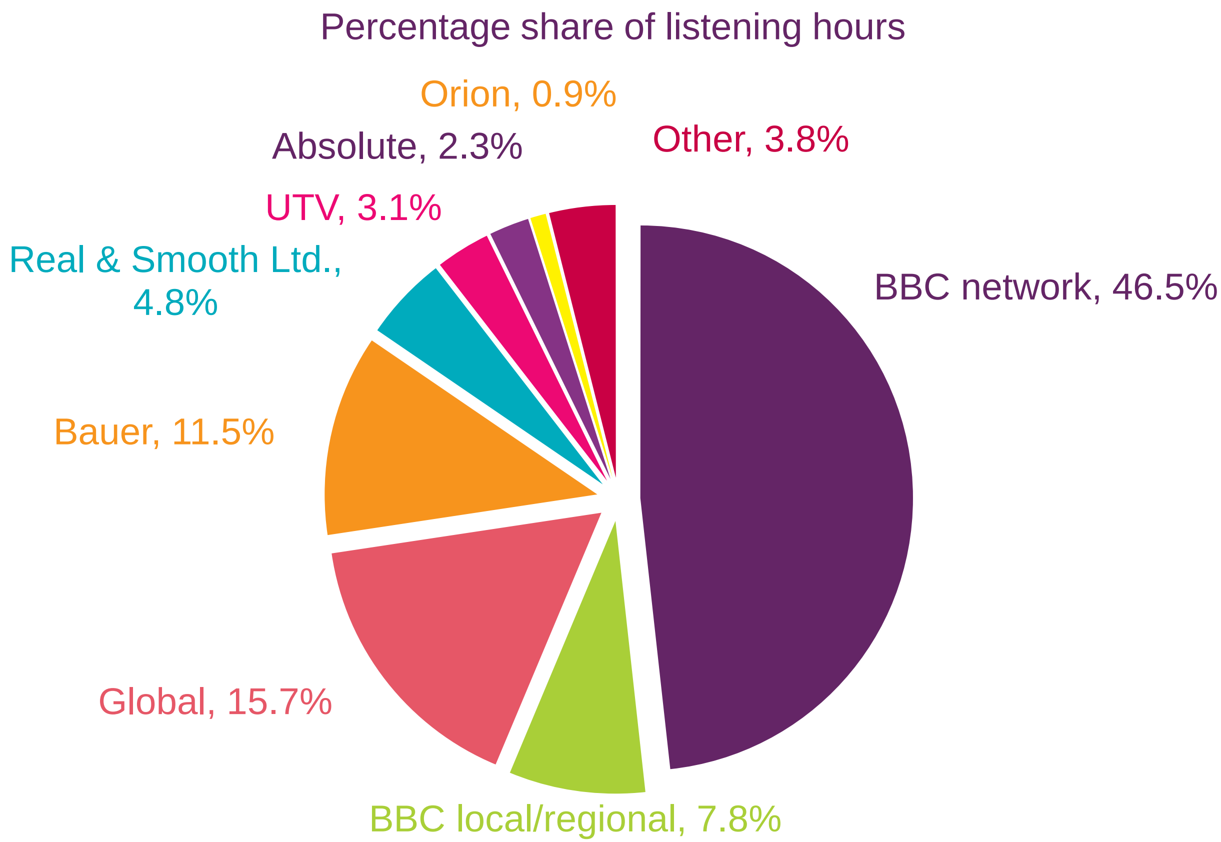
Number of commercial analogue licences owned, by group



Source: Ofcom, May 2013
Global Radio includes licences held by Real & Smooth Ltd.

Figure 3.25

Share of all radio listening hours, Q1 2013

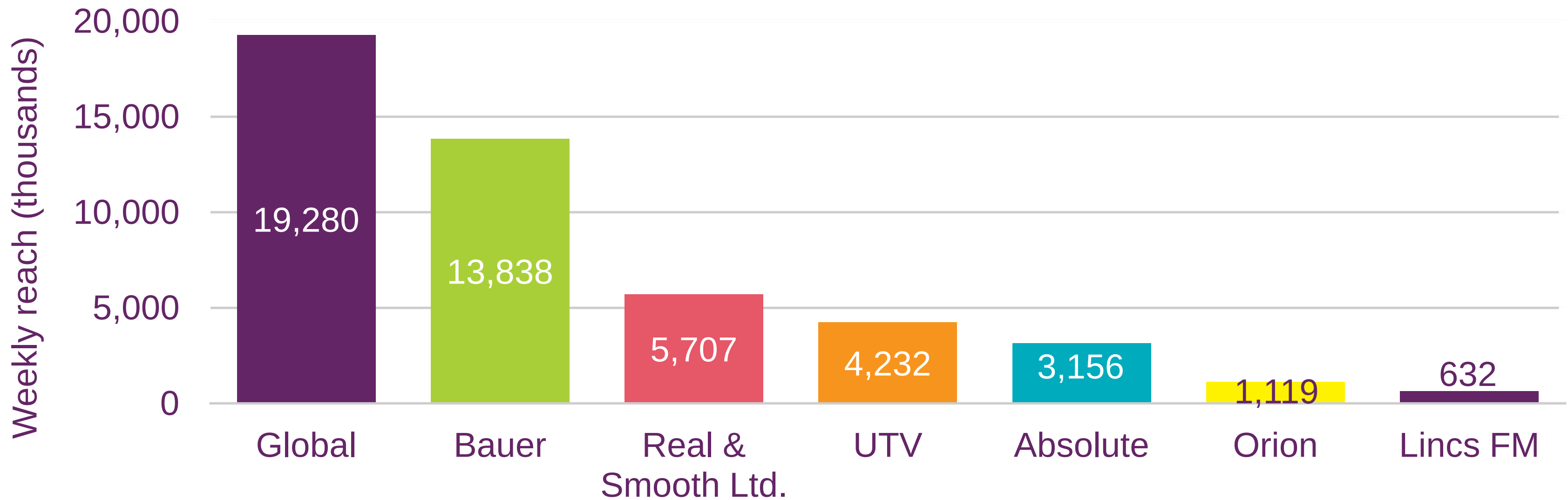


Source: RAJAR, all adults (15+), year ending Q1 2013

Figure 3.26

Commercial radio by weekly audience reach: year ending Q1 2013

	Global	Bauer	Real & Smooth Ltd.	UTV	Absolute	Orion	Lincs FM
Weekly UK audience reach	**36.8%**	**26.4%**	**10.9%**	**8.1%**	**6.0%**	**2.1%**	**1.2%**
Annual change in reach	-1.1pp	+0.4pp	0	-0.5pp	+0.7pp	-0.4pp	0

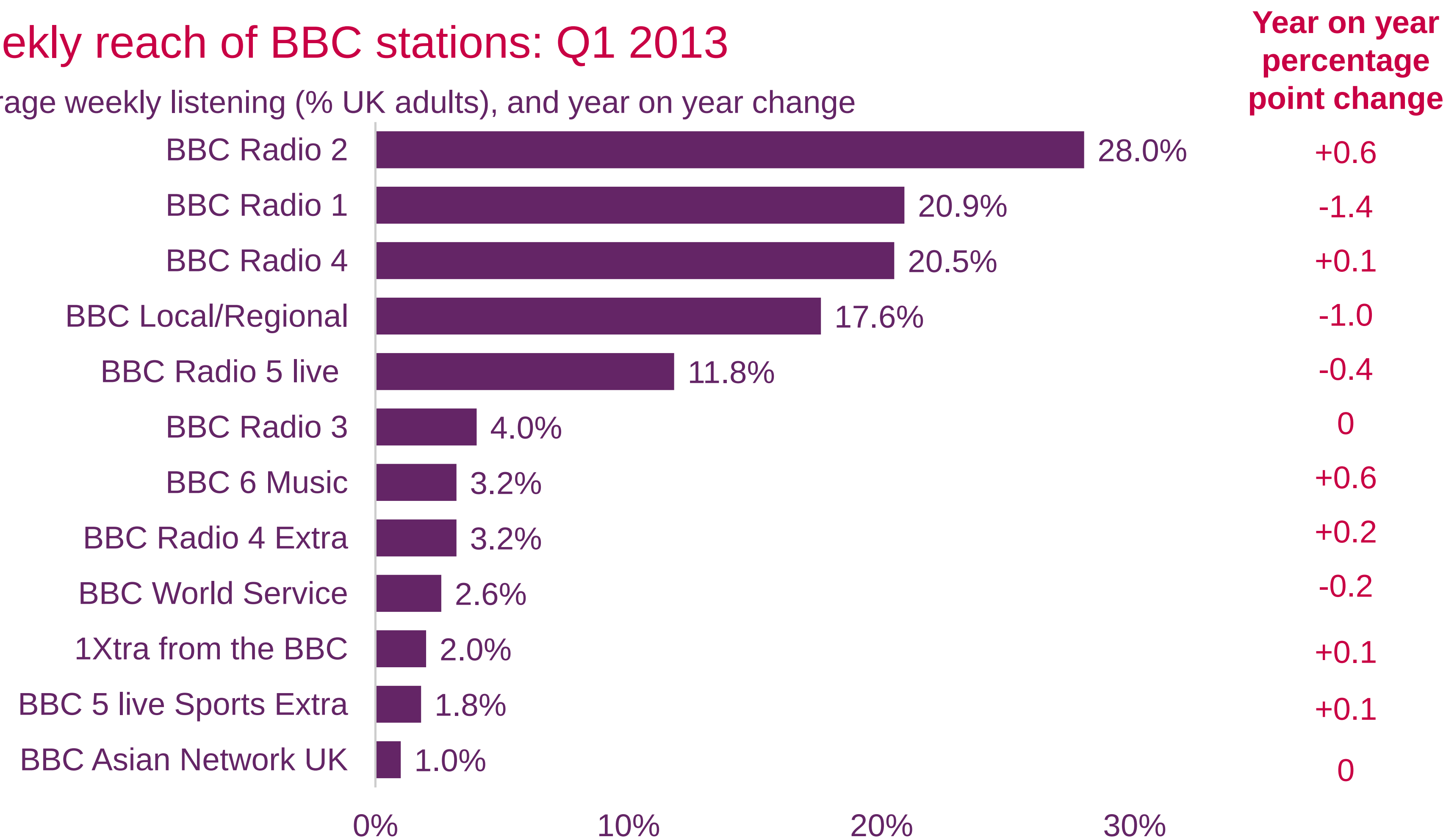


Source: RAJAR, all adults (15+), year ending Q1 2013

Figure 3.27

Weekly reach of BBC stations: Q1 2013

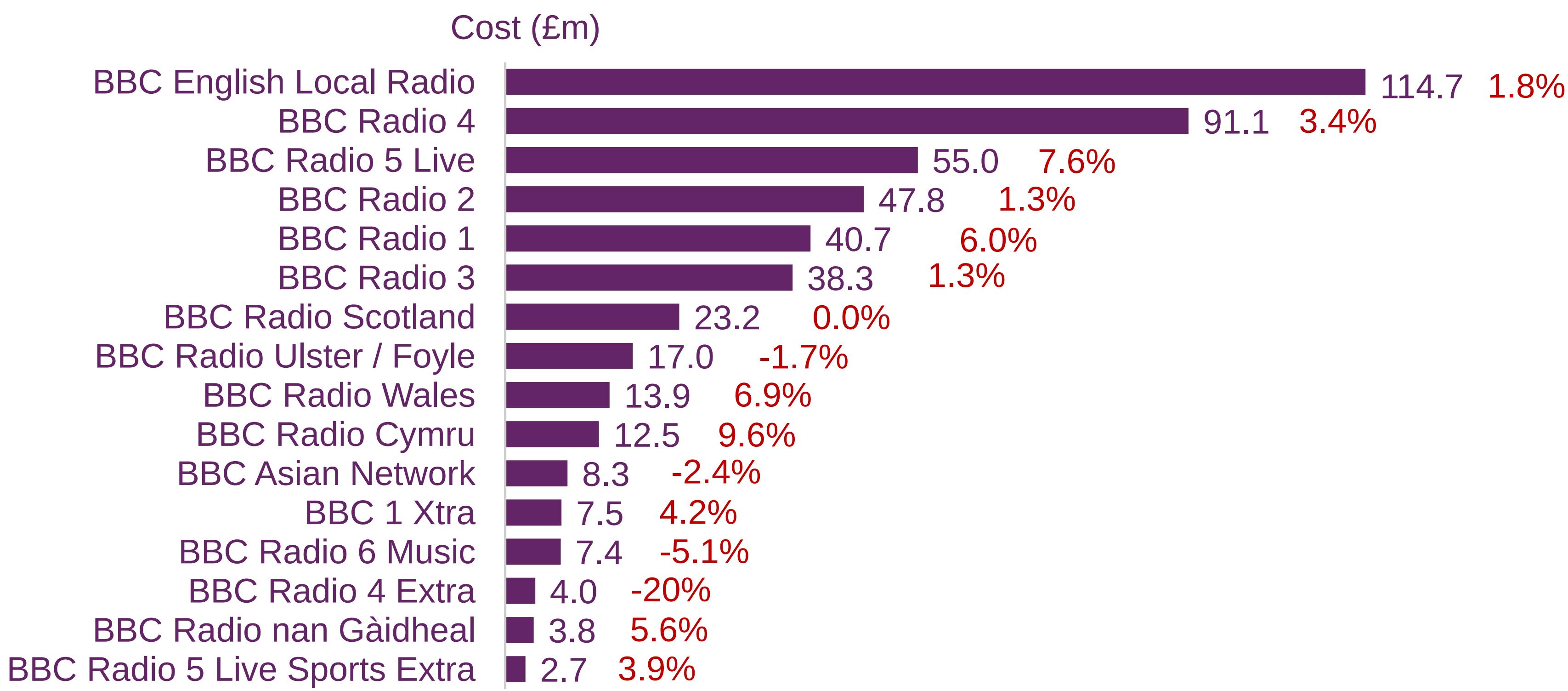
Average weekly listening (% UK adults), and year on year change



Source: RAJAR, all adults (15+), year ending Q1 2013

Figure 3.28

BBC radio stations: spend on radio content, 2012-13



Source: BBC Annual Report 2012-13

Figure 3.29

Analogue UK radio stations broadcasting May 2013

Type of station	AM	FM	AM/FM total
Local commercial	54	238	292
UK-wide commercial	2	1	3
BBC UK-wide networks	1	4	5
BBC local and nations	36	46	46
Community radio	6	201	207
TOTAL	**99**	**490**	**553**

Source: Ofcom, May 2012
Note: 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 3.30

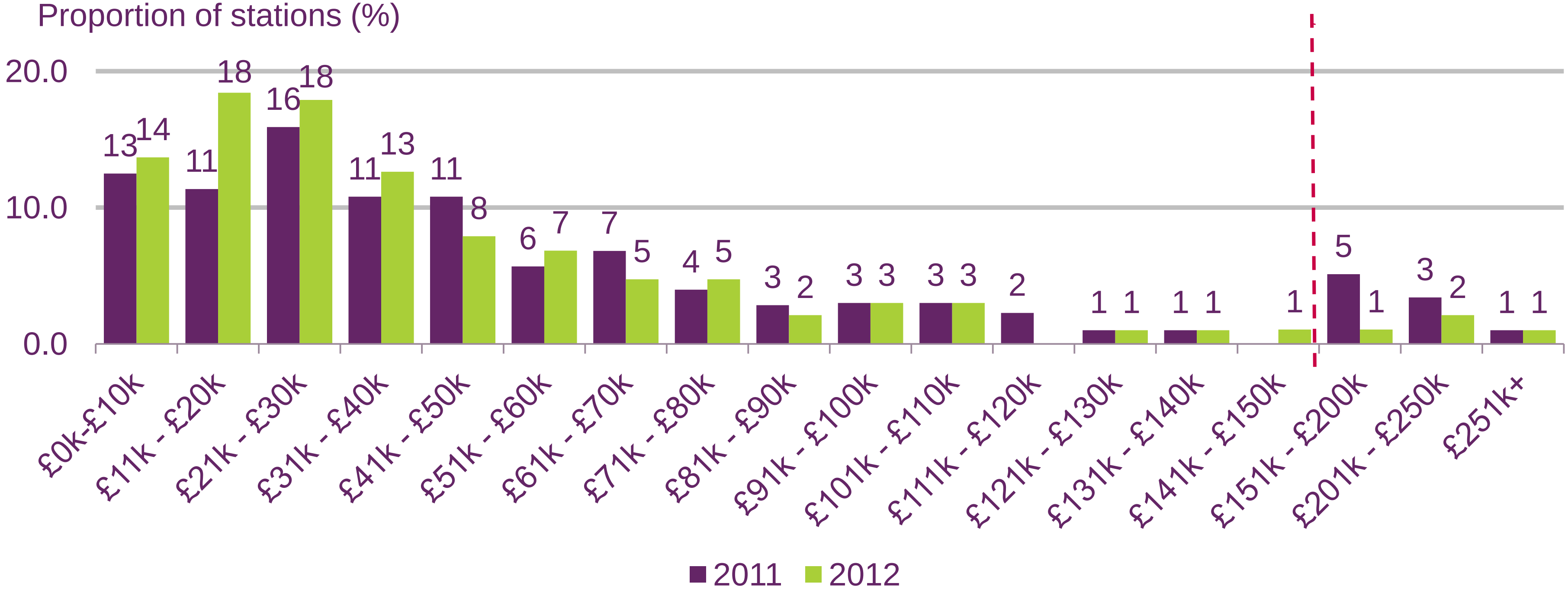
Average income for community radio stations: 2008 to 2012

Income	2008	2009	2010	2011	2012
Average (mean) income	£84,000	£75,500 (-10.2%)	£65,750 (-12.9%)	£60,250 (-8.3%)	£57,000 (-5.4%)
Median income	£53,750	£46,750 (-15.0%)	£42,500 (-7.14%)	£40,500 (-4.8%)	£35,250 (-13.1%)

Source: Ofcom analysis of community broadcasters returns
Note: The data collection period changed from the financial year to the calendar year as of 2011. Data from previous years has been adjusted to reflect this.

Figure 3.31

Distribution of total income levels across the community radio sector



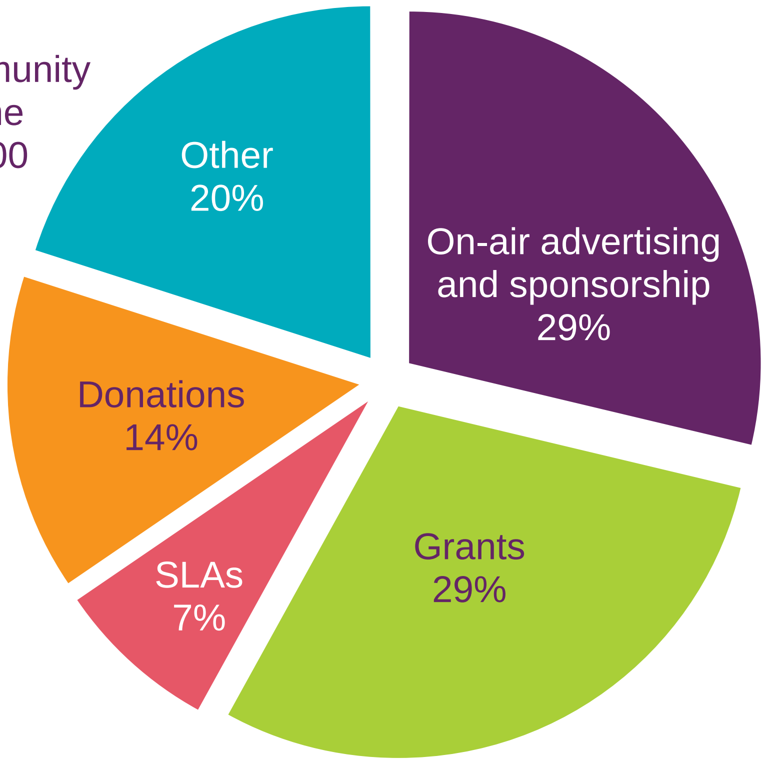
Source: Ofcom analysis of community broadcasters' returns

Figure 3.32

Community radio income, by source

Community radio stations' income 2012

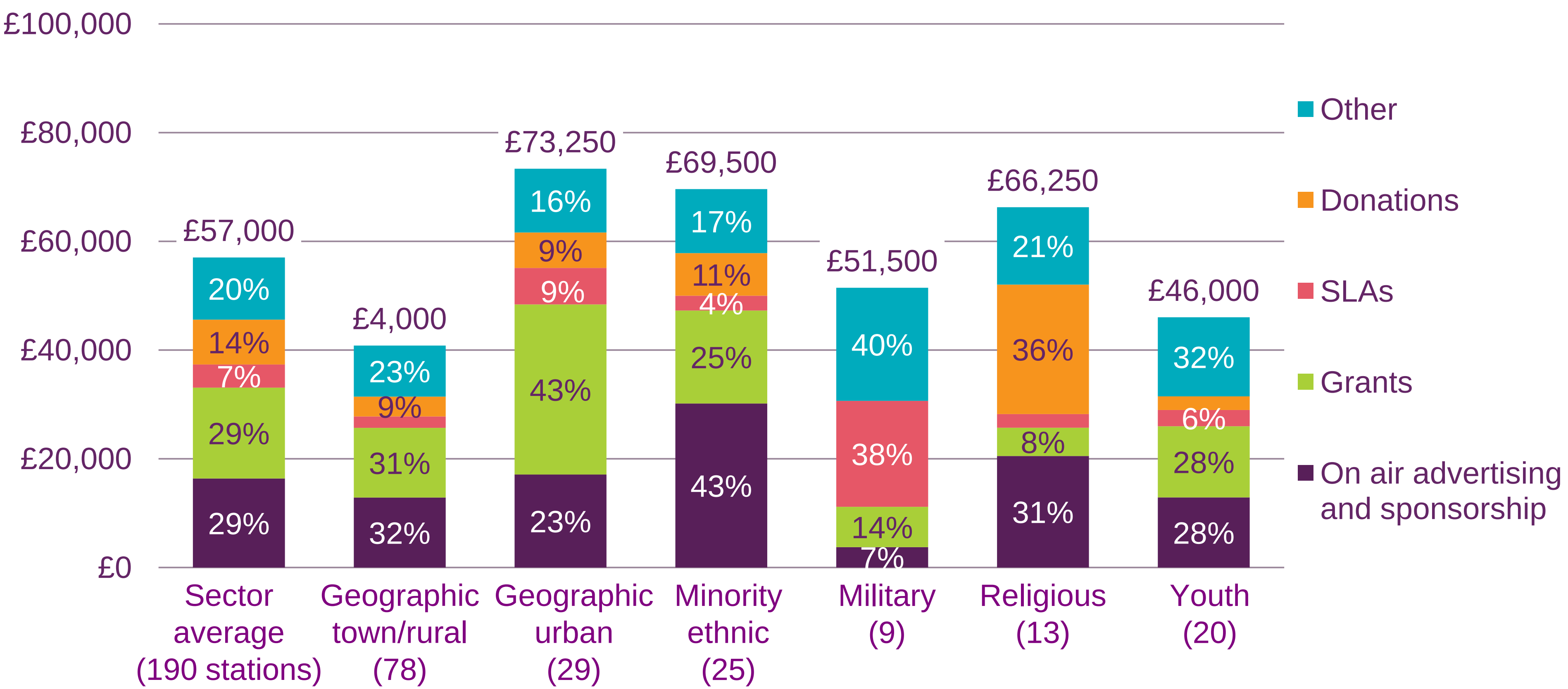
Income by type
The average community radio station income was around £57,000



Source: Ofcom analysis of community broadcasters' returns

Figure: 3.33

Average income by type of community served



Source: Ofcom analysis of community broadcaster's returns

Figure 3.34

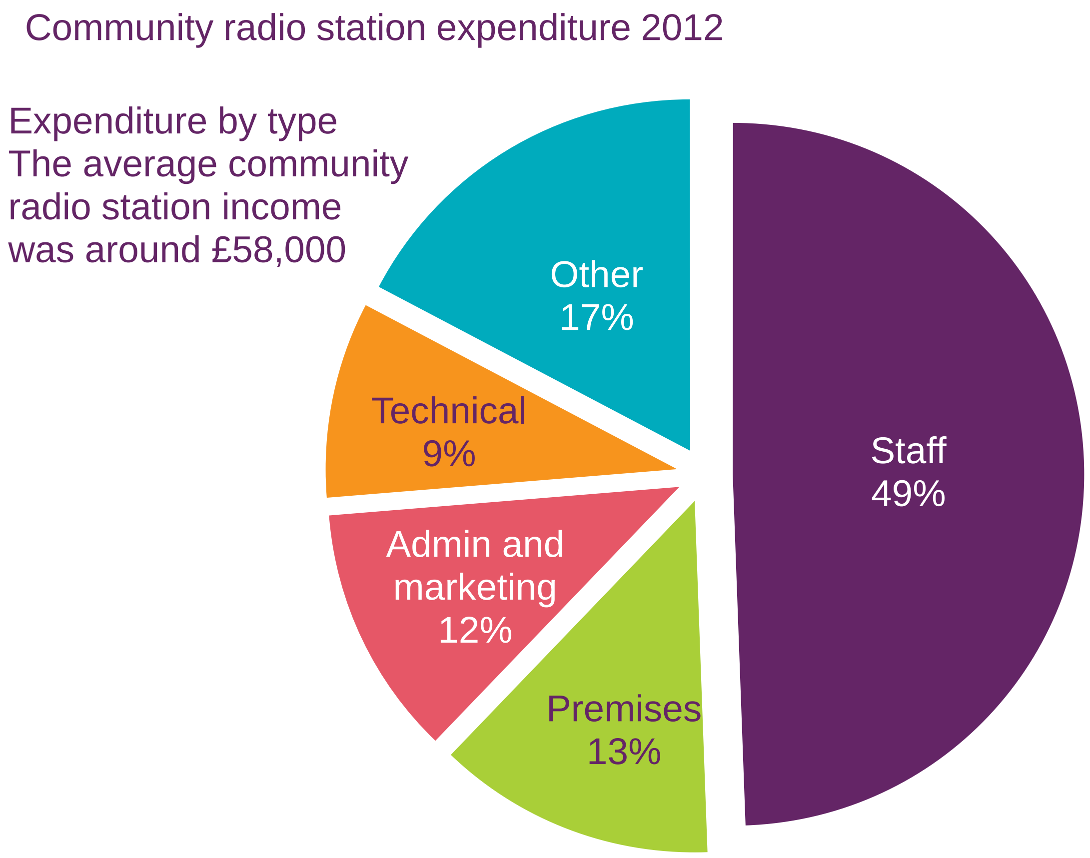
Average expenditure for community radio stations: 2008 to 2012

Expenditure	2008	2009	2010	2011	2012
Average (mean) expenditure	£86,500	£76,500 (-11.4%)	£67,000 (-12.3%)	£64,250 (-4.1%)	£58,000 (-9.7%)
Median expenditure	£55,000	£52,250 (5.3%)	£43,000 (-17.5%)	£41,000 (-4.9%)	£35,750 (-15.4%)

Source: Ofcom analysis of community broadcasters returns
Note: The data collection period changed from the financial year to the calendar year as of 2011. Data from previous years has been adjusted to reflect this.

Figure 3.35

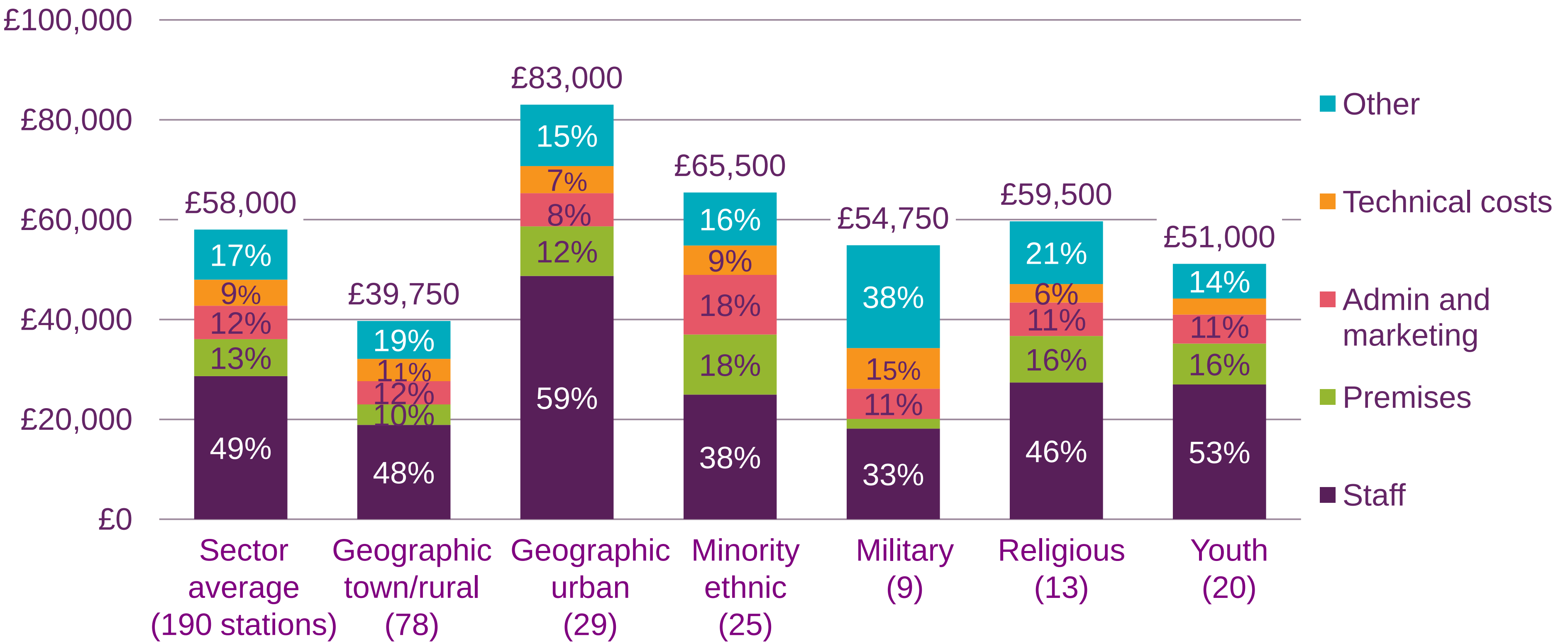
Community radio station expenditure, by type



Source: Ofcom analysis of community broadcaster's returns

Figure: 3.36

Average expenditure by type of community served



Source: Ofcom analysis of community broadcaster's returns

Figure 3.37

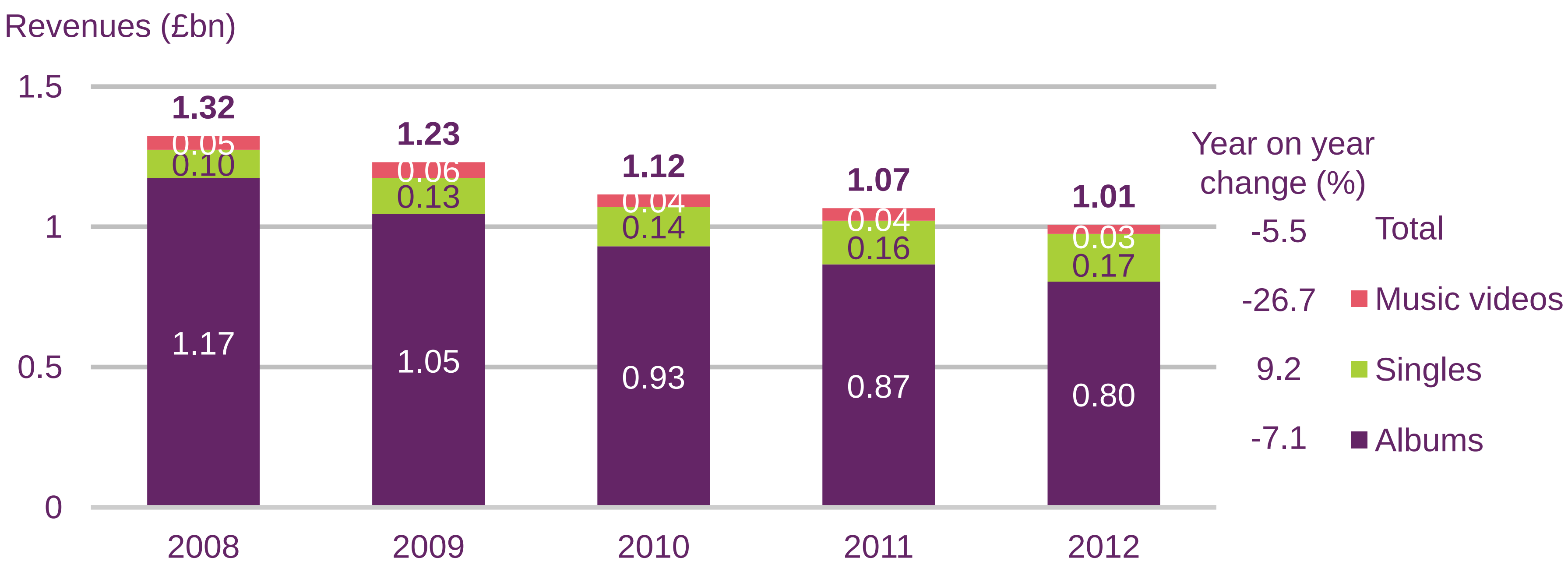
Community radio hours and volunteers

	Sector average
Total live hours per week	79
Total original hours per week	90
Speech output as a percentage of total daytime output	31%
Number of volunteers	85

Source: Ofcom analysis of community broadcasters returns

Figure 3.38

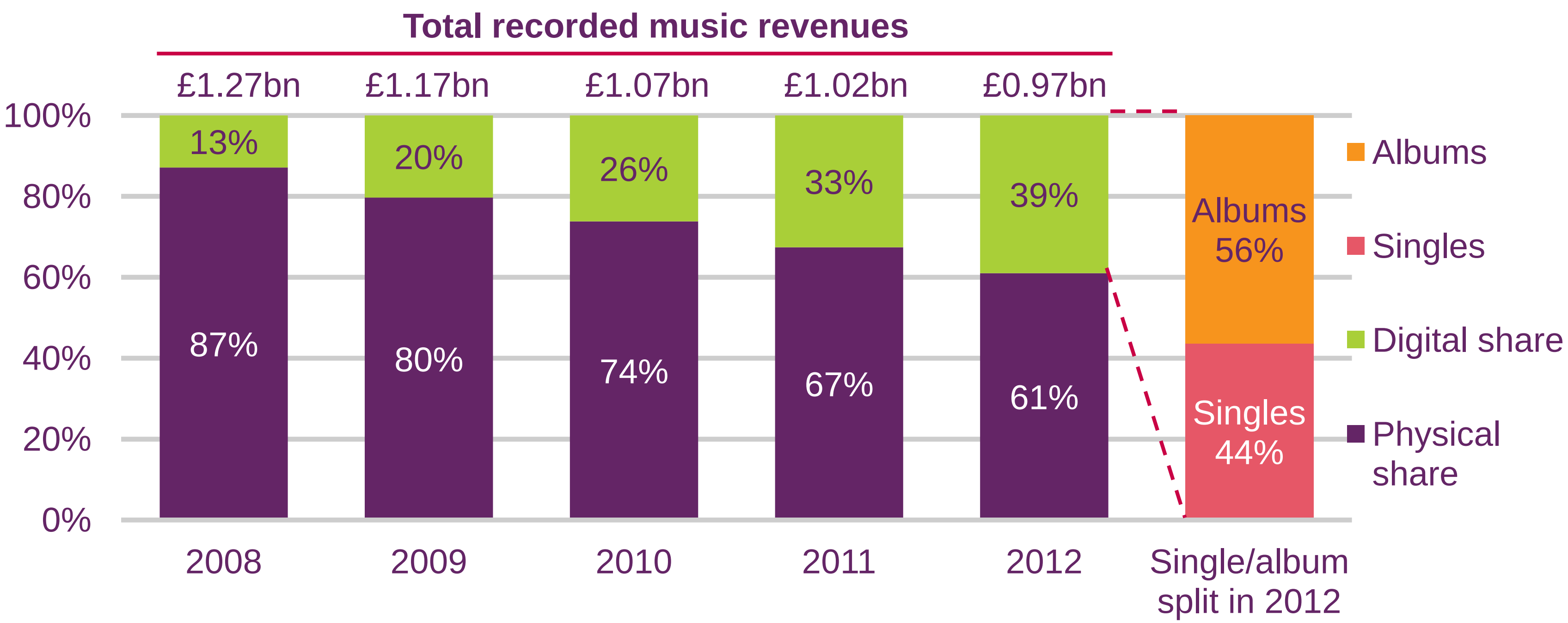
Recorded music retail revenues: 2008-2012



Source: Entertainment Retailers' Association / Official Charts. Figures are nominal.

Figure 3.39

Distribution of recorded music retail revenues: 2008-2012



Source: Entertainment Retailers' Association / Official Charts
Note: This chart does not include revenues from music videos.

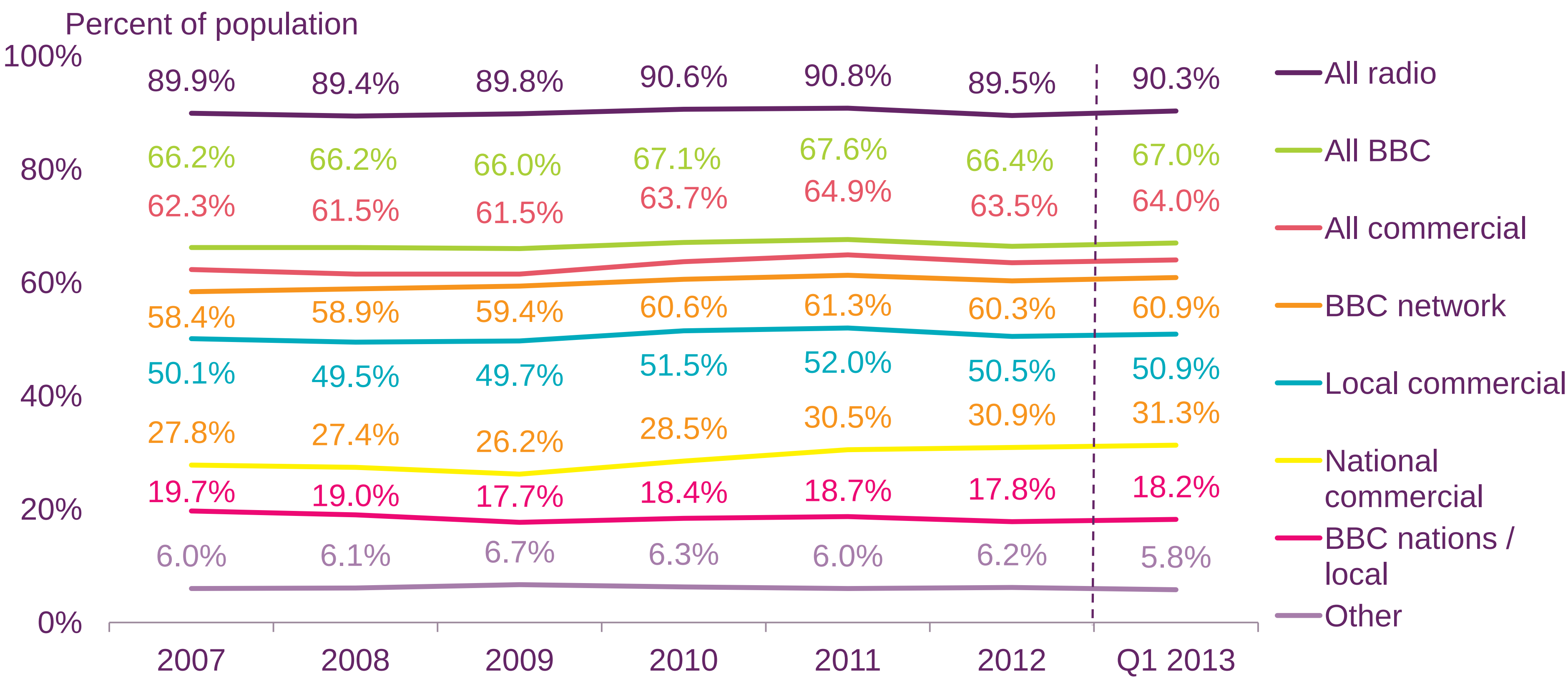
Figure 3.40

Recorded music sales, by volume: 2008-2012

Source: Entertainment Retailers' Association / Official Charts

Figure 3.41

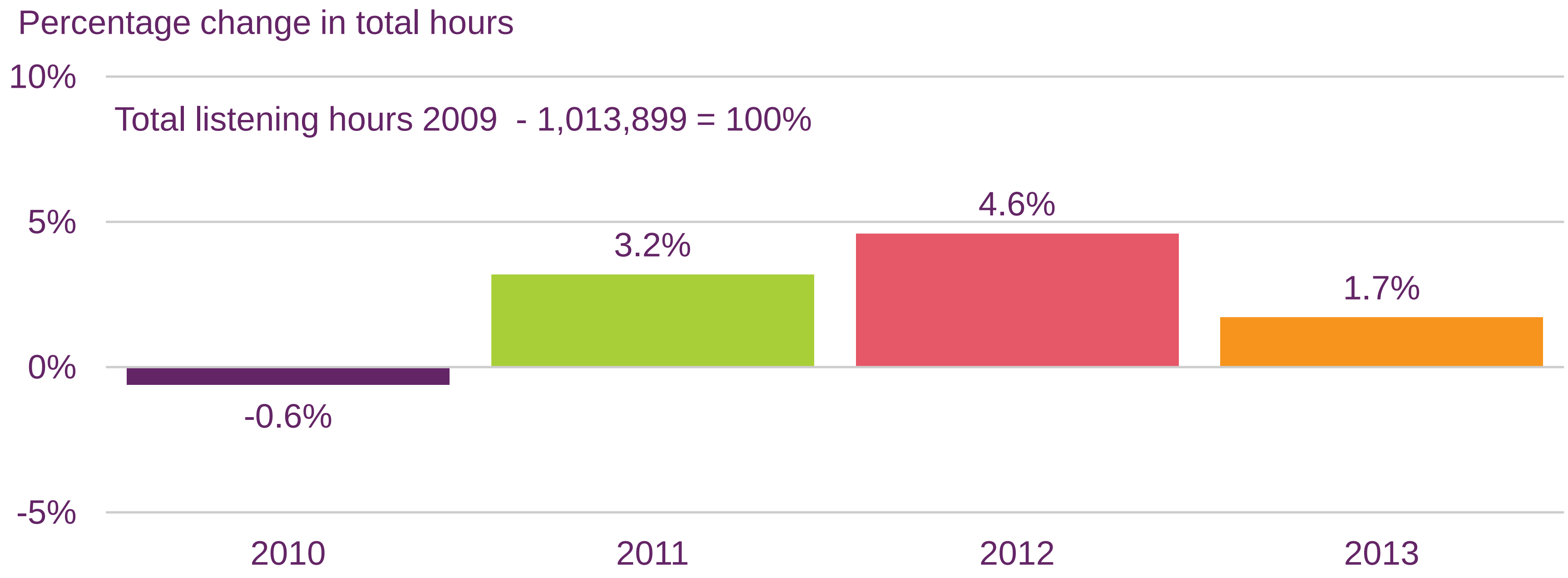
Reach of radio, by sector



Source: RAJAR, All adults (15+), calendar years 2007-2012, Q1 2013

Figure 3.42

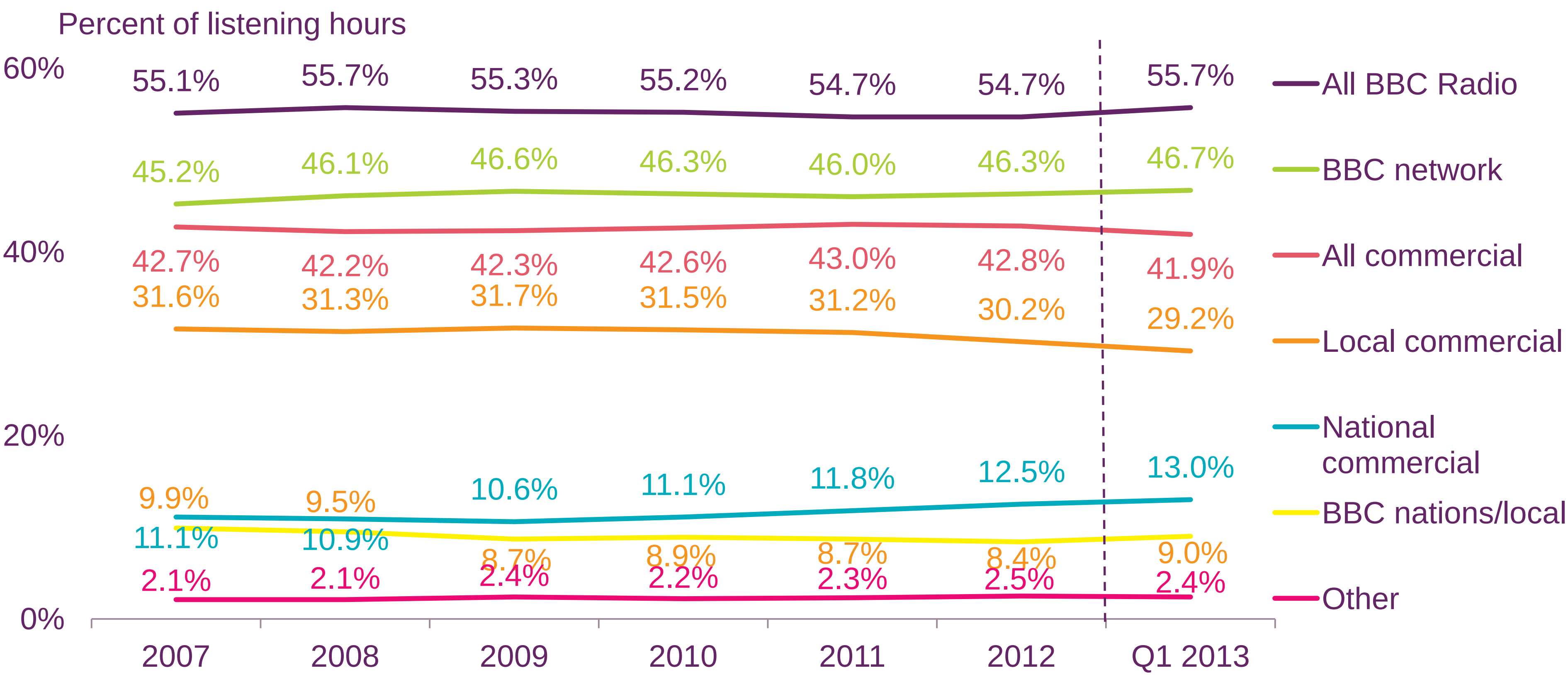
% change in total radio listening hours from 2010 - 2013



Source: RAJAR, All adults (15+), calendar years to Q1, 2010 to 2013

Figure 3.43

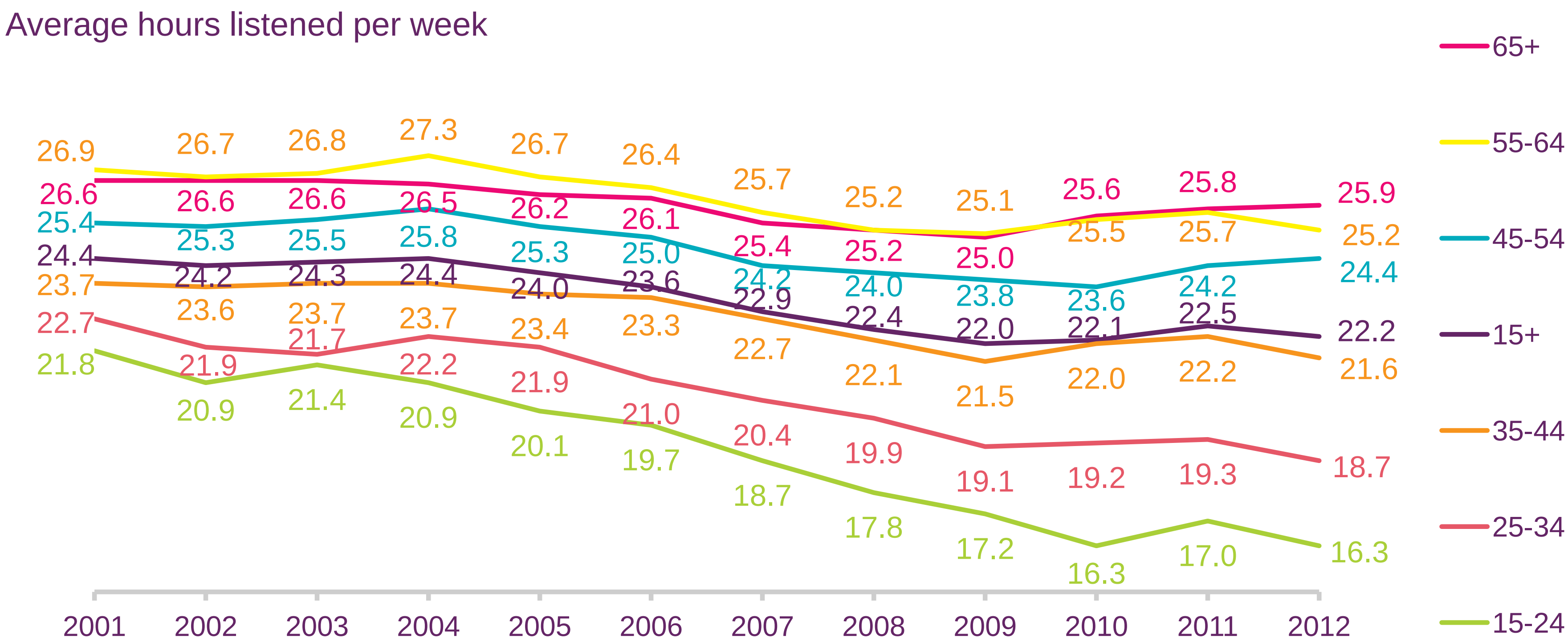
Share of listening hours, by sector



Source: RAJAR, All adults (15+), calendar years 2007-2012, Q1 2013

Figure 3.44

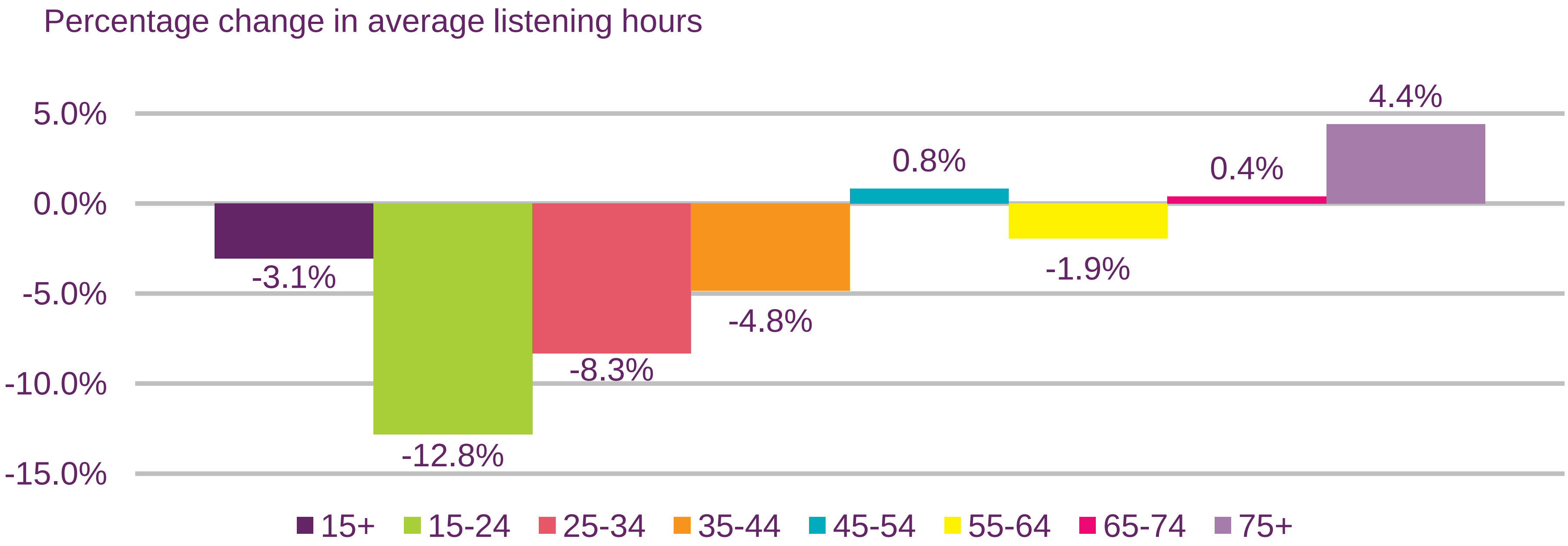
Listening hours by age group, 2001-2012



Source: RAJAR, average weekly listening per listener, 2001-2012

Figure 3.45

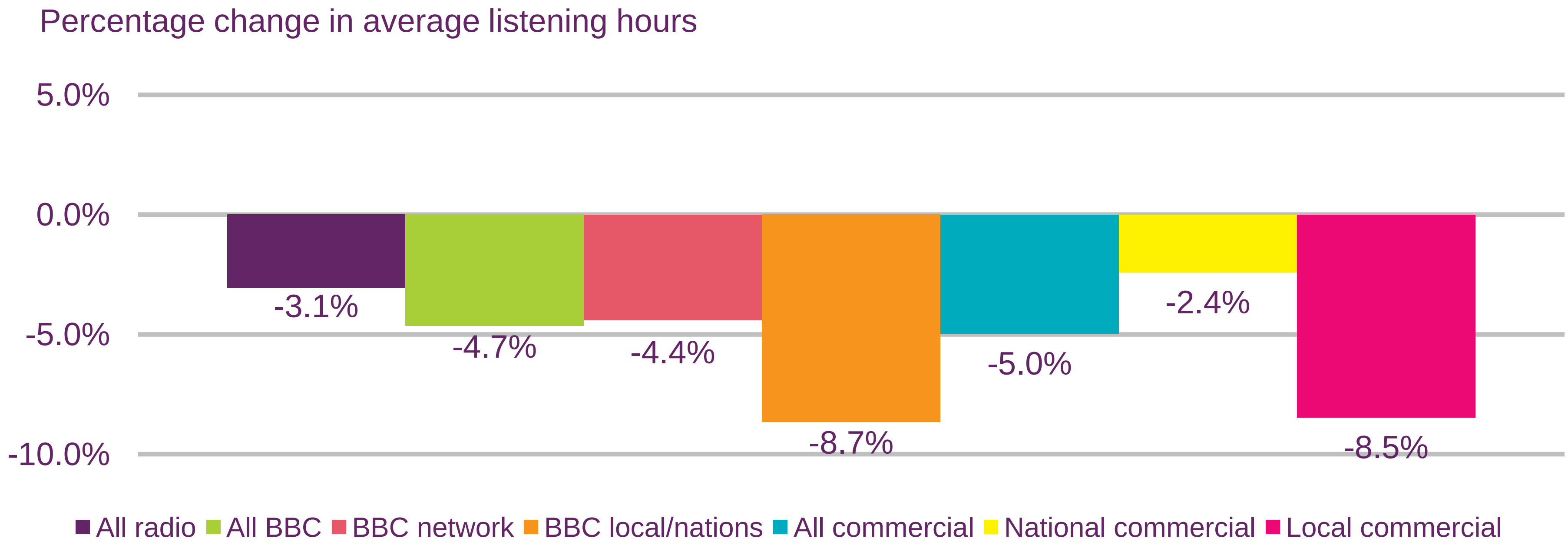
Percentage change in time spent listening, by age group: 2007-2012



Source: RAJAR, all adults 15+. Calendar years 2007 and 2012

Figure 3.46

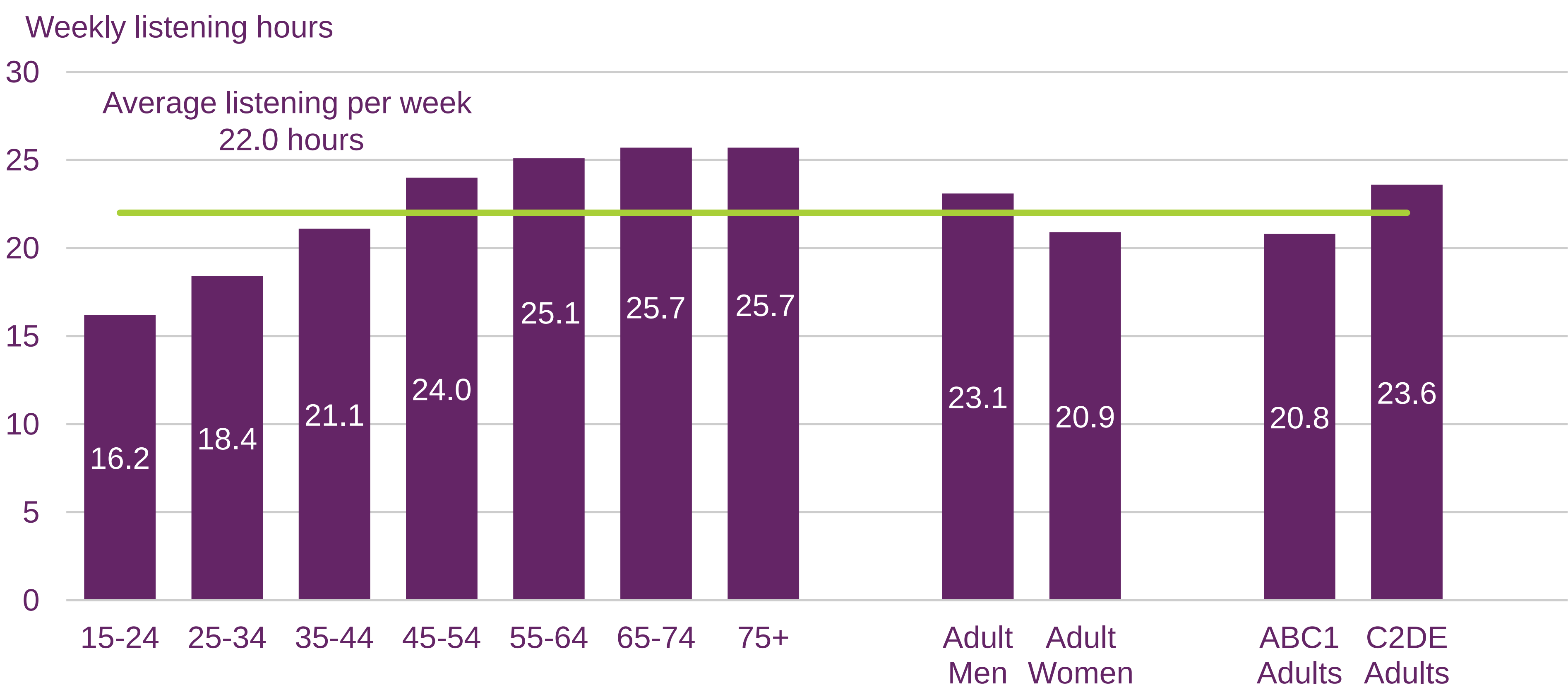
Percentage change in time spent listening, by sector: 2007-2012



Source: RAJAR, all adults 15+. Calendar years 2007 and 2012

Figure 3.47

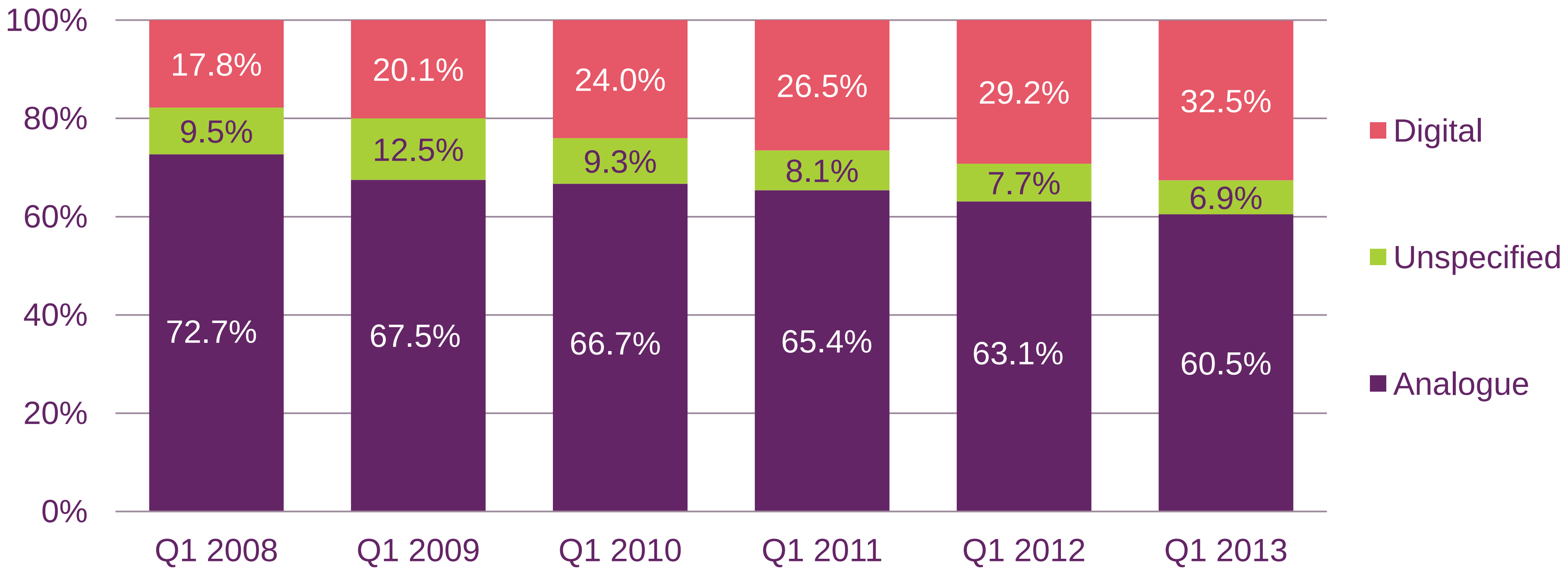
Average weekly listening by demographic, year ending Q1 2013



Source: RAJAR, all adults (15+), year ending Q1 2013, average weekly listening hours per listener

Figure 3.48

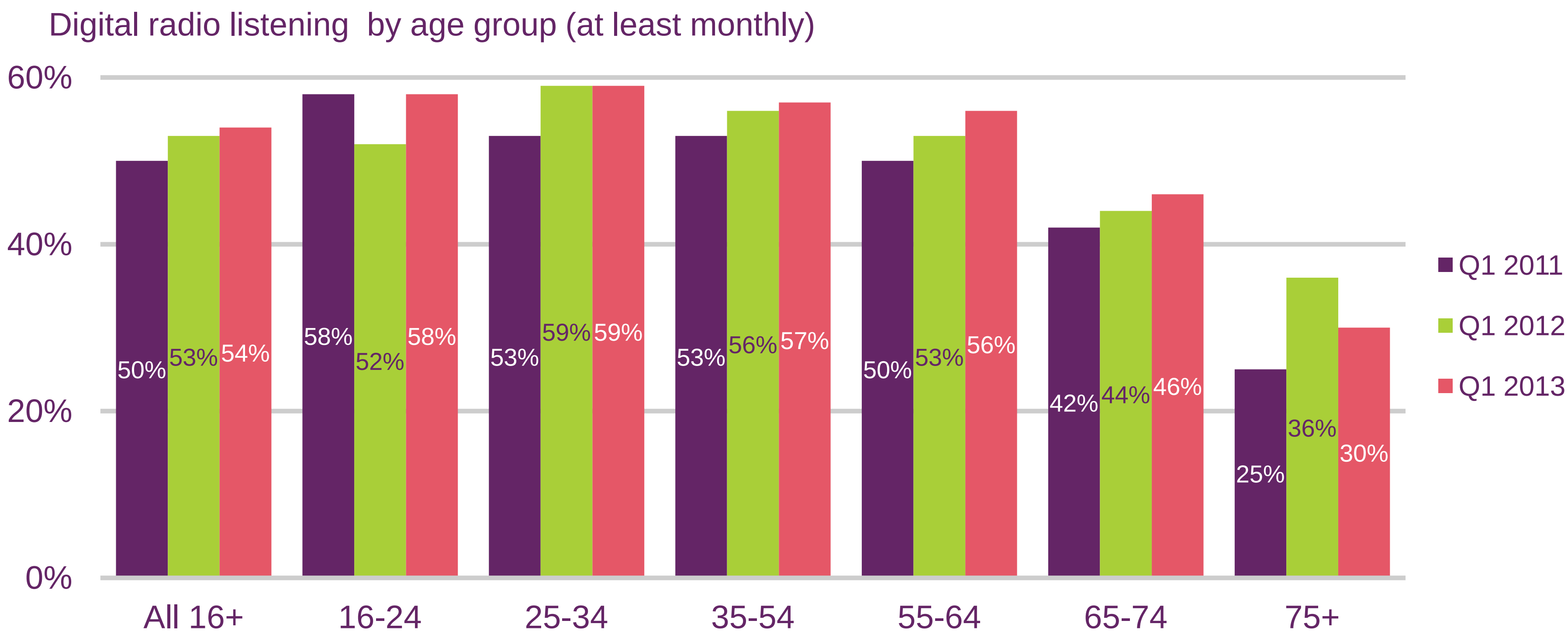
Share of listening hours across analogue and digital platforms



Source: RAJAR, all adults (15+), data relates to Q1 results as shown
Note: 'Unspecified' relates to listening where the radio platform was not confirmed by the listener

Figure 3.49

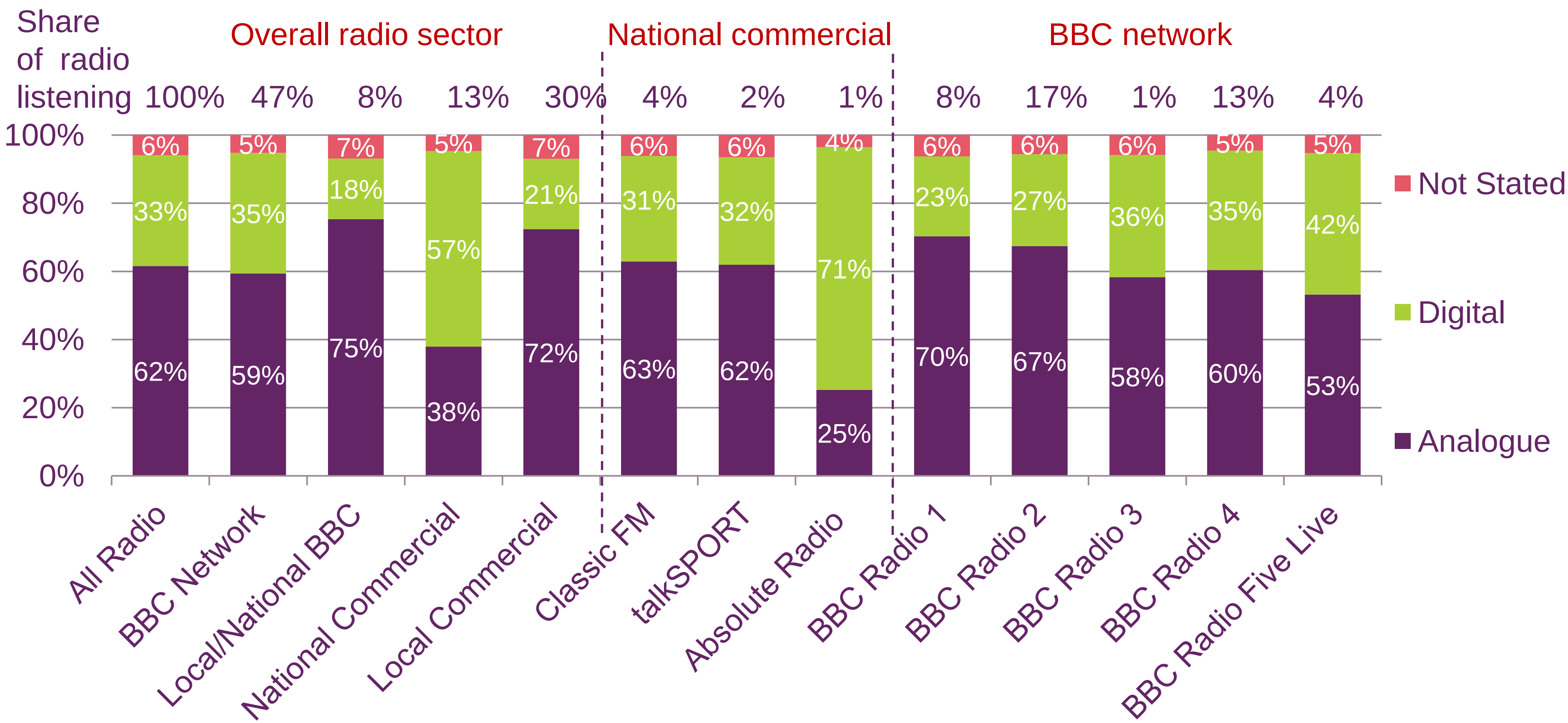
Digital radio listening by age group, (at least monthly)



Source: Ofcom research, Base: All who listen to the radio, Q1 2013 (n=2910), Q1 2012 (n=2963), Q1 2011 (n=2811) Q:Use digital radio at least monthly (includes digital listening via DTV, DAB set and online)

Figure 3.50

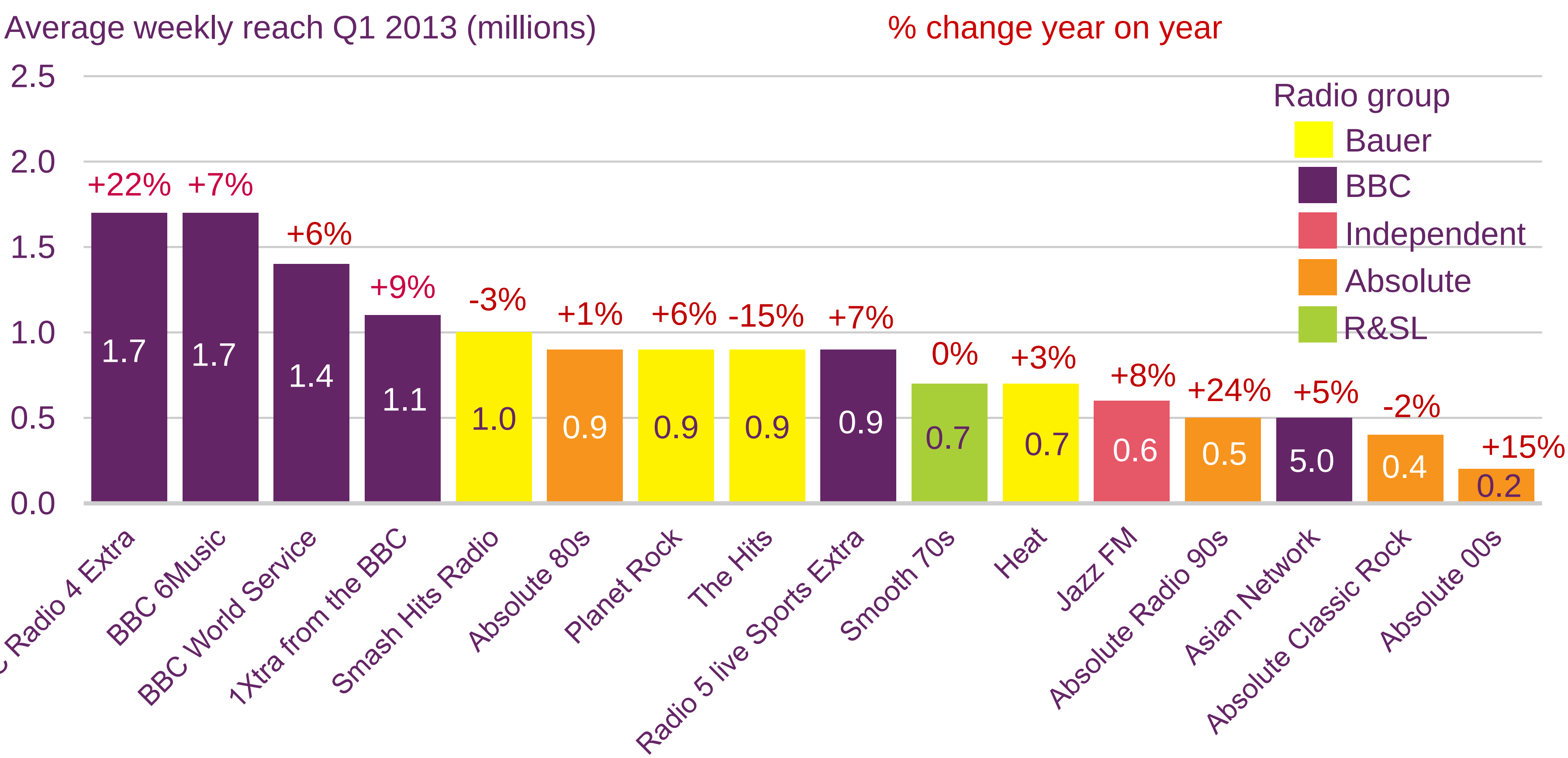
Platform split by sector and station: year ending Q1 2013



Source: RAJAR, year ending Q1 2013, adults 15+

Figure 3.51

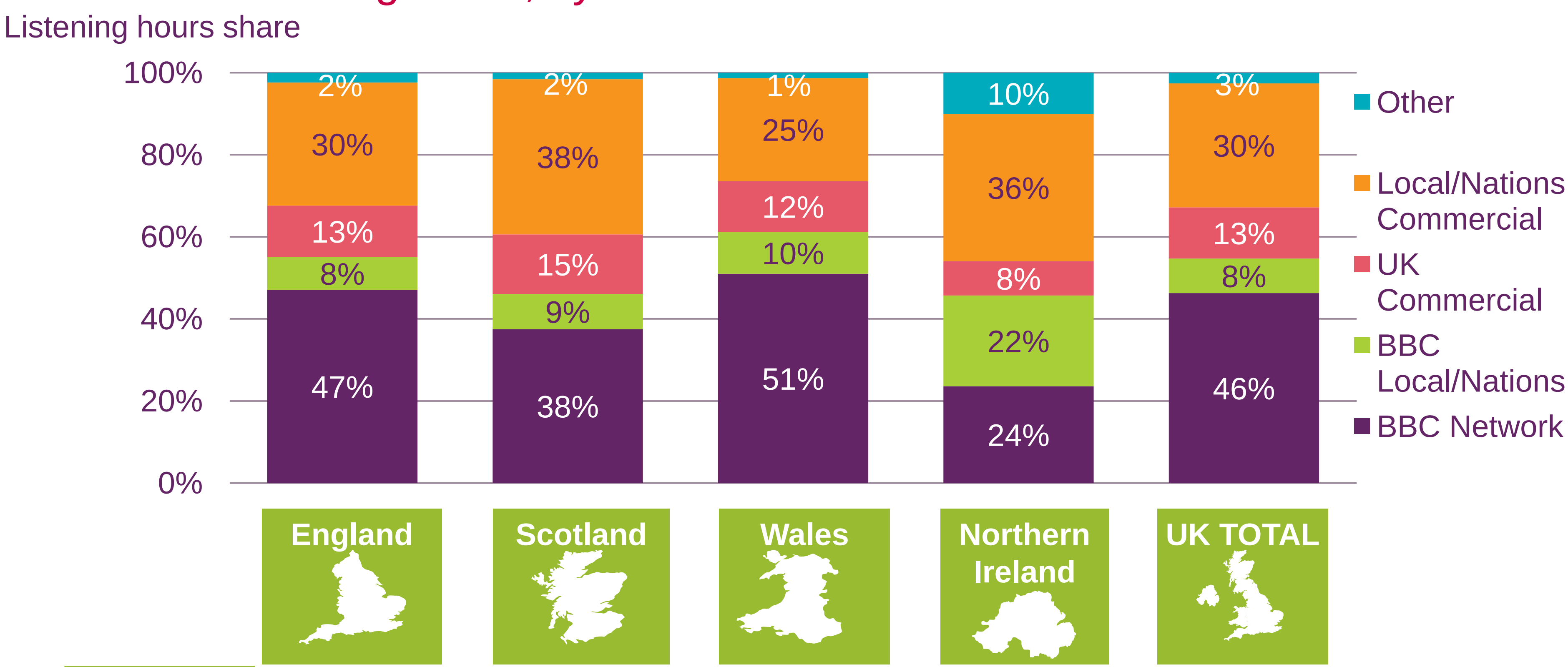
Most popular digital-only stations - UK, Q1 2013



Source: RAJAR, year ending Q1 2013 adults 15+

Figure 3.52

Share of listening hours, by nation

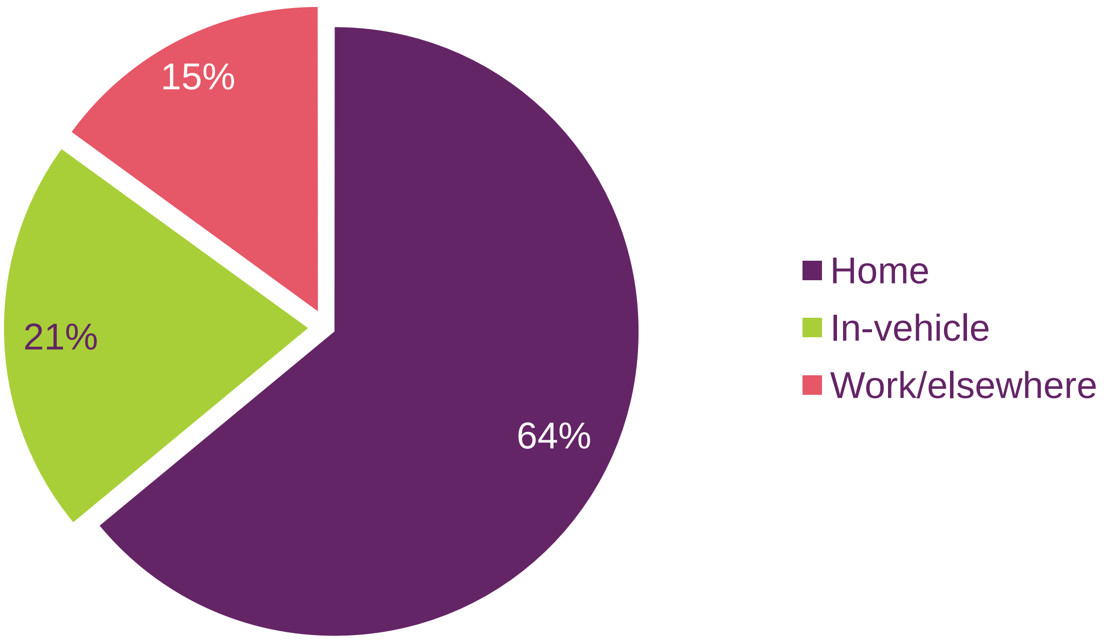


	England	Scotland	Wales	Northern Ireland	UK TOTAL
Average weekly listening	22.2 hours	21.6 hours	23.1 hours	21.4hours	22.2 hours
Reach	89.6%	86.7%	93.1%	87.1%	89.5%

Source: RAJAR, All adults (15+), calendar year 2012

Figure 3.53

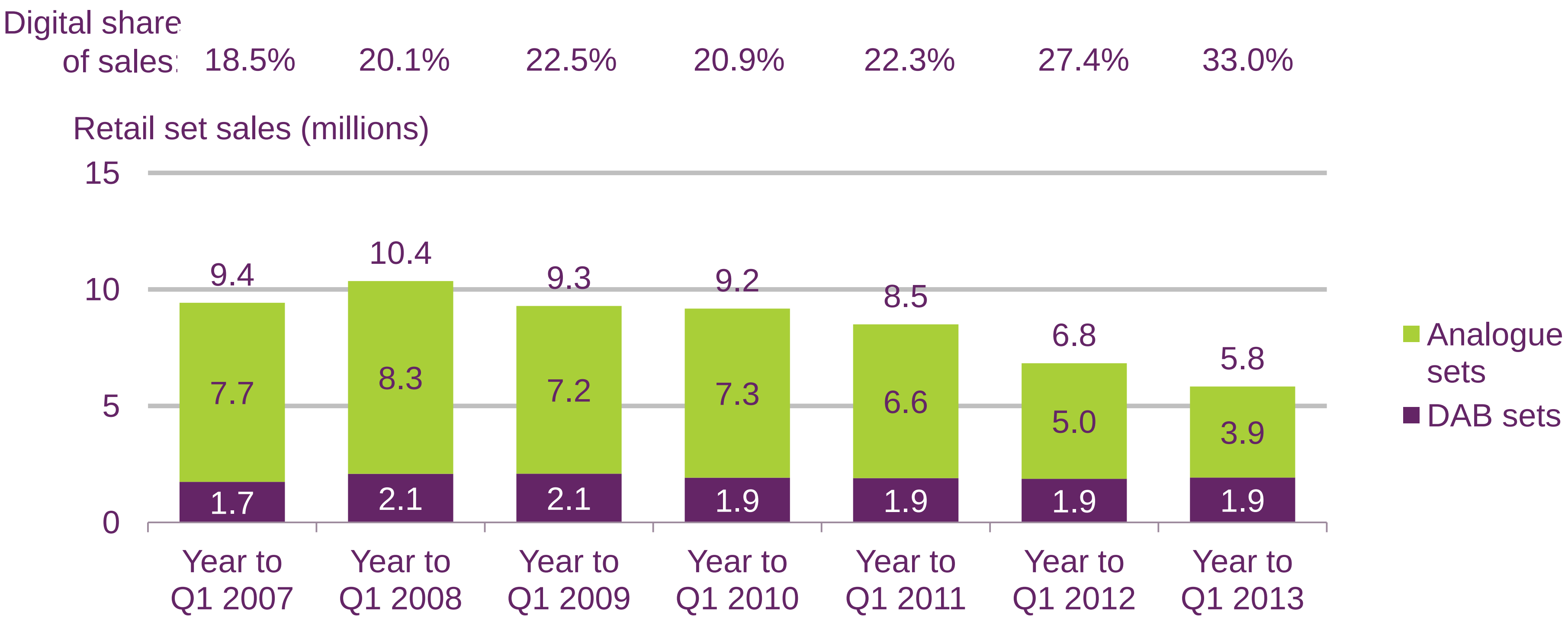
Location of listening – year to Q1 2013



Source: RAJAR, year ending Q1 2013 all adults 15+

Figure 3.54

Number of analogue and digital radio sets sold

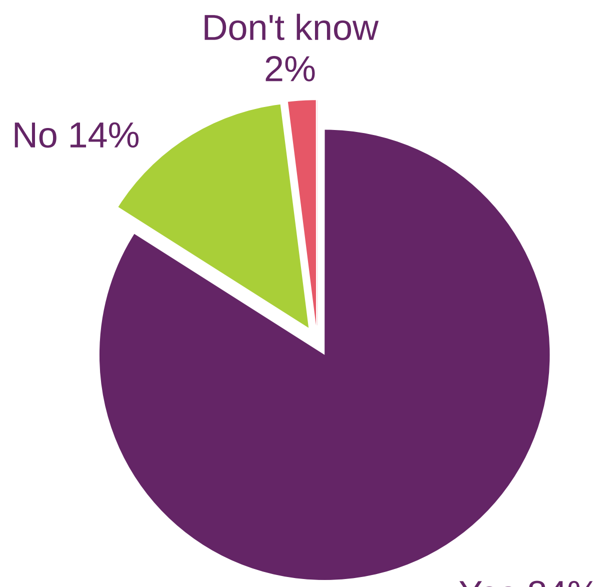


Source: GfK sales data, 2006-2013.

Note: Figures cover GB only, GfK Panelmarket data represent over 90% of the market. 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.

Figure 3.55 Awareness of digital radio

Have you heard of the term 'DAB' digital radio?

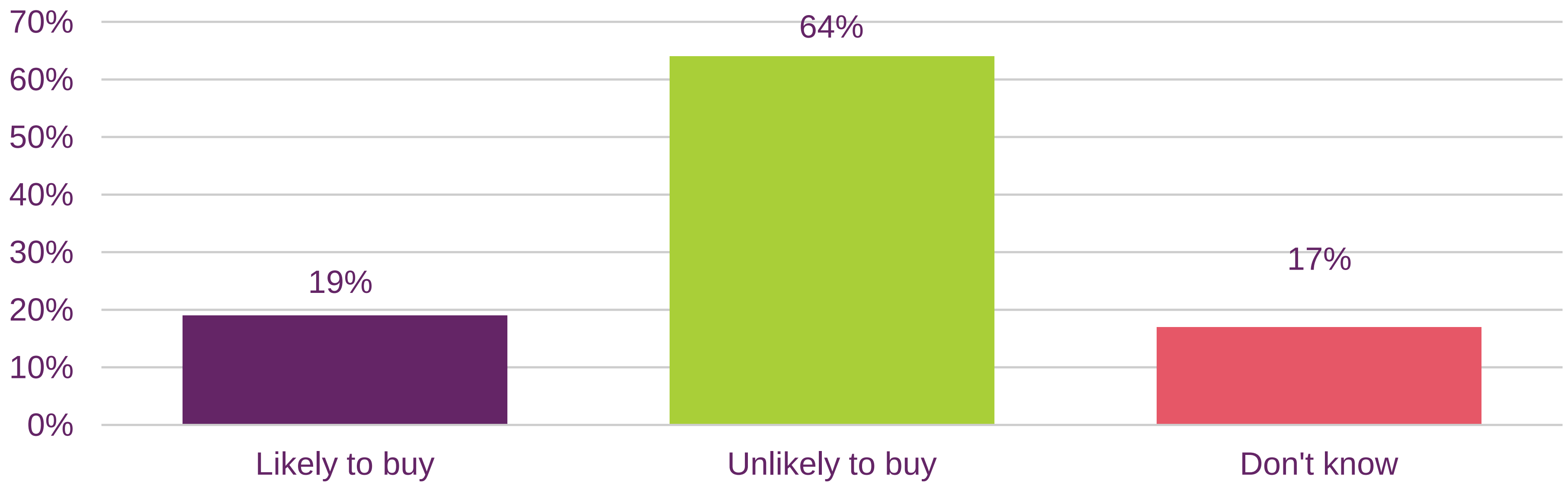


Source: Ofcom research 2013

Figure 3.56

Likelihood to buy a DAB radio within the next 12 months

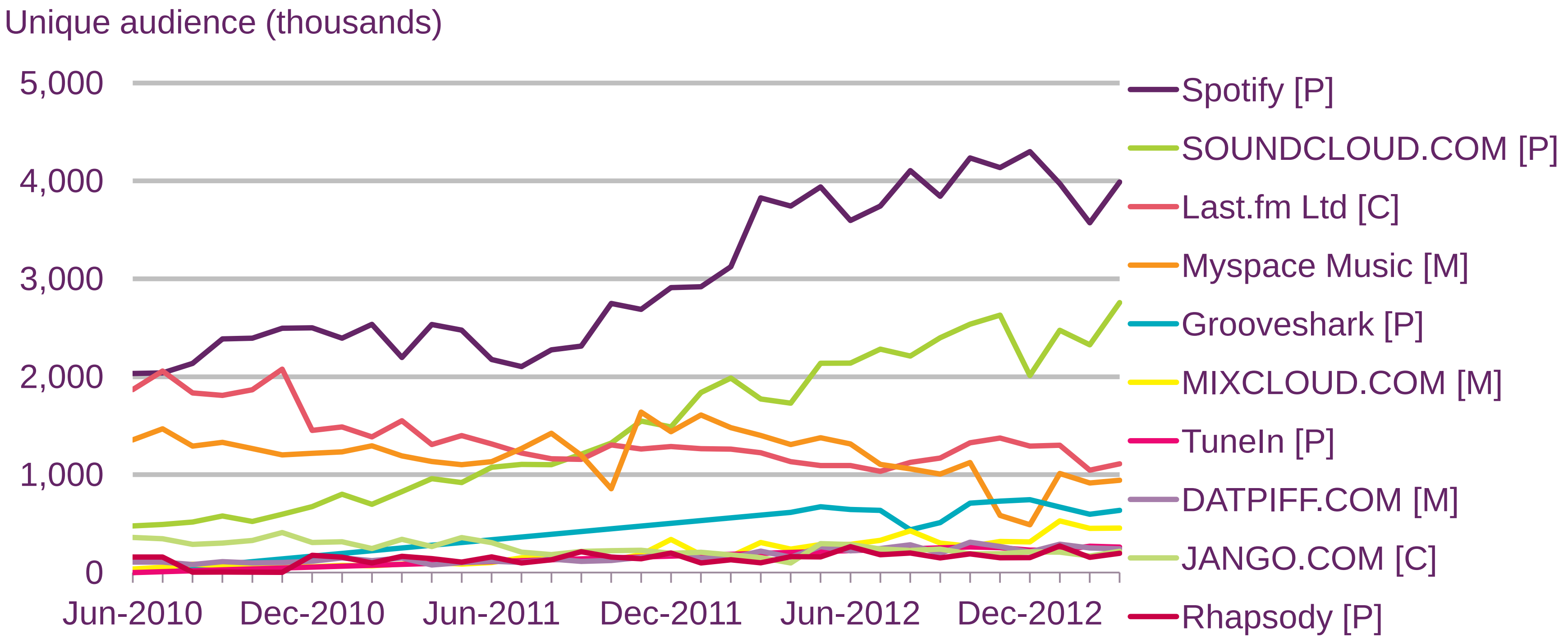
Percentage of respondents who listen to the radio but have no DAB set in the home



Source: Ofcom research, Q1 2013
Base: Those who listen to the radio but have no DAB sets in the home (n=1798)
QP12: How likely is it that your household will get a DAB radio in the next 12 months?

Figure 3.57

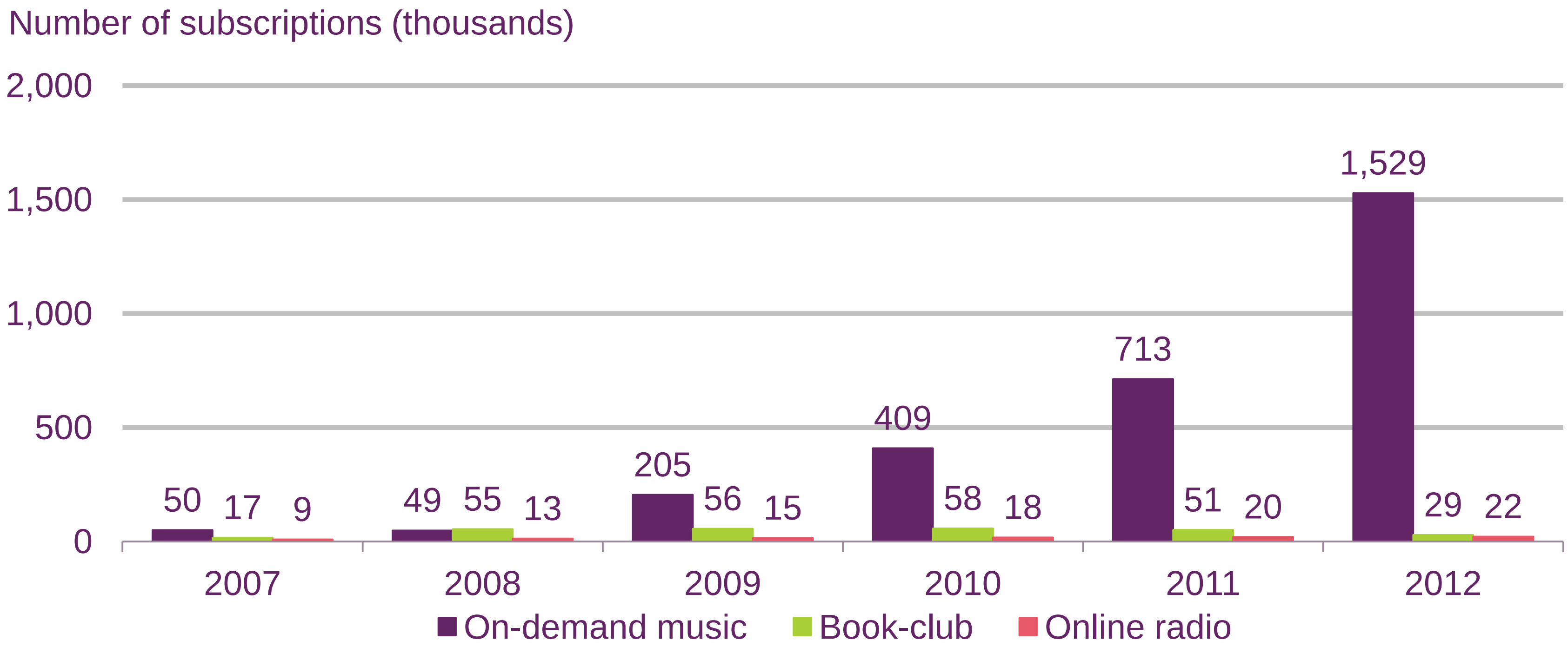
Unique audiences of selected music streaming sites



Source: comScore MMX, UK, home and work panel, March 2013

Figure 3.58

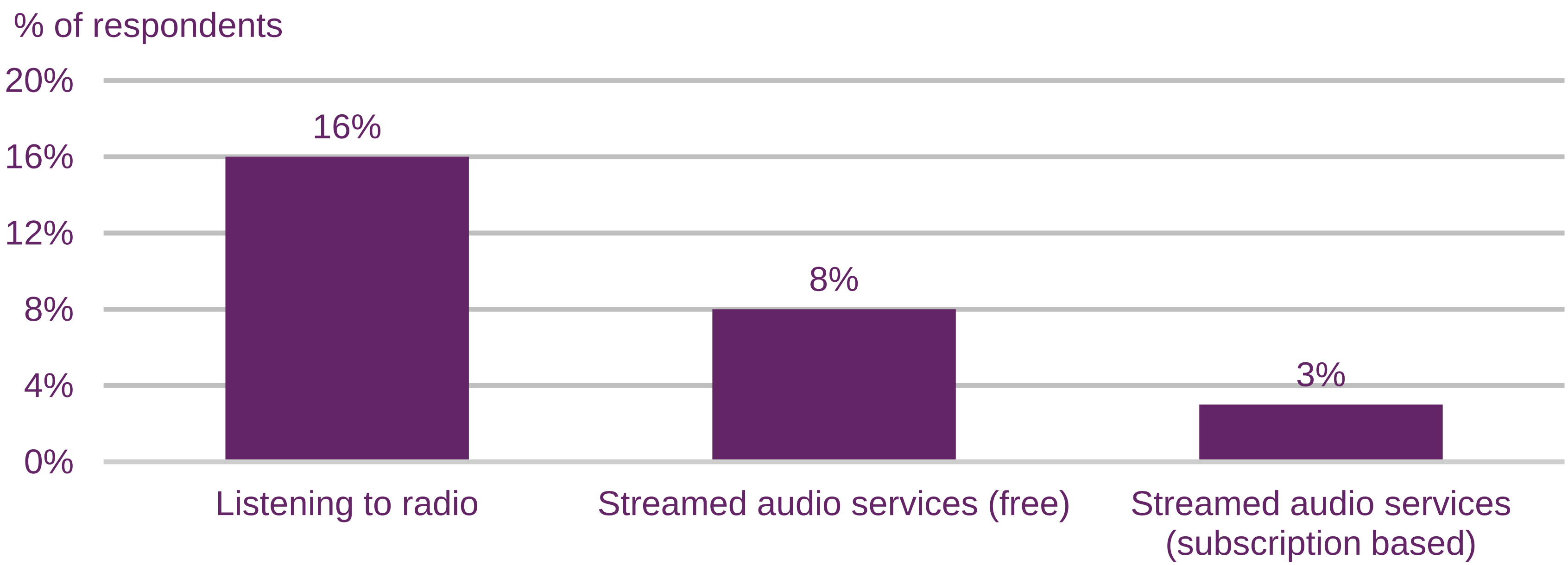
Number of subscriptions to online music services: 2007-2012



Source: IHS Screen Digest

Figure 3.59

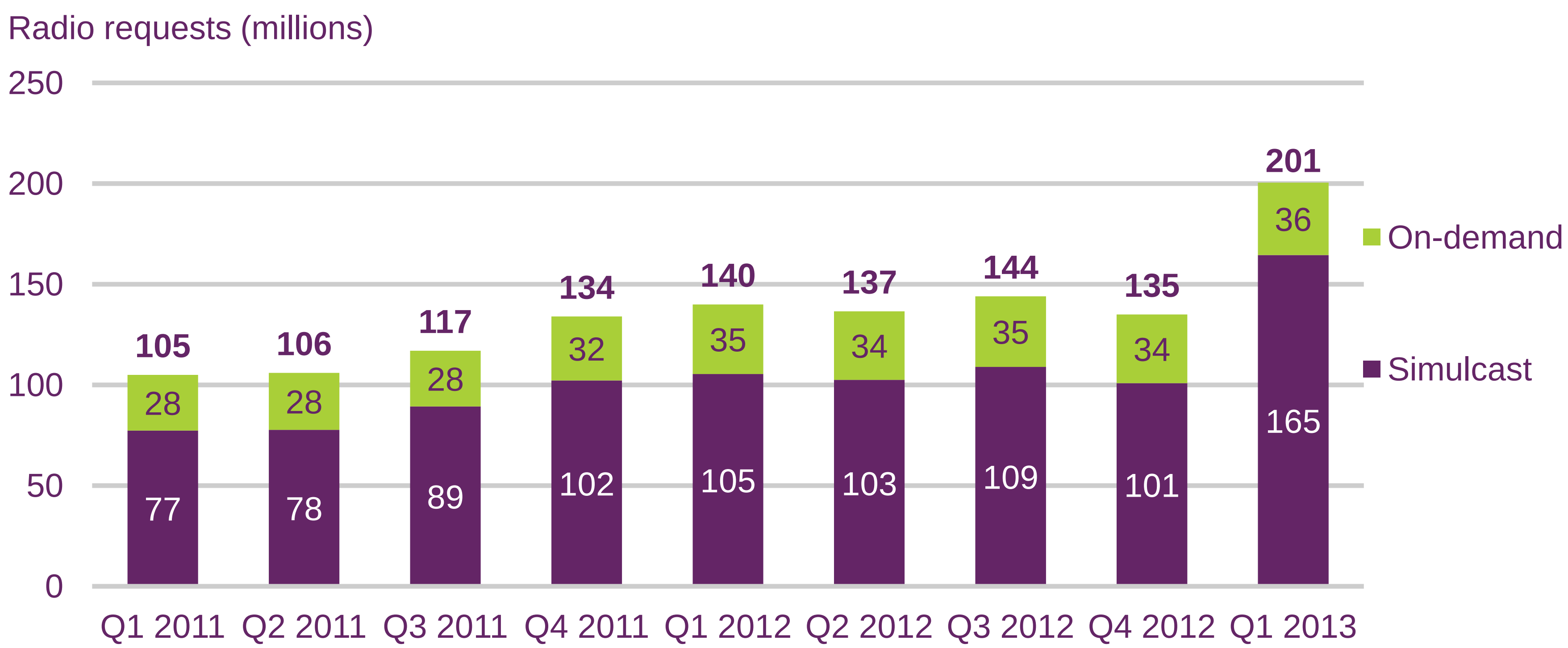
Audio internet use



Source: Ofcom research, Q1 2013
Base: Those with access to the internet at home (n= 2918)
QE5A. Which, if any, of these do you use the internet for?

Figure 3.60

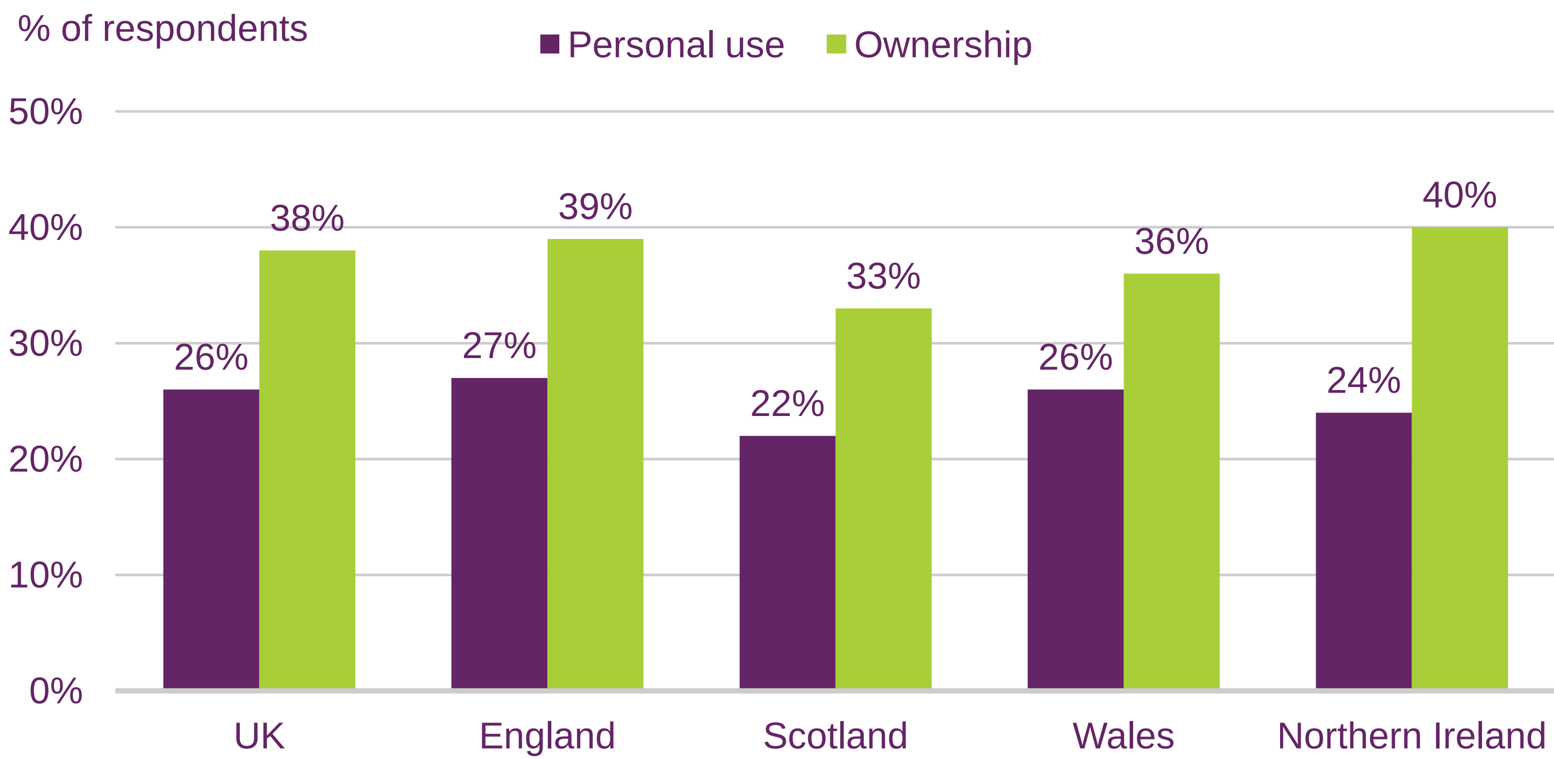
BBC iPlayer quarterly radio requests



Source: Ofcom calculations based on BBC iStats
Note: A change in methodology means that Q1 2013 is not comparable to previous data.

Figure 3.61

MP3 player/iPod ownership and personal use



Source: Ofcom research, Quarter 1 2013
Base: All adults aged 16+ (n = 3750 UK, 2250 England, 501 Scotland, 492 Wales, 507 Northern Ireland)
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?