

South Wales Market Music Analysis

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Executive summary

Ofcom has the ability to consent to the Format changes, in accordance with Sections 106 (1A) of the Broadcasting Act 1990 if it is satisfied that the following criteria is satisfied:

(b) The change would not narrow the range of programmes available in the area by way of relevant independent radio services

To confirm that the impact of the Format change on the existing range of available stations would be minimal, a music monitoring analysis was commissioned. This is a useful "real time" test of how stations are serving their audiences and interpreting their Formats. The analysis was carried out by radio programming consultant Paul Easton and was based on the daytime output of stations on Monday 16th November 2009 (0600 to 1900).

Music listings were compiled from a combination of tracking data and music logs from the following FM commercial radio stations in South Wales;

- Nation Radio
- Real Radio
- Kiss 101
- Red Dragon
- Bay Radio
- Bridge FM
- The Wave

In addition, we reviewed the music output of BBC Radio 1, which we, and the original XFM licence applicant, identified as the station with which we should compete.

The analysis confirms that the currently dominant genres will be the dominant genres on the station after the format is amended. Currently, 75% of the music output on Nation Radio consists of Modern Rock and Pop Rock. Under the proposed amended format these genres will continue to be dominant, ensuring the continued distinctiveness of Nation Radio to listeners in South Wales.

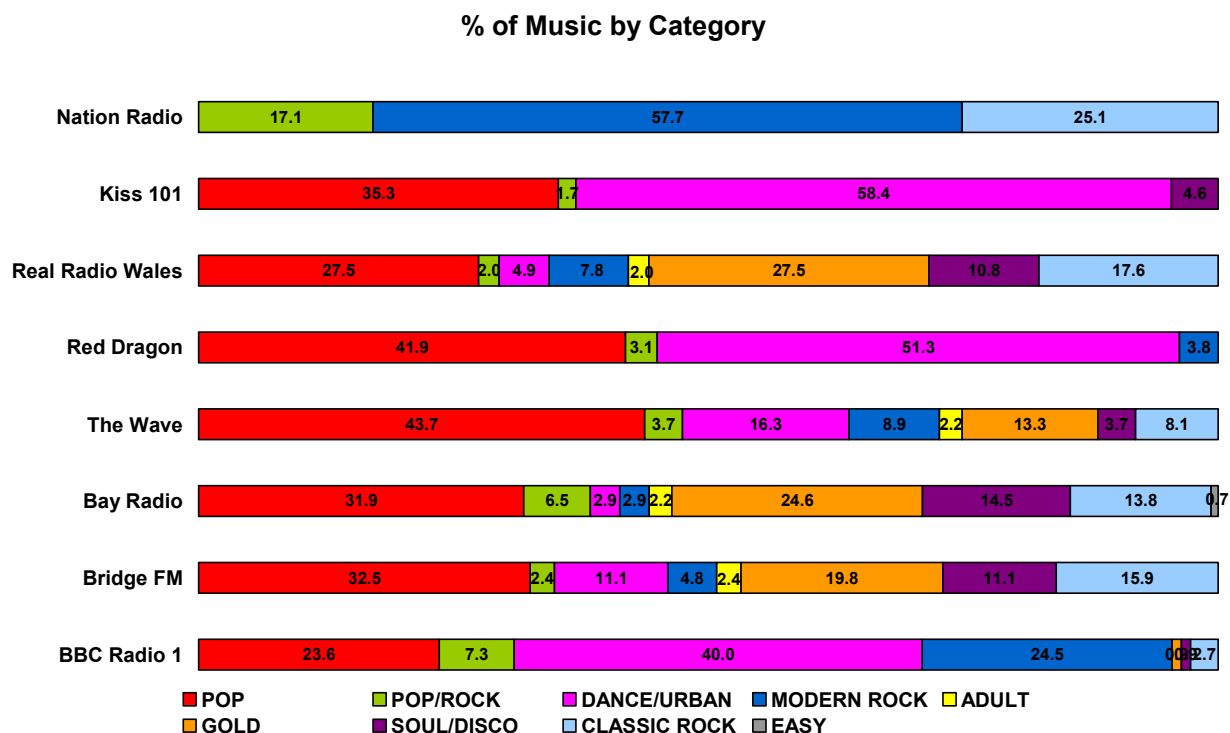
The analysis confirmed that Nation Radio is already closest in character to BBC Radio 1 through its commitments to new music, modern rock and song variety.

The analysis confirmed that Nation Radio could move further towards targeting BBC Radio 1, through a better focus on new music. The proposed amended Format will allow Nation to develop its character further and better serve its target audience, with a degree of flexibility to better reflect their musical tastes and interests. It will allow the inclusion of additional modern genres that are also complementary to modern rock genres, with reduced importance given to the older classic rock (pre-2000) genre.

The analysis confirmed that South Wales listeners are currently served by commercial radio stations playing predominantly the genres of pop, Dance/Urban, Soul and Gold. Indeed, since the original licence application in 2007, commercial stations have moved more heavily towards these genres, making Nation's modern rock oriented output more distinctive than ever. It is clear that if the Format amendment is granted by Ofcom, the radio choice in South Wales will not be diminished as no other station has Format commitments to local artists, new music or to the rock genre

Music category

The following chart shows the % of music by category played by each station.



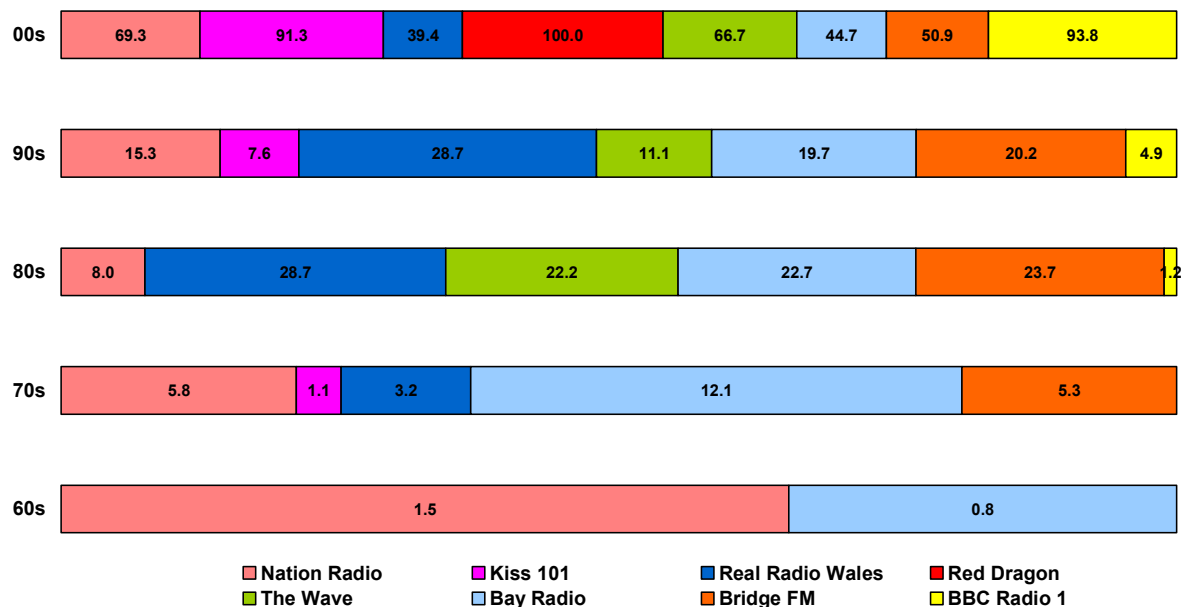
(The Gold, Soul/Disco, Classic Rock and Easy categories contain music pre-2000).

The chart confirms that Nation is the only commercial station playing mainly modern and pop rock, with nearly three quarters of its output coming from these genres.

BBC Radio 1 is the closest to Nation Radio with nearly a third of its songs originating from the genres of Modern and Pop Rock.

No other commercial station has a strong commitment to either of these genres.

% of Music by Decade



The format change will allow Nation to better compete with its BBC rival and focus more distinctively on the most recent music.

Currently under 70% of Nation's output is from the past 10 years, whilst BBC Radio 1 stands at more than 90%. The other South Wales regional service, Real Radio plays mainly oldies, with less than 40% of tracks coming from the past decade. In the Swansea market, it is noticeable that there is a distinct lack of choice for listeners who want music from more current eras.

Music Variety

Analysis was also carried out to determine the 'variety' of music played on each of the stations.

	Total	Different	% Variety
Nation Radio	175	137	78.3
Kiss 101	173	92	53.2
Real Radio	102	94	92.2
Red Dragon	160	59	36.9
The Wave	137	99	72.3
Bay Radio	138	132	95.7
Bridge FM	126	114	90.5
BBC Radio 1	110	81	73.6

Red Dragon played just 59 different tracks (out of 160) during the time period – the lowest percentage of any of the 8 stations. Kiss 101, with 92 different tracks (out of 173) had the second-lowest at 53.2%. Nation plays the most songs and this variety is in line with our target competitor BBC Radio 1, a characteristic we will retain under our amended format.

Crossover

We also compared the percentage of current (2009) tracks that were played both on Nation Radio and the other main stations in the market.

	Total	%
Nation Radio	32	100.0
Kiss 101	1	3.1
Real Radio	3	9.4
Red Dragon	3	9.4
The Wave	1	3.1
BBC Radio 1	8	25.0

The table confirms that our closest competitor for current song crossover is already with BBC Radio 1. The Format change will allow us to play a wider selection of credible artists that are complementary to our modern and pop rock core, thus allowing Nation to compete more effectively with its state funded rival.

New Music

This shows the percentage of new/pre-release music played on each of the main stations.

	%
Nation Radio	19.7
Kiss 101	6.5
Real Radio	2.1
Red Dragon	5.1
The Wave	2.0
BBC Radio 1	33.3

Again, the table confirms that Nation is already most in line with BBC Radio 1 for its percentage of new music played and the format change will allow is to build on this characteristic.

Conclusion

Nation's amended Format will enable it to continue to appeal to the same 15-34 demographic it currently targets, but with a degree of flexibility to better serve the tastes and interests of its target audience. The changes will also allow it to better compete with its target BBC service, Radio 1.

The monitoring analysis confirms Nation Radio's current distinctive music genre characteristics will continue to be the dominant genres on the station, meaning minimal change for listeners. Listeners in South Wales will continue to hear Nation as a distinctive station in the market as no other station has Format commitments to local artists, new music or rock.