3 Radio and audio content

3.1 Sector Overview

People in the UK consume a range of audio content including live radio, streamed music, recorded music and podcasts, on a range of devices.

Despite the range of ways in which audio content can now be consumed, the reach of live radio remains extremely high. Nine in ten people (89.6%) in the UK listen to the radio at least once a week – listening has remained at this level for the past five years.

While the proportion of people who listen to the radio has not changed year on year, people are listening to the radio for longer. Average listening per week increased by six minutes in the 12 months to Q1 2017 compared to the previous year, rising to 21 hours 24 minutes.

Figure 3.1: **UK radio industry: key metrics**

	2010	2011	2012	2013	2014	2015	2016
Weekly reach of radio (% of population)	90.8%	90.5%	89.6%	90.4%	89.4%	89.5%	89.6%
Average weekly hours per listener	22.3	22.6	22.0	21.4	21.3	21.3	21.4
BBC share of listening	54.8%	54.7%	54.8%	54.5%	53.7%	53.4%	52.5%
Total industry revenue*	£1280m	£1255m	£1261m	£1203m	£1257m	£1256m	£1245m
Commercial revenue*	£509m	£492m	£498m	£471m	£516m	£522m	£526m
BBC expenditure	£760m	£751m	£751m	£721m	£730m	£722m	£707m
Community radio revenue	£11.3m	£11.3m	£11.3m	£11.1m	£11.6m	£11.7m	£11.6m
Radio share of advertising spend	3.2%	3.2%	3.3%	3.1%	3.1%	3.0%	3.0%
DAB digital radio take-up (adults)	36.2%	40.3%	42.6%	46.3%	48.8%	53.4%	56.8%
Digital radio listening share	25.2%	28.4%	32.5%	36.3%	38.0%	42.2%	45.7%

Source: RAJAR (all adults age 15+) 12 months to Q1 of the following year. Ofcom calculations based on figures in BBC Annual Report and Accounts 2015-16 (www.bbc.co.uk/annualreport), AA/Warc, broadcasters. Revenue figures are adjusted for CPI.
*Commercial and total revenue figures for 2010-2013 are not wholly comparable to 2014 and 2015 due to an amendment to the data collection methodology.

There are 51 stations available on DAB in Northern Ireland.

3.2 Radio station availability

There are 51 stations broadcasting on DAB in Northern Ireland

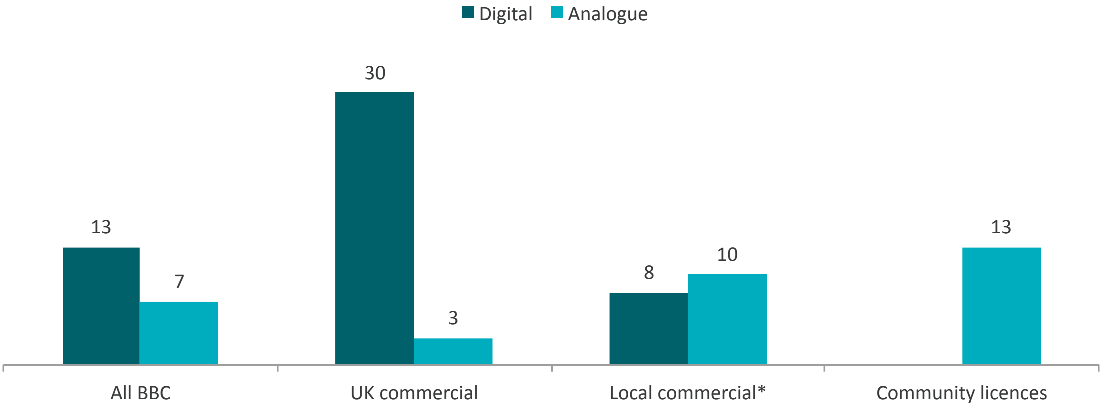
This comprises 13 from the BBC, 30 stations on the Sound Digital and Digital One multiplexes, and eight commercial stations on local DAB multiplexes.

However, not all these stations will be available on DAB to listeners across the whole of Northern Ireland.

As Figure 1.2 shows, the proportion of households within the coverage area for each DAB transmitter network (operated by the BBC, Digital One and Sound Digital Ltd) varies.

There are also 33 analogue stations available in Northern Ireland.

Figure 3.2: Radio station availability



Source: Ofcom, May 2017 *The eight digital local commercial services are carried on the local DAB multiplex. Four of these broadcast Northern Ireland-specific content.
Note: This chart shows the maximum number of stations available; local variations and reception issues mean that listeners may not be able to access all of them. Local commercial analogue includes seven separate stations broadcasting in different locations across Northern Ireland as the Q Network.

3.3 DAB coverage

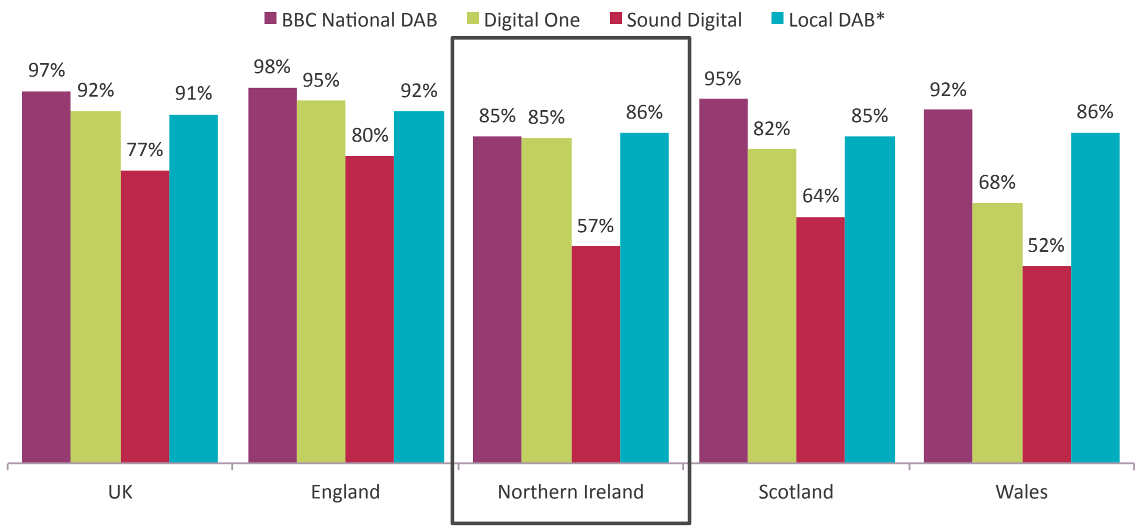
DAB services from the BBC and commercial broadcasters are available to a majority of households

DAB services from the BBC are available to 85% of households in Northern Ireland, the same as last year.

Coverage from Digital One, one of the UK-wide commercial multiplexes, can be received by 85% of households in Northern Ireland. The Sound Digital multiplex, which launched earlier this year, is currently available to 57% of households.

Coverage from the local DAB multiplexes in Northern Ireland, as well as across the UK, is currently being extended with the addition of new transmitter sites. By Autumn 2016, local DAB coverage in Northern Ireland reached an estimated 86% of households, representing a 7pp increase since 2015.

Figure 3.3: Household coverage of DAB



Source: BBC, Arqiva, Ofcom, May 2017. *Figures for local DAB are projections of expected coverage for mid-2017 based on a planned list of transmitter sites. The plan is continuing to be refined and actual coverage may differ slightly from those figures when the current programme of expansion completes during 2017.

3.4 Listening to audio content

Radio listeners in Northern Ireland spend 42 minutes more per week listening to the radio, compared to last year

Eighty-nine per cent of adults in Northern Ireland now listen to the radio, the highest reach in three years.

On average, people spend 20.8 hours listening to the radio in an average week, an increase of about 42 minutes compared to 2016.

The amount of time spent listening to any radio in Northern Ireland has increased by more than a million hours in the past year (26.4 million hours vs. 27.4 million hours).

Figure 3.4: **Average weekly reach and listening hours: 2017**

	England	Scotland	Wales	Northern Ireland	UK TOTAL
Average weekly listening	21.4 hours	20.6 hours	22.7 hours	20.8 hours	21.4 hours
Reach	89.7%	87.1%	91.6%	89.0%	89.6%

Source: RAJAR, All adults (15+), 12 months to Q1 2017. Reach is defined here as the number of people aged 15+ who tune to a radio station within at least 1 quarter-hour period over the course of a week.

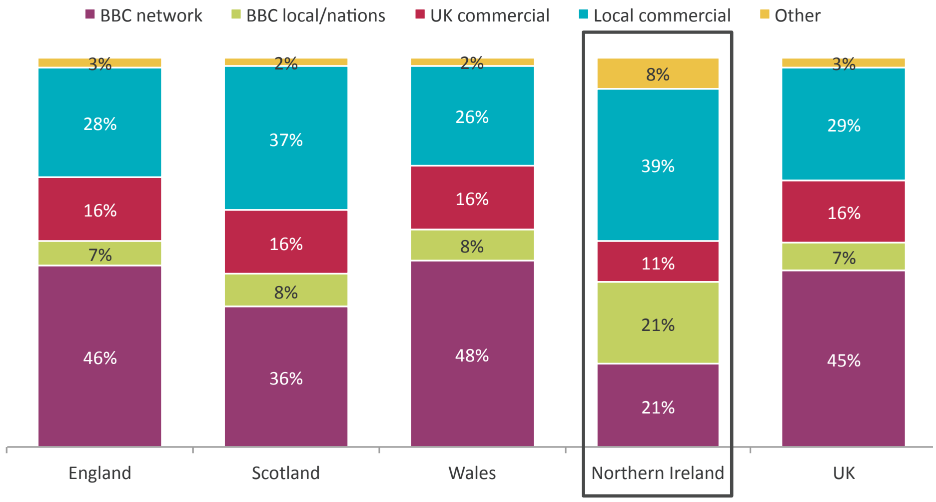
Six in ten hours of radio listening in Northern Ireland are to local radio

Sixty per cent of radio listening hours in Northern Ireland are accounted for by local services, an increase of 4pp since 2014. This is more than one and a half times greater than the UK average for listening to either local BBC or local commercial radio stations (36%) and the highest of any UK nation. Local commercial stations have a 39% share of listening hours in Northern Ireland, 10 percentage points (pp) higher than the UK average.

The nations' BBC services have a 21% share of listening hours. This is three times higher than the UK average for BBC local and nations' radio services. However, the BBC network stations have the lowest reach of all nations; less than half that of the UK average (21% in Northern Ireland vs. 45% across the UK).

Northern Ireland also has the highest proportion of listening to 'other' radio stations (8%), and around one in four radio listeners (23%) listen to these stations in a typical week compared to just 8% across the UK as a whole. This is likely to include a mix of listening to Republic of Ireland services, available via overspill stations, as well as community radio stations.

Figure 3.5: Share of listening hours, by nation

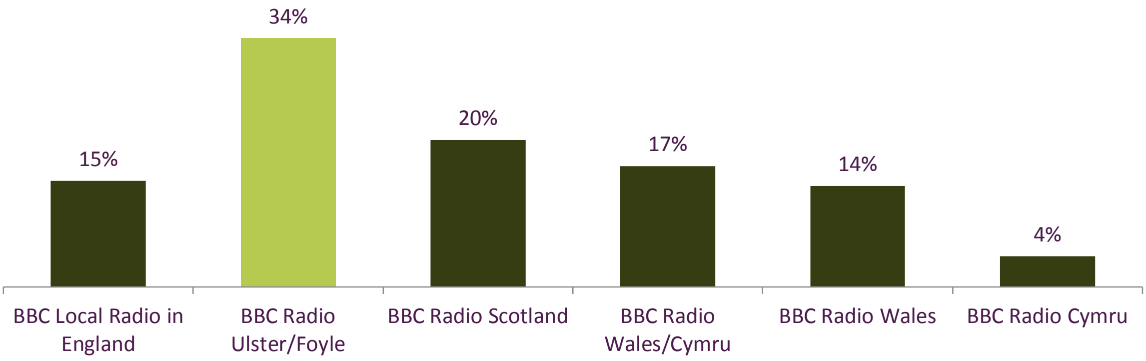


Source: RAJAR, All adults (15+), 12 months to Q1 2017

BBC Radio Ulster/Foyle outperforms all of the other BBC nations' services

Thirty-four per cent of adults in Northern Ireland listen to BBC Radio Ulster/Foyle each week. This is by far the highest weekly reach of any BBC nations' service, and 19pp higher than the aggregated reach of all the BBC local radio stations in England . The high reach, and the high share figures, also result in BBC Radio Ulster/Foyle having the highest average hours of all the BBC nations' services, with listeners tuning in for an average of 11 hours 42 minutes each week.

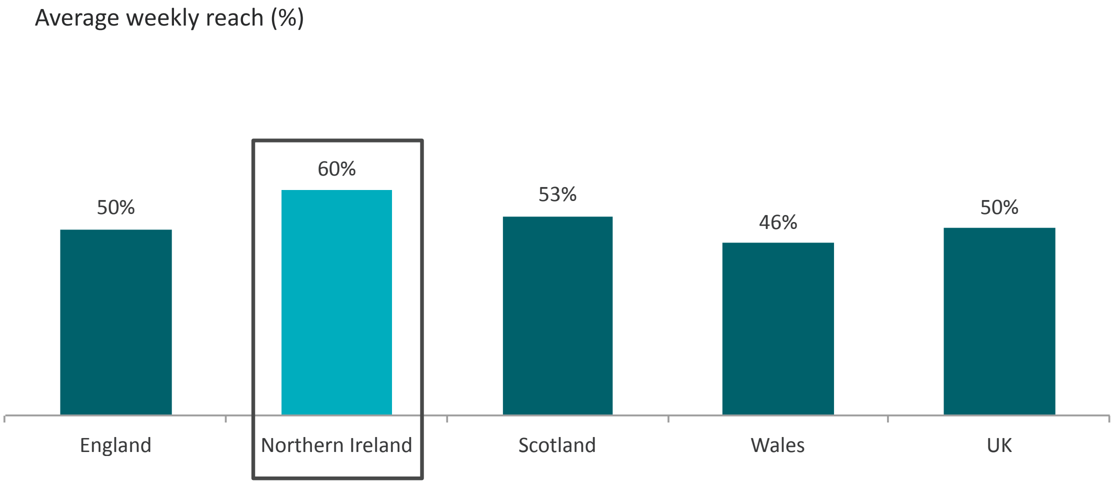
Figure 3.6: **Weekly reach for nations'/local BBC services**



Source: RAJAR, All adults (15+), 12 months to Q1 2017

The average weekly reach to local commercial radio in Northern Ireland in the 12 months to Q1 2017 was 60%- also the highest among the UK nations.

Figure 3.7: **Weekly reach to local commercial radio**



Source: RAJAR, All adults (15+), 12 months to Q1 2017

[1] In the 12 months to Q1 2017, BBC Radio Jersey was the only BBC local service with a higher reach than BBC Radio Ulster in the area in which it broadcasts (37.2%).

3.5 DAB digital radio set ownership and listening

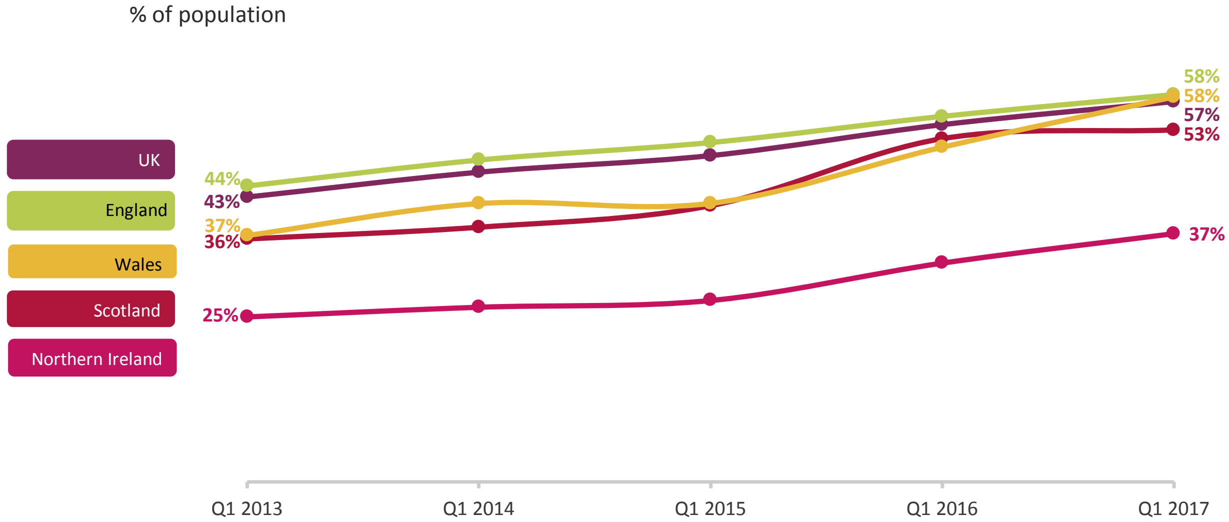
Although ownership of DAB digital radio sets is increasing, it is significantly lower than in the other UK nations

Thirty-seven per cent of adults in Northern Ireland now have a DAB radio, an increase of 4pp since 2016.

However, this is significantly lower than the other nations of the UK, especially Wales and England, where ownership currently stands at 58%.

This is likely to be influenced by the lower reach of UK-wide services in Northern Ireland, as a key selling feature of DAB is the availability of a greater range of UK-wide stations from the BBC and commercial providers.

Figure 3.8: **Ownership of DAB digital radios**



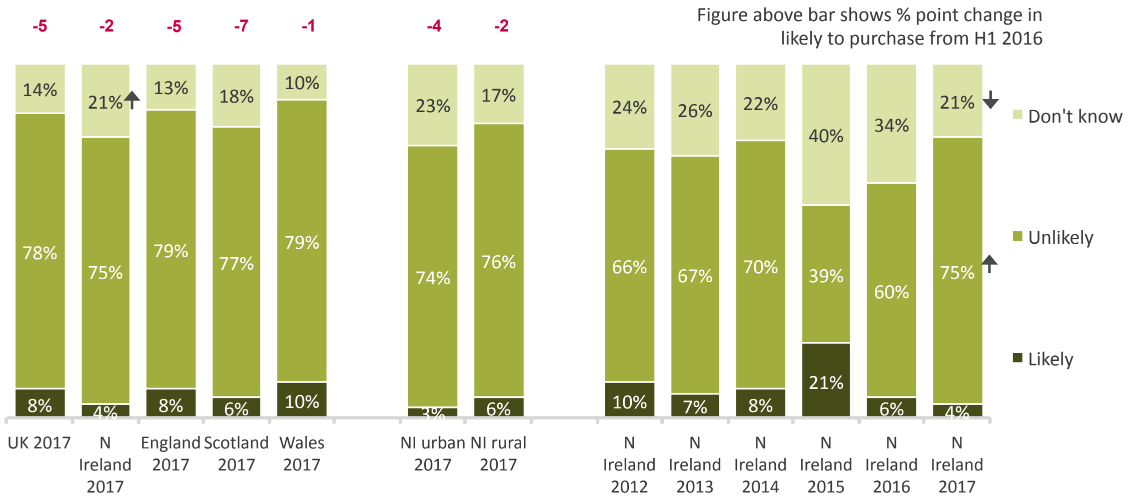
Source: RAJAR, All adults (15+), 12 months to Q1 Note: In previous CMR reports we have used figures from Ofcom's Tech Tracker

Less than one in ten radio listeners in Northern Ireland without a DAB set say they are likely to buy one within the next year

Four per cent of radio listeners in Northern Ireland who do not have a DAB set say they are likely to get one in the next 12 months.

There has been no positive change in the likelihood of buying a DAB set since 2016, but fewer respondents say they are unsure (21% vs. 34% in 2016) and more say they are unlikely to buy a DAB set (75% vs. 60% in 2016).

Figure 3.9: Likelihood of purchasing a DAB radio within the next year



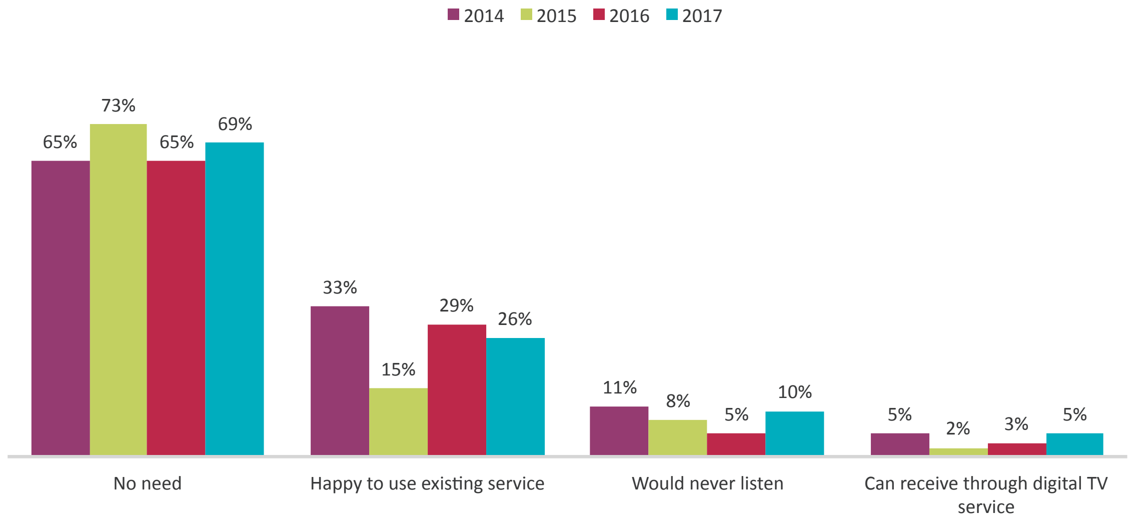
Source: Ofcom Technology Tracker, Half 1 2017
Base: Adults aged 16+ who listen to radio and do not have a DAB set (n = 1533 UK, 269 Northern Ireland, 800 England, 250 Scotland, 214 Wales, 131 Northern Ireland urban, 138 Northern Ireland rural, 305 Northern Ireland 2012, 300 Northern Ireland 2013, 284 Northern Ireland 2014, 271 Northern Ireland 2015, 275 Northern Ireland 2016, 269 Northern Ireland 2017).
Significance testing: Arrows indicate any significant differences at the 95% confidence level between Northern Ireland and UK in 2017, between Northern Ireland urban and rural in 2017 and at the 99% confidence level between Northern Ireland 2016 and 2017. Circles around the +/- figures above the chart indicate any significant difference at the 99% confidence level between 2016 and 2017 for Northern Ireland, urban and rural.
QP12: How likely is it that your household will get a DAB radio in the next 12 months?

Most of those not likely to buy a DAB set say they 'have no need of one'

Radio listeners stating they were unlikely to get DAB radio in the next 12 months were asked to say – without prompting – why they were unlikely to do so. More than two-thirds (69%) said it was because they did not need it, while a quarter (26%) said it was because they were happy using an existing service. One in ten stated that they would never listen to it (10%), while 5% responded that they could receive a digital radio service through their TV.

There has been no change since 2016 in the reasons given for being unlikely to buy a DAB set.

Figure 3.10: **Reasons why unlikely to purchase DAB in the next year**

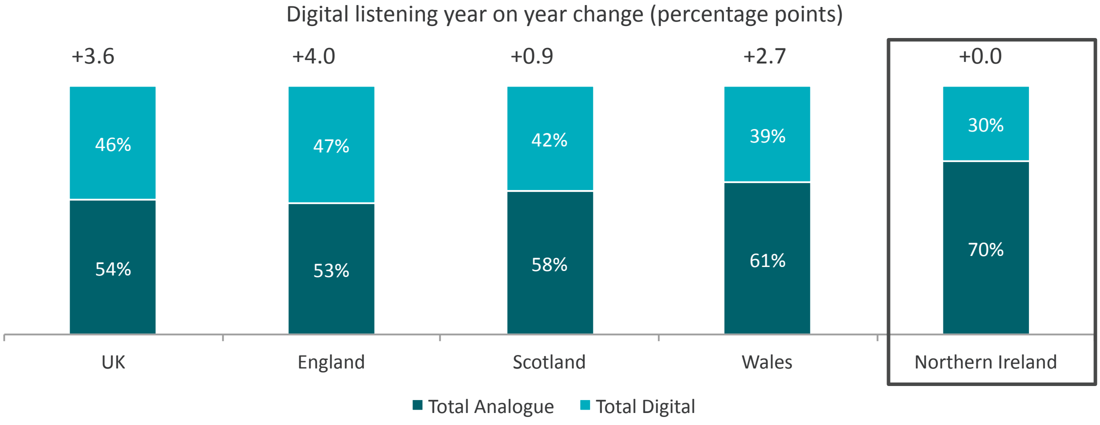


Source: Ofcom Technology Tracker, Half 1 2017
Base: All adults aged 16+ who listen to radio and are unlikely to get DAB radio in the next 12 months (Northern Ireland 2014 = 204; Northern Ireland 2015 = 113; Northern Ireland 2016 = 177, Northern Ireland 2017 = 206)
Responses shown for spontaneous mentions by 5% or more at a UK level
Significance testing: Arrows indicate any significant differences at the 99% confidence level between Northern Ireland 2016 and 2017.
QP14: Why are you unlikely to get digital radio in the next 12 months?

Digital share of listening is lowest in Northern Ireland

Listening to radio services through all digital platforms[1] accounts for 30% of total listening hours in Northern Ireland, 16pp lower than the UK average. The majority of digital listening is through a DAB set (63%) followed by 20% through the internet and 17% through a digital TV.

Figure 3.11: **Share of listening hours via digital and analogue platforms: 2015**



Source: RAJAR, All adults (15+), 12 months to 2017

[1] DAB, digital television and the internet.

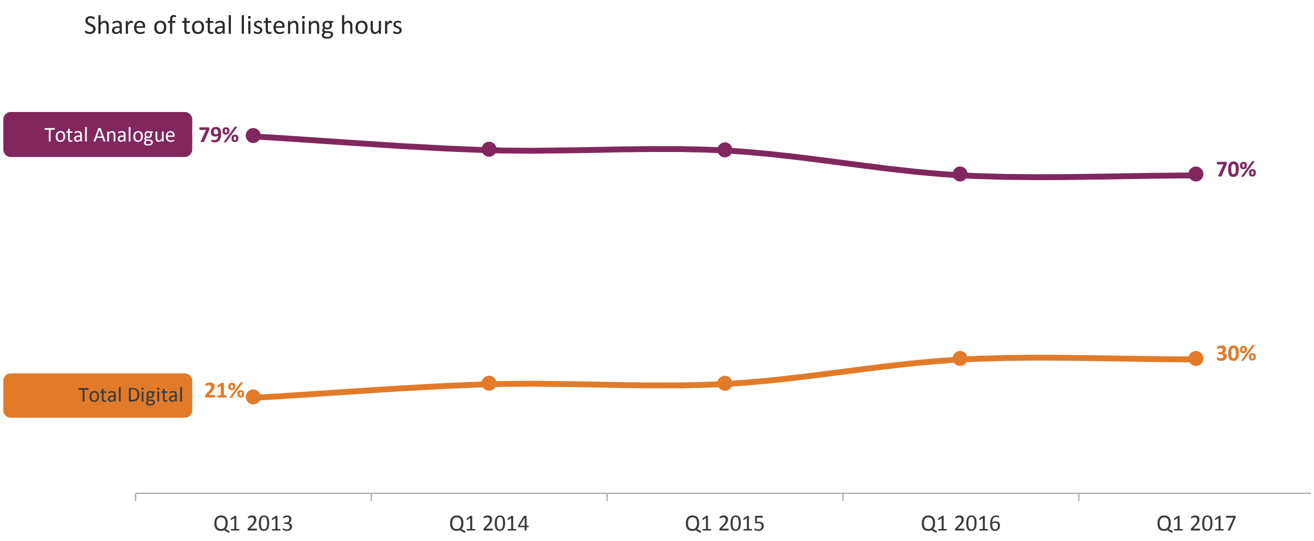
Digital's share of listening remains stable since last year

Although the proportion of listening through any digital platform has increased by 9pp since 2013, there has been no overall increase since 2016. However, there are some differences between specific digital platforms.

For example, the share of listening done through a DAB set increased by 2pp compared to the previous year (19% vs. 17%), whereas listening via the internet or through digital television both dropped by 1pp in the same period.

In the 12 months to Q1 2017, the average weekly reach of DAB in Northern Ireland was 39%, an increase of 23pp since 2010. The average weekly reach of radio stations via DTV was 14%, a decline of 2pp since 2016; it has been overtaken by the average weekly reach of listening to radio stations via the internet, at 16%.

Figure 3.12: **Share of listening hours via digital and analogue platforms in Northern Ireland: Q1 2013 to Q1 2017**



Source: RAJAR, all adults, 12 months to Q1 each year

3.6 The radio industry

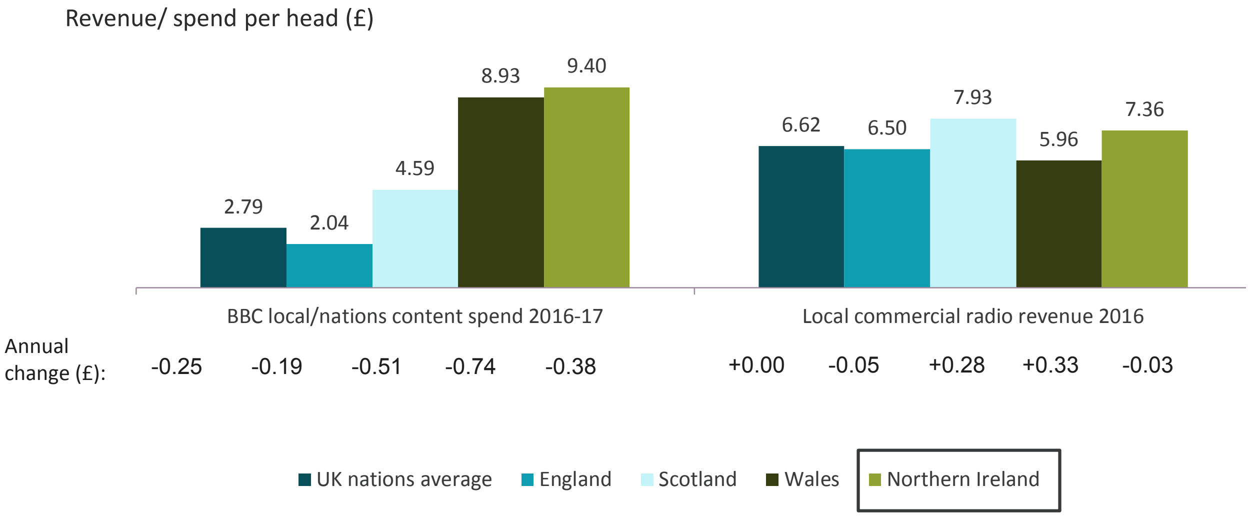
Local commercial radio revenue per head of population in Northern Ireland has continued to be above the UK average

Local commercial radio revenue in Northern Ireland grew by 3p in real terms per head of population in 2016, to £7.36.

This is higher than the UK average, and the second highest revenue per head across all the UK nations. Overall local commercial radio revenue in Northern Ireland in 2016 was £13.7m, up 1% in real terms on the previous year.

Spend on radio content for BBC Radio Ulster and Radio Foyle fell 3% in real terms between 2015-16 and 2016-17. However per capita expenditure was the highest in the UK at, £9.40.

Figure 3.13: **Local/nations' radio spend and revenue per head of population: 2016**



Source: Broadcasters
Note: The UK total shows the average for analogue local commercial radio across the four nations and therefore excludes services broadcast UK-wide. Figures are adjusted for CPI. Local commercial radio revenues at 2016 prices, BBC expenditure at March 2017 prices.