

3 Radio and audio content

3.1 Recent developments in Scotland

Real Radio Scotland has been rebranded as Heart

In February 2014 Capital Scotland was sold to the Irish media holding company, Communicorp. It was sold as part of eight stations divested by Global Radio to satisfy the UK regulatory authorities following the acquisition, two years ago, of GMG Radio from Guardian Media Group.

Under a brand licensing agreement, Communicorp has rebranded the 'Real' stations under the 'Heart' franchise and plans to relaunch the 'Smooth' stations following the reintroduction of local programming. Therefore, Real Radio Scotland was rebranded as Heart Scotland in May 2014.

XFM Scotland was re-launched by its owners, Global Radio, in March 2014.

3.2 Radio station availability

Five new community radio stations are available to listeners in Scotland

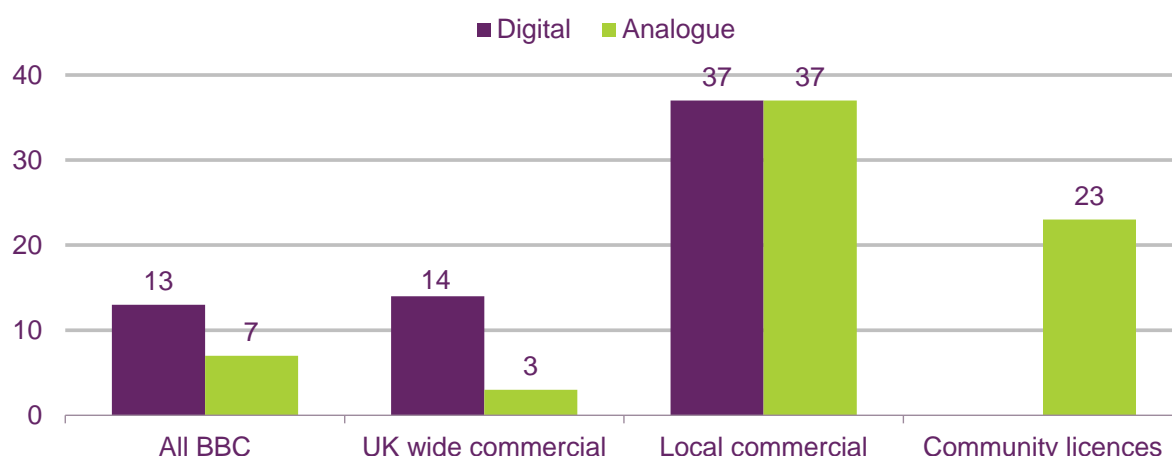
Scotland's community radio industry has continued to grow. There are now 23 community stations on air, out of the 31 licences that have been awarded in Scotland. New to air in 2013/14 were East Coast FM, Irvine Beat FM, Crystal Radio, and K107 FM. Irvine Beat FM has received funding from the Lottery Awards for All fund to build a training studio. Nevis Radio, which serves Fort William and the surrounding areas, was originally licensed as a commercial radio service, but having chosen to become a community radio service it was awarded this licence instead, on application.

The remaining eight of the most recent round of licence awards are preparing to launch. A licensee has two years from the date of the licence award in which to launch a service.

Community radio stations across Scotland carry the weekly politics and current affairs programme *The Week in Holyrood*, produced by Caledonia Media. It includes coverage of the chamber and committees as well as unique content generated for the programme. The programme also carries coverage of the European and UK Parliaments.

Most radio stations in Scotland are local commercial stations, with an equal amount of services (37) available on DAB and on analogue.

Figure 3.1 Radio station availability: Scotland



Source: Ofcom, April 2014

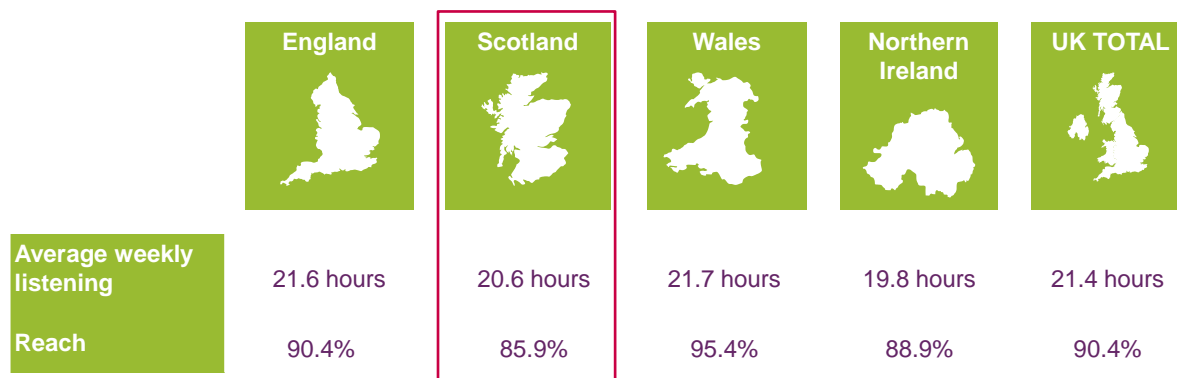
Note: This chart shows the maximum number of stations available; local variations along with reception issues mean that listeners may not be able to access all of these

3.3 Patterns of listening to audio content

Scotland continues to have the lowest reach for radio among the UK nations

In 2013, radio services reached 85.9% of adults in Scotland (Figure 3.2). This is the lowest reach of all the UK nations and 4.5pp lower than the UK average (90.4%). On average, adult radio listeners in Scotland listened to 20.6 hours of radio per week. Although higher than in Northern Ireland, adults in Scotland listened to radio for fewer hours than those in England and Wales (21.6 and 21.7 hours respectively) and the UK average (21.4 hours).

Figure 3.2 Average weekly reach and listening hours: 2013



Source: RAJAR, All adults (15+), year ended Q4 2013. 'Reach' is defined as a percentage of the area and adults population who listen to a station for at least 5 minutes in the course of an average week.

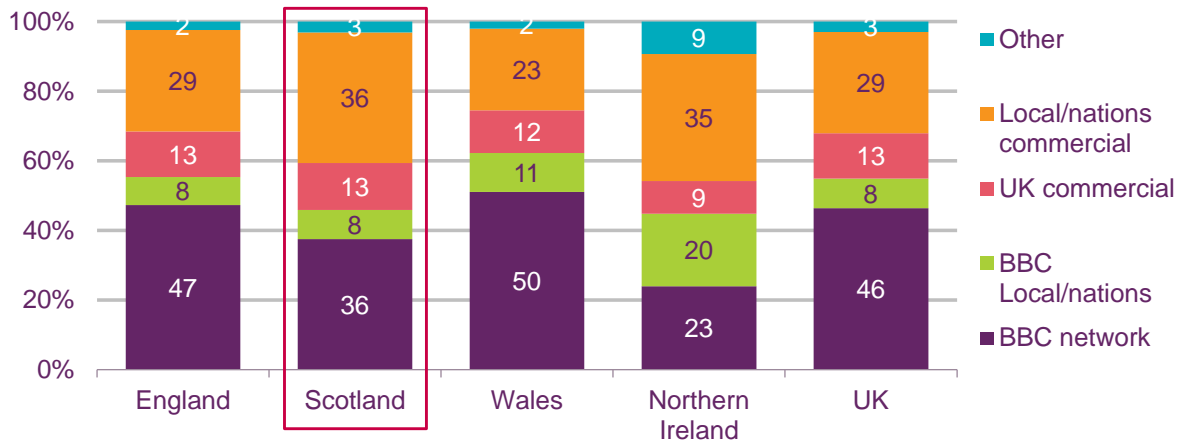
Local commercial stations are more popular in Scotland than in other nations

Local commercial stations accounted for a 36% share of listening hours in Scotland in 2013. This is the highest share for this radio sector compared to the other nations, and 7pp above the UK average (Figure 3.3). Overall, commercial radio accounted for around half (49%) of adults' total share of listening hours in Scotland, higher than any other nation and 7pp above the UK average (42%).

The shares of listening hours to UK commercial stations and BBC local/nations' stations are in line with the UK averages (at 13% and 8% respectively), and also match England's share of listening hours for both sectors.

Share of listening hours to BBC network stations is equal to that for local commercial stations, at 36%. Although higher than Northern Ireland, this is 10pp below the UK average (46%) and accounts for a lower share in this sector than in England (47%) and Wales (50%).

Figure 3.3 Share of listening hours, by nation: 2013



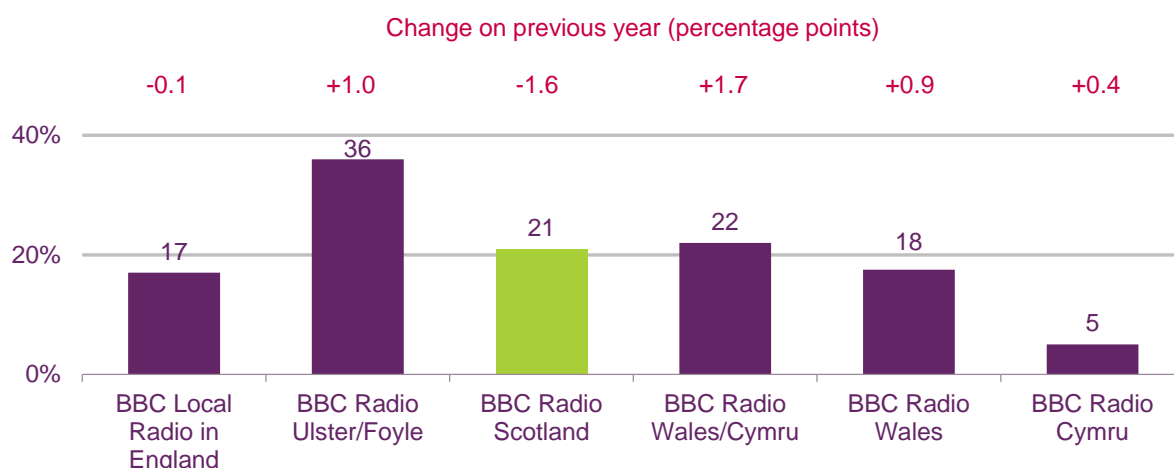
Source: RAJAR, All adults (15+), year ended Q4 2013.

There has been a decline in listening to BBC Radio Scotland

The reach of BBC Radio Scotland fell by 1.6pp year on year to 21% of all adults during an average week in 2013 (Figure 3.4). Scotland and England are the only nations in which the reach of the BBC local/nations radio services did not increase year on year. Despite the fall in reach, share of listening hours for BBC Radio Scotland were in line with the UK average of 8% during 2013.

BBC Radio's Gaelic-language service, Radio nan Gàidheal, reached 65.4% of Gaelic speakers aged 16+ in Scotland in 2013. This was a reduction from the 69.5% in 2012, which is likely to be the result of the greater choice of Gaelic media since the BBC Alba television channel became more widely available on different platforms. Listening to Radio nan Gàidheal is measured separately to other radio services through a panel of Gaelic speakers by Lèirsinn Research Centre and listening figures are not comparable to the figures sourced by RAJAR in Figure 3.4.

Figure 3.4 Weekly reach for nations/local BBC services: 2013



Source: RAJAR, All adults (15+), year ended Q4 2013

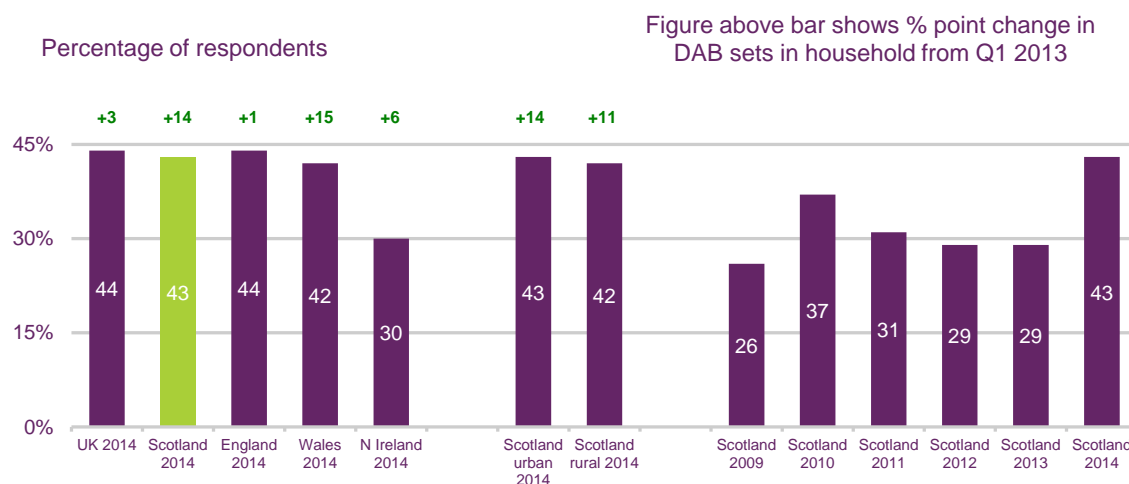
Note: The reach for BBC Radio's Gaelic-language service, Radio nan Gàidheal is not measured by RAJAR and is therefore not included with the figure for BBC Radio Scotland.

3.4 Digital radio set ownership and listening

More than four in ten households in Scotland now have a digital radio set

DAB radio set ownership in Scotland has increased by 14pp since Q1 2013, to 43% of households in Q1 2014. This large increase brings Scotland into line with the UK average (44%). There is no significant difference in levels of DAB set ownership between urban and rural households; both have increased by a similar amount.

Figure 3.5 Ownership of DAB digital radios



QP9. How many DAB sets do you have in your household?

Source: Ofcom research, Q1 2014

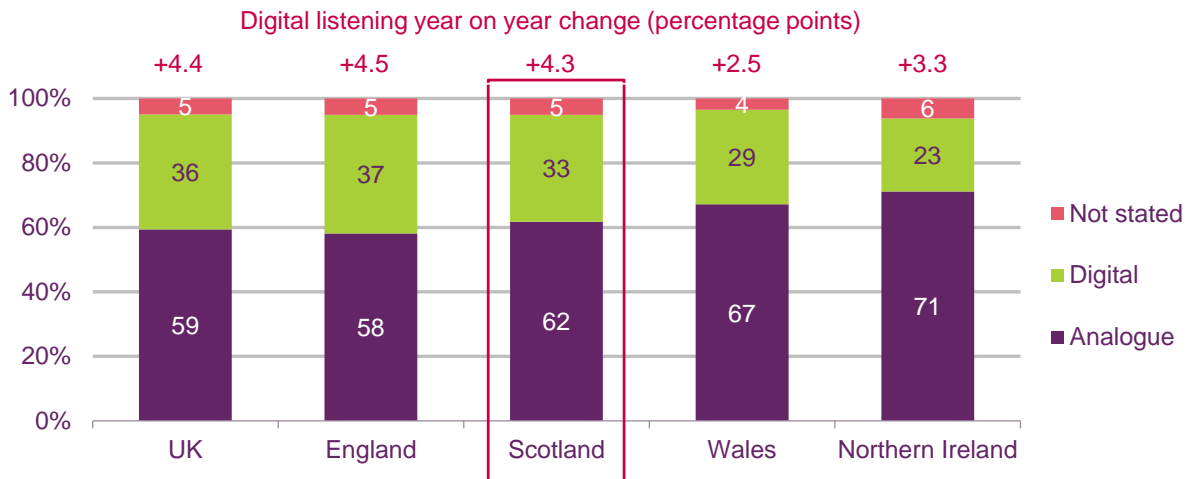
Base: Adults aged 16+ who listen to radio (n = 2885 UK, 392 Scotland, 1686 England, 403 Wales, 404 Northern Ireland, 202 Scotland urban, 190 Scotland rural, 780 Scotland 2009, 1034 Scotland 2010, 357 Scotland 2011, 364 Scotland 2012, 375 Scotland 2013, 392 Scotland 2014)

NB. Data in 2011 based on those who listen to radio and have any radio sets in the household that someone listens to in most weeks

One third of all listening in Scotland was through a digital platform

Digital listening in Scotland grew 4.3pp year on year; a third (33%) of listening hours are now via a digital platform (Figure 3.6). Although share of listening on a digital platform is lower than the UK average (36%), the rate of year-on-year growth experienced in digital listening in Scotland is similar to that for the UK overall (which experienced 4.4pp year-on-year growth).

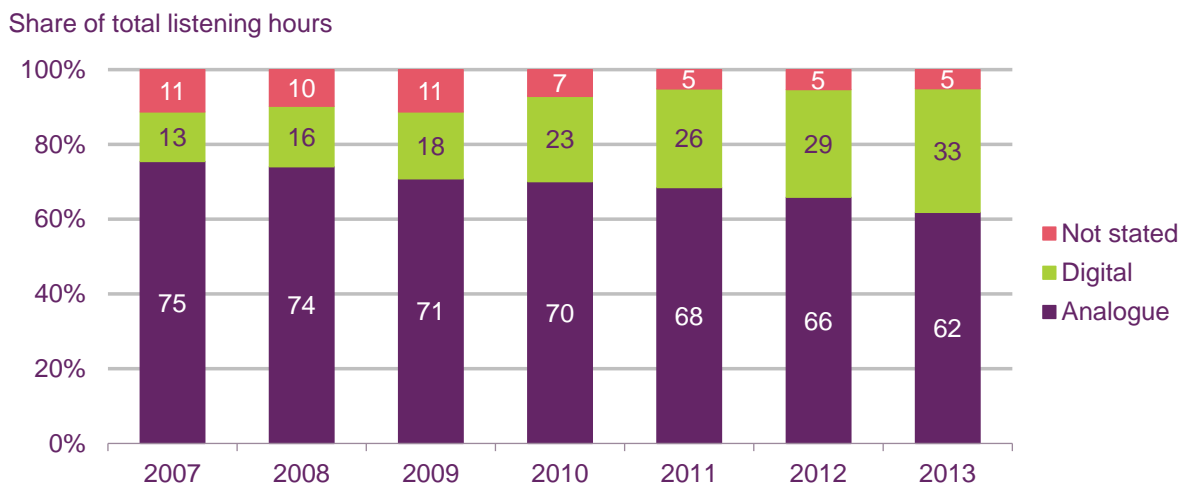
Figure 3.6 Share of listening hours via digital and analogue platforms: 2013



Source: RAJAR, All adults (15+), year ended Q4 2013.

Figure 3.7 shows that the growth in share of radio listening on a digital platform in Scotland has been steady and continuous over the years, with digital listening now 20pp higher in 2013 than it was in 2007 (33% vs. 13%) This increase in the digital share of listening is similar to that seen in England (22pp since 2007).

Figure 3.7 Share of listening hours via digital and analogue platforms in Scotland: 2007-2013



Source: RAJAR, all adults, calendar years 2007-2013

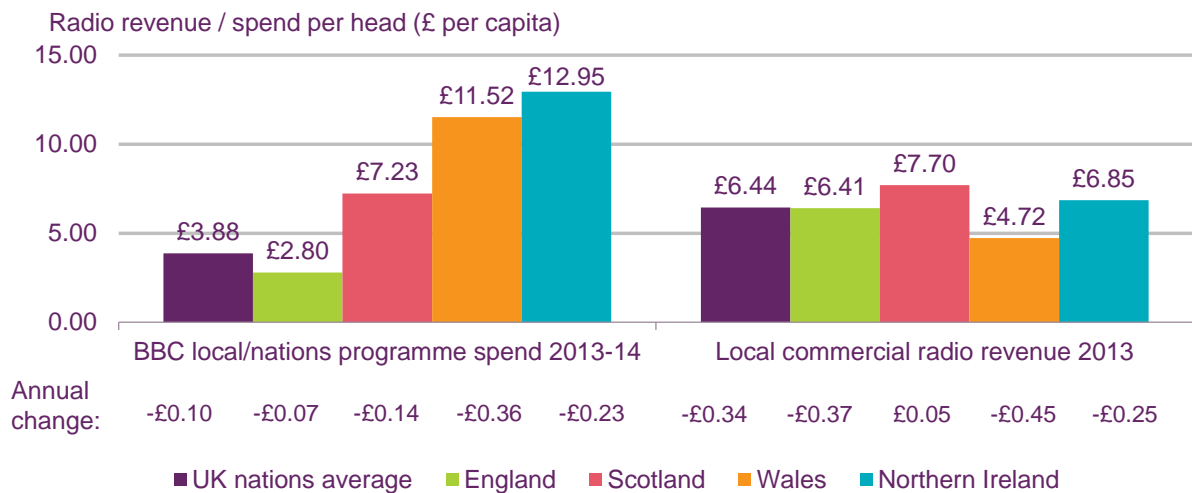
3.5 The radio industry

Commercial radio revenue per head of population was highest in Scotland

The total revenue generated by local commercial radio stations in Scotland totalled £40.9m in 2013. When adjusted to the size of the population, the revenue per person was £7.70, the highest of all the UK nations, and an increase of £0.05 on 2012. Scotland was the only nation to have increased its local commercial radio revenue per head year on year.

The combined spend on BBC Radio Scotland and BBC Radio nan Gàidheal totalled £38.4m in 2013-14, a reduction from £39m in the previous year. Expenditure per head in Scotland decreased by £0.14 to £7.23.

Figure 3.8 Local/nations radio spend and revenue per head of population: 2013-14



Source: Broadcasters Note: The UK total shows the average for local commercial radio across the four nations and therefore excludes revenues for the UK-wide commercial stations: Classic FM, talkSPORT and Absolute.